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On June 4, 2003, the Supply Chain Council (SCC) released the latest, major upgrade of its Supply-Chain Operations Reference-model (SCOR), SCOR 6.0.

The SCC was organized in 1996 and initially included 69 member companies. Since then, its worldwide membership has grown to approximately 800, in large part because of the popularity of its SCOR approach to supply chain process analysis, design and improvement. The last two major revisions of SCOR, 4.0 and 5.0, focused on the inclusion of a new Level 1 Process element, *Return*. In 6.0, the revision has focused primarily on the inclusion of a new Level 2 and 3 Process element: *Deliver Retail Product*. There are 3 basic improvements included in SCOR 6.0. We will focus on the new Retail process and briefly describe the Return and eBusiness Best Practice processes.

Retail

A number of organizations focused on the retail sector identified a need to better describe the unique sequence of activities associated with delivering product to customers through retail channels. The Retail Store Operations Project Team determined that a new process, D4, *Deliver Retail Product* would provide significant enhancement to the Model and the Define Retail Product team was established to create the model.

Those familiar with SCOR will recall that the core Level 2 processes have always been subdivided into three parallel processes:

SOURCE

- S1 Source Stocked Product
- S2 Source M-O-D Product
- S3 Source E-T-O Product

MAKE

- M1 Make-to-Stock
- M2 Make-to-Order
- M3 Engineer-to-Order

DELIVER

- D1 Deliver Stocked Product
- D2 Deliver M-O-D Product
- D3 Deliver E-T-O Product

The new Deliver process is closest to D.1, *Deliver Stocked Product*, and a comparison of the two Level 3 sequences provides a clear idea of the major differences. (Readers unfamiliar with SCOR may want to check the White Paper, *An Introduction to the Supply Chain Council's SCOR Methodology* on the BPTrends website.[1]) The current D1, Level 3 process is illustrated in Figure 1

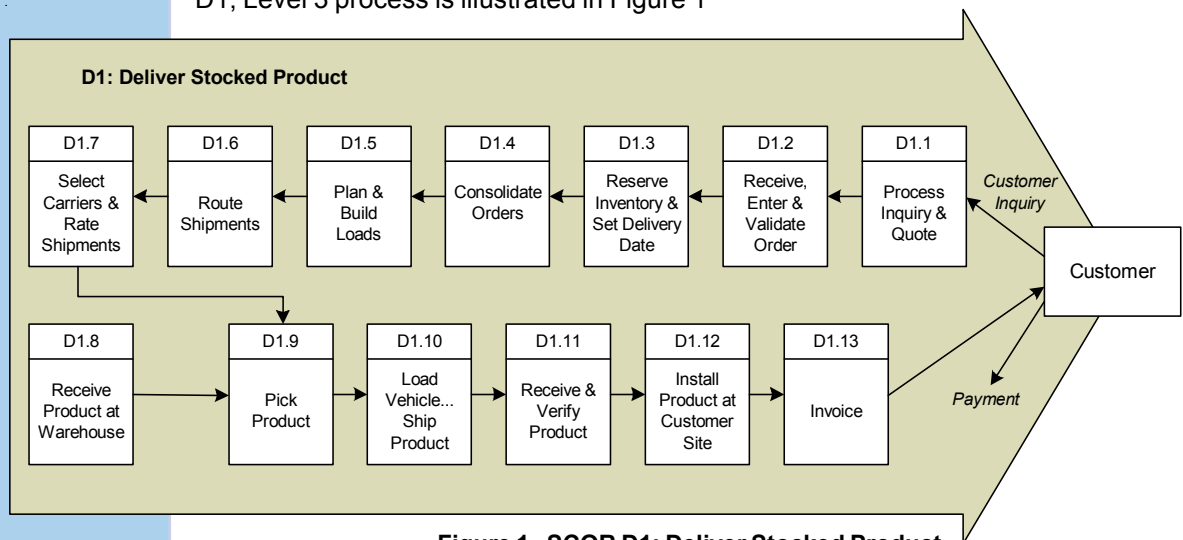


Figure 1. SCOR D1: Deliver Stocked Product



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Note that the standard SCOR diagrams do not include a customer box, but we have inserted one to emphasize how the two delivery processes differ. In essence, D1 assumes that a customer orders product which is then shipped direct to the customer from the manufacturer's warehouse.

The new D4 *Deliver Retail Process*, on the other hand, assumes that a retail store stocks merchandise and that customers come to the store to purchase goods, as suggested in Figure 2.

