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— MANDY GAFFNEY, DIRECTOR,
GAFFNEY OF TIPTREE



Gaffney of Tiptree Improves Supply Chain Efficiency

GXS Tradanet® Service Helps Party Novelty Manufacturer Link up with Major Retailers and Make Savings on Administration Costs

Corporate Profile

Party Novelty Specialist

Gaffney of Tiptree is a family business based in Essex, UK, specialising in the manufacture of party novelties. Founded over 60 years ago, Gaffney started business through making wooden toys. Today, the company makes a wide range of hats, masks, bubble tubs and kits, balloons and streamers and markets them under the Galaxy brand. Since March 2002, Mandy and Paul Gaffney have run the company, which currently generates an annual turnover of £1.5 million (\$2.3 million), and has an impressive line-up of customers, including Tesco, Woolworths and through third party supplier Booker; Makro and Waitrose.

The Business Challenge

Connecting Electronically with Trading Partners

Gaffney was receiving faxed or posted orders from all of its customers until leading retailers Woolworths and Tesco asked them to use Electronic Data Interchange (EDI). Tesco is Gaffney’s largest customer, representing 40 percent of its revenue, while Woolworths represents 20 percent.

Mandy Gaffney, Director of Gaffney of Tiptree comments, “As with many small manufacturers, we have to keep up to date with the technology requirements of our major customers in order to do business with them. However, we saw implementing EDI not only as a way to meet the needs of our customers but also to streamline our business operations: with high-value and high-volume orders coming through from the two companies particularly in the run-up to Christmas and New Year, one misread fax can make a huge impact on our small family-run business.”

The challenges were to implement EDI with Tesco and Woolworths and thereby:

- Accelerate trading processes
- Reduce/eliminate of paperwork
- Reduce keying of data and therefore reduce errors
- Reduce stockholding

GAFFNEY'S RESULTS:

- 10% savings on administration costs
- Enhanced customer service
- Improved reliability
- Boosted efficiency
- Accelerated trading processes

The Solution

Document Exchange Service

Gaffney uses GXS Tradanet® Service, a fast, reliable document-exchange service that helps the company achieve its business goals, including inventory management. By supporting electronic trade through various standards and communication protocols, such as EDI, XML, and other industry-specific standards, Tradanet provides Gaffney with a simple and effective way to exchange business documents with its customers, replacing the faxed and posted orders that they were receiving on a weekly basis.

Orders arrive electronically from Tesco and Woolworths into the Tradanet mailbox. Tradanet then routes the data to Gaffney. In addition to orders, the company receives regular forecasts via Tradanet which helps it better manage its inventory. Gaffney continues to use a combination of EDI, fax and paper with some of its smaller customers.

The Results

Streaming Ahead with EDI

Gaffney has already saved ten per cent of administration costs through digitizing its business transactions, with more savings expected in the future. According to Mandy Gaffney, EDI plays an integral role in the business now and will continue to do so for years to come:

“The reliability of EDI is important to us. Tesco and Woolworths send their orders and forecasts and we know we’re going to get them at the other end. We still email and fax with some of our customers but EDI is clearly more efficient. It’s just easier to read than lots of different handwriting on faxes and is definitely the way forward. Now, we’re looking at adding more business documents, such as invoices to further improve our efficiency.”

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About GXS

GXS is a leading provider of B2B e-commerce solutions that simplify and enhance business process integration and collaboration. Organizations worldwide, including 75 percent of the Fortune 500, leverage GXS' GS1 certified global interoperability and supply chain execution solutions. Active in the global standards arena, GXS offers solutions, powered by the Trading Grid™, that enable customers both large and small, to connect with global partners, synchronize product information and optimize the execution of supply chains. Headquartered in Gaithersburg, MD., GXS provides sales and support to businesses and their partners worldwide. For more information about GXS visit www.gxs.com.