

CASE STUDY: PFDC USA

RedTail 's Software as a Service for B2B e-commerce Facilitates Speed to Market for PFDC USA

The Challenge: Limited Time to Build Infrastructure and Custom Solutions

Pierre Fabre Dermo-Cosmetique USA (PFDC), is a wholly owned subsidiary of a large French pharmaceutical company, established in North America in 2003 to expand and promote its Avene hydrotherapy line of products. The Company's sales and marketing as well as administrative activities are located in Parsippany, NJ. As business grew PFDC quickly reached the limits of capacity of its own logistics and customer service center located in Hazel Park, MI. Faced with the need for a larger warehouse and more sophisticated capabilities, PFDC was able to consolidate their manufacturing activities with a sister subsidiary, and outsource their logistics functions to Mallory, International.

Mallory Alexander International, a global logistics company headquartered in Memphis, TN, provides inventory management for PFDC, including warehouse, "pick and pack", receiving, shipping and handling of returns. When PFDC needed to gain brand recognition quickly for Avene products in the US market, Mallory provided increased capacity much faster than building it themselves. Resources could be re-directed to sales and marketing efforts and to support new trading relationships.

Although the decision to buy rather than build saved a great deal of time, by the time the operational re-organization and warehouse project was completed, PFDC had less than 3 months remaining of the window to begin actively trading with key customers. A solution was needed to exchange order, fulfillment and shipping information between PFDC's ERP system and Mallory's systems. Knowing that there would not be enough time to build a custom solution, the Company once again considered out-sourcing as an alternative. Also, PFDC wanted to insure that its solution would keep up with rapidly evolving supply chain standards as its US business continues to expand into new, direct retail channels.

The Business Case for Out-Sourcing

- Speed to Market- win new key customers
- Re-direct resources to promoting and selling Avene brand

The Solution: Meet Current Deadlines and Future Requirements Through Software as a Service

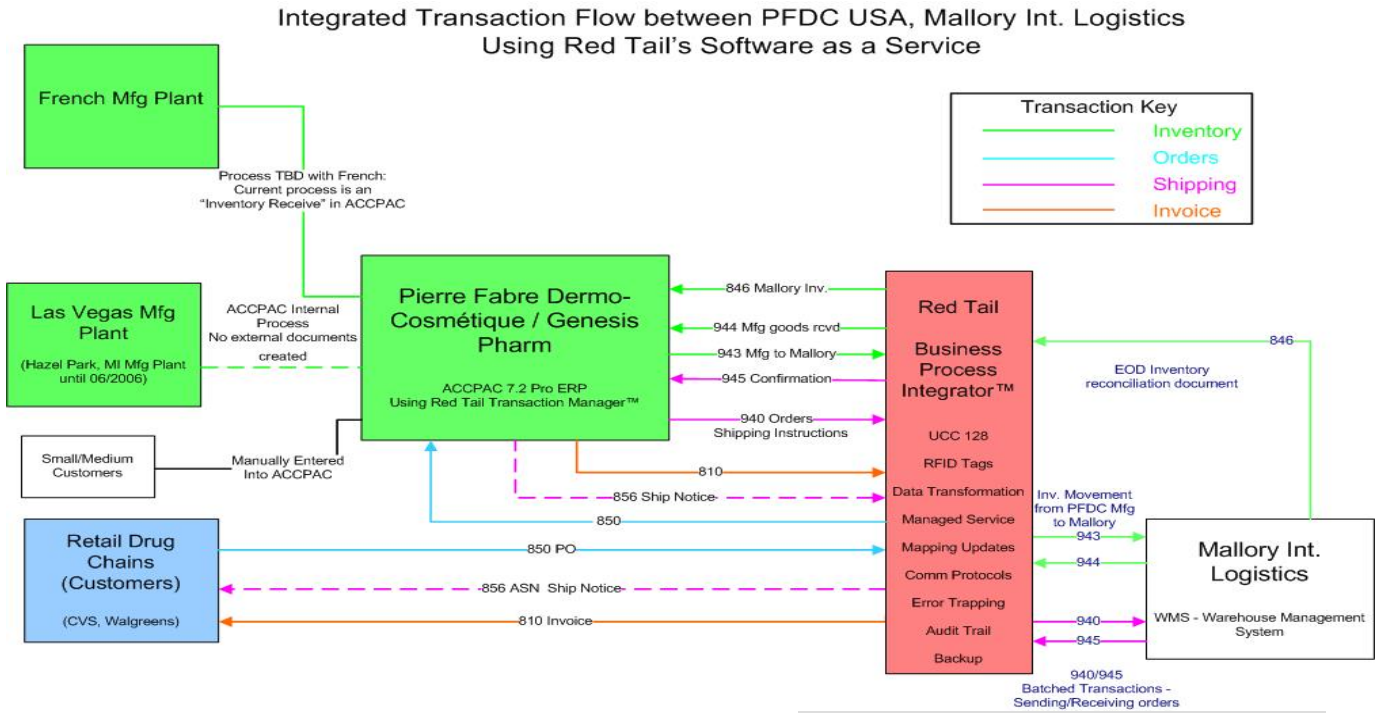
PFDC learned about RedTail's "software as a service" for business to business e-commerce from their value-added reseller (VAR) "Micro Strategies Inc", (Denville, NJ) who helped them deploy the solution with out-of-the-box integration to their SAGE PRO ERP® system. Usually manufacturers and suppliers use RedTail to exchange purchase orders, invoice and shipping information directly with their large key accounts. In this case, PFDC was able to take advantage of the solution's ability to integrate SAGE Pro directly to a remote warehouse. Using the RedTail Transaction Manager™ and its wrap around services, PFDC was able to exchange warehouse shipping orders, shipping advice, transfer of stock and inventory update reports with Mallory- all without the need for costly in-house software and expertise.