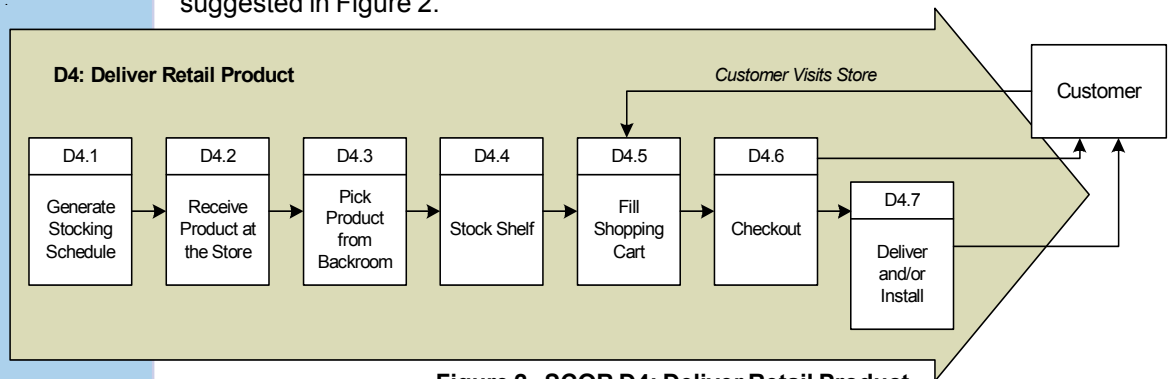


Figure 2. SCOR D4: Deliver Retail Product

Obviously, some companies will combine the two processes in supply chain configurations, using D1 to model a retail outlet that orders from the manufacturer's inventory, followed by D4 to model the relationship between the retail store and the retail customer who buys off the shelf.

The *Deliver Retail Product* team not only defined a new sequence in considerably more detail than we have shown, but also defined metrics for the new process and identified best practices that companies could use to implement the specific activities. The metrics defined for D4 are shown in the table below.

Process Category: Deliver Retail Product		Process Number: D4
Process Category Definition		
Deliver Retail Products are the processes used to acquire, merchandise, and sell finished goods at a retail store. A retail store is a physical location that sells products (and services) direct to the consumer using a point of sale process (manual or automated) to collect payment. Merchandising at a store level is the stocking and restocking of products in designated storage locations to generate sales in a retail store.		
Performance Attributes	Metrics	
Reliability	Shelf Stock Out % Replenishment Accuracy Replenishment Timeliness Shelf Space to Market Share Ratio	
Responsiveness	Replenishment Lead Times	
Flexibility	Service Levels / Accuracy	
Cost	Retail Store Cost	
Assets	Days of Stock in Retail	
Best Practices	Features	
None identified	None identified	

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The new SCOR *Deliver Retail Product* specification reflects a lot of work on the part of the SCC task force that created it, and will undoubtedly make SCOR more popular with retail operations that are considering this powerful approach to rapid supply chain specification and development.

The SCC SCOR updates are managed by a Technical Development Steering Committee (TDSC), a standing committee elected by the SCC membership. Specific changes are undertaken by volunteer teams, usually sponsored by a member of the SCC TDSC. The sponsor for the *Deliver Retail Product* team was Steve Miller of Disney. The team leader was Peter Bolstorff of SCE Limited. Other team members included representatives of SuperVALU, Target, Gold'n Plump Poultry, Best Buy, and others. The resulting proposal was approved by both the TDSC and the Board of Directors of the SCC.

Return

The R2 – *Return of Maintenance, Repair and Overhaul* (MRO) Product has been rewritten and updated for ease of use. The models SR2 and DR2 (MRO Product) have been updated. The graphics and the process descriptions have been updated and metrics, and inputs and outputs, have been expanded. This work will be replicated for R1 and R3 in the next Model revision.

eBusiness Best Practice

eBusiness best practices have been included in the Make processes which continues an update of best practices that was begun in Version 5.0 of the model. A continuous review of technology's impact on the supply chain practice indicates that while technology has continued to change, the underlying processes have not. However, best practice that supports the process continues to evolve and SCOR 6.0 updates the best practice and technology section to reflect proven eBusiness methodologies and technology.

A new revision, SCOR 7.0 is already being planned.

Notes:

The new SCOR 6.0 changes are documented in the SCC's Supply-Chain Operations Reference-Model (SCOR) 6.0, which is available on the SCC website if you are a member of SCC: www.supply-chain.org

[1] See www.bptrends.com and Publications/White papers.