



Fresh on demand

Seasonal demands will always place considerable pressures on retailers. Keeping up with the consumer while avoiding unnecessary waste or over-production can depend on how quickly retailers are able to react and look ahead to changes.

Increasingly, retailers are turning to technology to improve bottom line results and help them adapt quickly to shifts in customers' spending habits. It is vital that the supply chain has access to the most up-to-the minute sales data so it is able to react quickly, helping to reduce waste and allowing manufacturers to set optimum stock levels and speed up efficiency.

This is especially critical for retailers that depend on supplies of perishable goods. Fast response times and instant access to sales data are needed to manage the stock level of items with a limited shelf life and streamline the overall production process. For one high street retailer supplying fresh, handmade products, the answer can be found in a communications system that is helping them to stay one step ahead.

Cosmetics retailer, Lush, has installed a private branch network (PBN) which enables up-to-the minute data to be fed back direct from the point of sale to head office in near real time. This data is then communicated to the manufacturing sites.

Lush turned to a team of business technology and communication specialists, altoHiway. For more than 10 years, the Newbury-based business-only service provider has developed secure, real-time PBNs and computer network solutions that give clients the control, manageability, security and performance they need from their network.

Founded in 1994, Lush is a fresh handmade bath products and cosmetics retailer established in Poole, Dorset and currently pursuing a strategic expansion programme with 40 more outlets planned by the end of this year.

The Lush PBN allows sales data from each of the company's 60 stores to be uploaded to head office, in near real-time. For the retail sector, the PBN promises to revolutionise head office to branch communications and is proving to be the next generation VPN technology.

Lush uses electronic point of sale (EPOS) tills running software from ITIM with the communications link provided by Enhanced Computer Solutions. To enable stock ordering and production planning improvements at Lush manufacturing sites, Lush approached Enhanced Computer Solutions to upgrade the link, so that it is capable of handling near real-time EPOS updates.

Must be fast and secure

Lush identified that ADSL technology would enable speedier communications between head office and the branch outlets, but the retailer also specified that it required secure communications for sensitive sales data, which would be uploaded from the EPOS system.

Lush approached a large internet service provider to request an ADSL deployment with virtual private network (VPN) security, but the pilot stalled after a month because the Lush head office in Nuffield was unable to communicate with the shops chosen for the trial.

"Lush was coming up to its busiest retail period and they were keen to identify an alternative solution which would enable speedy communication from head office to branches and secure upload of sales data from the nationwide outlets," says Simon White, ECS sales director.

"As we had installed the communications link for the existing EPOS system, Lush asked us to investigate other internet service providers, so we turned to altoHiway to see if an ADSL solution with VPN could be developed."

The challenge was to supply a resilient and diversely routed network that would be robust enough.

"Retail companies traditionally use ISDN-based dial-up solutions for nationwide communications," explains Chris Wood, director of sales and marketing for altoHiway.

"This type of network delivers reliability but low bandwidth and offers little opportunity for systems and applications to modernise as the network requirements grow. Many companies are realising that ISDN, although key to running day to day trading, is a restraint on developing information delivery to branch staff."

Constant updates

As a result, altoHiway developed a new second generation VPN, the PBN specifically for the retail sector. The PBN is based on a secure non-internet facing network that supports high-speed communication. In many retail organisations, trading and stock data is harvested from remote branches overnight. With altoHiway's PBN, management, reports can be updated throughout the day in real time.

In the Lush PBN deployment, a collector server polls the tills for data updates and feeds this back securely to head office, so that the



production planning system can be constantly updated. altoHiway currently provides 60 secure DSL lines to the retailer, with more lines being rapidly added as Lush expands.

All traffic is routed 'off net' through the local ADSL exchange directly to altoHiway's network without any data getting anywhere near the internet. Because the PBN has been designed to run as a managed service, it frees up IT resources from running a large network, leaving staff to concentrate on running the core business.

Each store was supplied with a pre-configured router and built-in wireless networking capability for linking tills together in store, meaning routers could be quickly shipped to each branch. As a new

store opens, the network is up and running, enabling all branches to trade.

Lush director of manufacturing, Andy Jones, says, "Our production planning process has been improved, which in turn has had a beneficial effect on our ability to predict sales orders. This is vitally important for Lush, as its products are handmade fresh to order for each store and include perishable ingredients."

altoHiway is a UK-based solution provider that supplies internet services exclusively to business customers. Established in 1994, the company has 50 employees. www.altohiway.com