

WHOLESALE COMPLIANCE

Founded in 1935, GNC is the world's largest global health, wellness, and performance retailers. Since the beginning, GNC believes in an unwavering commitment to the highest standards, of not only their products, but to their Customers as well. A few years ago, GNC decided to revisit their Wholesale Compliance, as the Distribution Centers and Accounting were not communicating effectively, and with visibility, to increase their inventory performance. Chargebacks were increasing due to the lack of communications between the departments, and lack of accountability when there were stock variations and returns.

GNC AT A GLANCE

GNC has approximately 8,400 locations, of which 6,200 were in the United States (including about 2,200 Rite-Aid licensed store-within-a-store locations), as well as franchise operations in 50 countries. With over 12,000 employees, GNC is considered one of the largest health and wellness retailers globally.

THE CHALLENGE

Rivet™ was incorporated to process invoice shortages/overages from GNCs wholesale partners, investigate cause, file, and resolve disputes, and provide guidance to Accounts Receivable for the balancing of accounts.

REAL WORLD RESULTS

Leveraging Rivet™, GNC was able to see results almost immediately. Some examples of these are the following:

- Substantial improvement in data integrity, saving both time and money
- Labor savings in time spent entering data, emailing, organizing, and prioritizing items that required resolution
- All spreadsheets that were previously functioning as support to the process were replaced by Rivet™

SUMMARIZING SUCCESS

Rivet™ got the task to the department and person that needed to see it, prioritized in the correct order. The accounting chaos was swiftly resolved and GNC found the entire integration and usage extremely linear and simple. Data entry was standardized and minimized, reducing time and labor costs, with Rivet™ setting priorities and deadlines. Job done!

REDUCE CHARGEBACKS

Accounting was a nightmare within the Distribution Centers, as there were no means to communicate what had been sold, returned, and what was not viable. Inventory was not being audited efficiently or in a standardized way. The Distribution Center had their own system independent of Accounting and was not normalized in any manner with every spreadsheet having its own presentation.

When Rivet™ was integrated into GNC's system, labor costs were reduced through data integrity - using a standardized form of presenting data to the different departments, allowed complete transparency of inventory to the Accounting departments, reducing the number of chargebacks, therefore saving GNC money immediately.

Increasing visibility and accountability, Rivet™ added ownership to inventory issues throughout the entire process, seamlessly giving all stakeholders the ability to report any warehouse or stock anomalies and allowing those accountable to rectify them. Management was able to track issues immediately and follow up with those responsible in real time.

MINIMAL TRAINING

Over the past few years, GNC had substantial turnover within numerous departments, therefore new staff, more training. However, minimal interactions between GNC and their Vendors occurred for training purposes, as the interface is intuitive and clear, linear, and simple. Rivet™ got the right task to the right people, in the right order. Everyone could be on the same page, yet also allows true ownership and accountability, resulting in less time wasted chasing Vendors and following up on inventory anomalies.

ABOUT TRAVERSE SYSTEMS

Traverse Systems is an interdisciplinary team of engineers, operators, and industry experts who workday-in and day-out to build best-in-class enterprise solutions that redefine business partnership management and supply chain success.

Since 2000, we have served some of the world's most respected brands including CVS, Burlington Stores, Michaels, Tractor Supply, Kohl's, and more.

Markets and consumer expectations are changing rapidly, and old operational models are breaking under the pressure. Our job is to mitigate those risks with technology and expertise that optimizes performance and execution.