According to PFDC's Dan Paquette, IT Manager, one of the major advantages of using RedTail Solutions is the interface to their SAGE ERP system. "The fact that we could be up and running, with integration, in a few weeks, made it the clear choice over other alternatives." The services wrapped around the client application, include all of the initial mapping and testing of transactions, maintenance of all of the communications infrastructure and data transformation software. RedTail drives the trading partner alignment that helped PFDC define their business processes and then streamline them. Paquette says "The speed and reactivity with which things could get done by RedTail matched our own priorities. And the staff at RedTail are very professional and expert at what they do."

With transactions flowing smoothly to Mallory, now PFDC is consolidating the rest of its direct retail channel business for large drug store chains such as CVS, through RedTail's service offering. Many large retailers require their suppliers to implement Global Data Synchronization, in order to receive product descriptions along with packaging and pricing information to streamline the ordering process and reduce transaction errors with their suppliers. Paquette wanted a solution that "would adhere to global standards, and not require them to reinvent things." RedTail, an affiliate of GS1 and a 1Sync

Solution Partner, incorporates data synchronization into its service today, keeping PFDC a step ahead of its trading partners and always ready for growth.

RedTail Facilitates Business Process Integration Between PFDC USA and Mallory



About PFDC USA

PFDC USA is a subsidiary of Pierre Fabre Dermo-Cosmétique, a division of Pierre Fabre Group, the second largest independent pharmaceutical company in France.

PFDC offers a complete range of products from dermatological prescriptions to beauty care. They are expanding business in the U.S. through distribution of their Avène brand in drugstores, and with the "Renè Furterer" brand in hair salons.

About Micro Strategies, Inc.

Micro Strategies, Inc., founded in 1983 is a leading technology solution provider on the East coast. Services and solutions expertise include advanced infrastructure, business systems integration, enterprise content management, and security. As a certified SAGE Software business partner, MicroStrategies offers business application support for Sage Accpac ERP and Sage Pro ERP.

About Mallory Alexander, Inc.

Mallory is a leading 3PL provider located in Memphis, TN, America's Distribution Center. For more than 80 years Mallory has been providing end to end supply chain services that span warehousing, re-packaging, order fulfillment, freight forwarding and customs brokerage, to name a few.

Mallory handles the transportation of commodities to priceless artifacts by sea, land and air throughout the U.S., Western Europe, and Southeast Asia.

About RedTail Solutions, Inc.

RedTail Solutions, Inc. a privately held company located in Westborough, MA provides on-demand services for EDI & GDS, with integration to leading accounting/ERP and business system solutions installed at supply chain companies. RedTail is a certified Microsoft Solution Partner, SAGE Solution Provider and a 1SYNC Solution Partner.

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