



Fulfilling Lives,
Every Day.

SAP Forecasting & Replenishment

8 Years In—

What we love and what we would have done differently



Introductions

Jodie Sikorski

Manager of Forecasting and Replenishment within Supply Chain. 12 years at Wawa in various roles, including Finance, Supply Chain, IT, and Sourcing. PO to Pay Team Lead for the SAP implementation. Over 15 years experience in Supply Chain.

Joseph Heumann

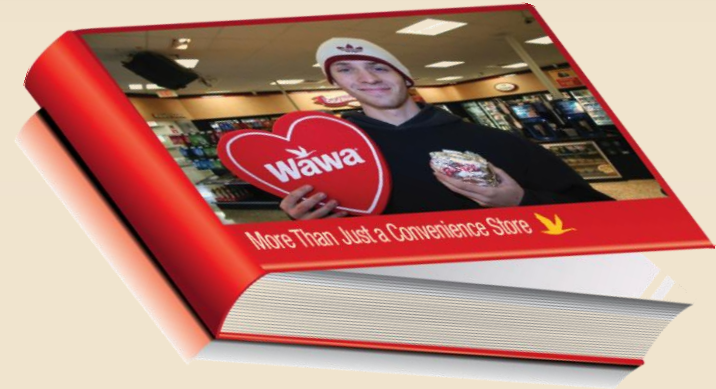
F&R Specialist on the Wawa Supply Chain IT team. 15 year veteran of Wawa with 30 years experience in Retail Operations, Buying, Supply chain, Forecasting and Replenishment. 7 years experience with F&R

- Led upgrade of SAP F&R 5.0 to 5.1
- Just completed upgrade of SAP F&R 5.1 to 5.2



What is Wawa?

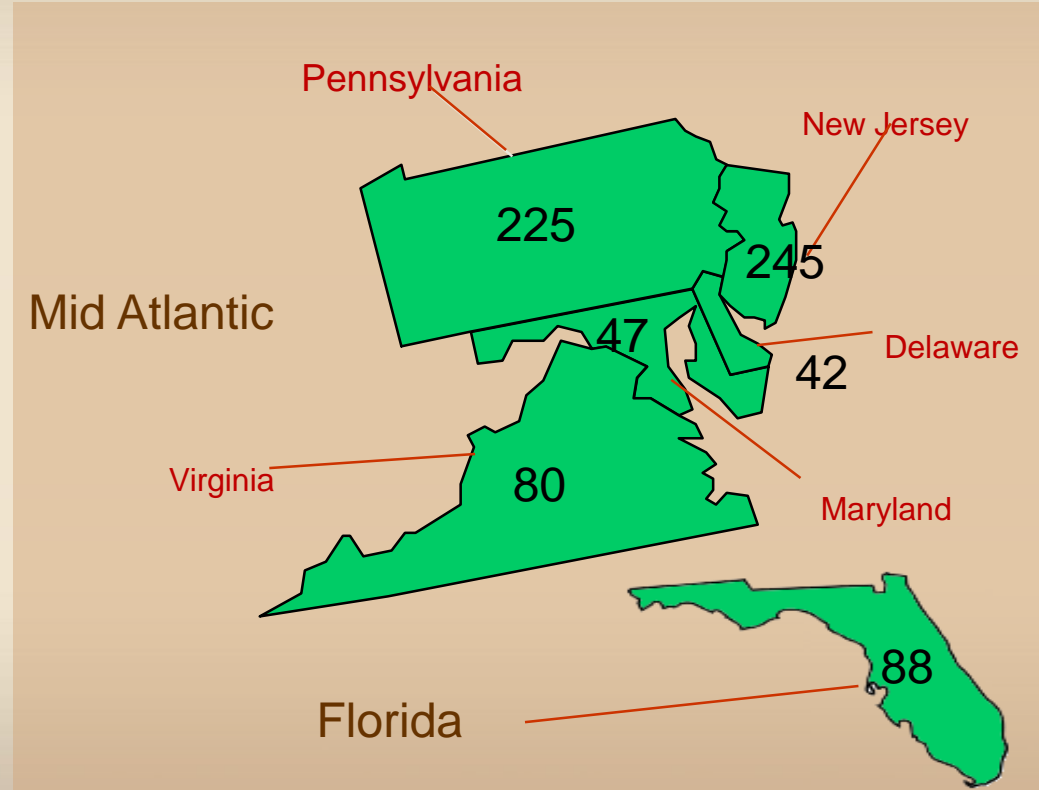
- More than a Convenience Store
- Known for
 - Family-like atmosphere
 - Built-to-order fresh food
 - Competitive fuel pricing
 - Community devotion
 - Emotional connection with customers
- Wawa = Native American word for Canada Goose





Who We Are

- All stores company owned
- 29,000 associates
- 727 stores





Who We Are Today

- #34 – Forbes Annual Ranking of Largest Private Companies in USA
- 6th Largest retailer of coffee in USA
- Served over 745 million customers in 2015





Every Day

Every day Wawa Serves:

- 1.6 million customers
- 500,000 cups of coffee
- 300,000 hoagies
- 175,000 Breakfast Sandwiches
- 1 million cold beverages
- 5.9 million gallons of fuel

Every day F&R:

- Generates over 2300 Order Proposals
- Manages 2500 articles
- Manages 1.8 million article site locations





Our Stores





Mid-Atlantic Supply Chain

Wawa Beverage Company



→ Products → 2 to 6 Deliveries Per Week

- Milk
- Teas
- Drinks
- Wholesale Business



New Jersey Dist. Center



→ Products → 3 to 7 Deliveries Per Week

- Dry/Frozen Goods
- Cigarettes
- Long Shelf Life Foodservice
- Supplies



Fresh Channel



→ Products → 7 Deliveries Per Week

- Commissary
- Bakery
- Rolls
- Foodservice Bread



Direct Store Delivery



→ Products → 3 to 7 Deliveries Per Week

- Chips
- Beverages
- Snacks



- BASIS Team (4)
- ABAP Developers (5)
 - All customization requires a lot of development and ongoing code review
 - *Recent Projects:* Automation of manual tasks related to ordering for new stores and remodels
- Supply Chain IT Engagement Team (4)
 - One associate co-located with the F&R department

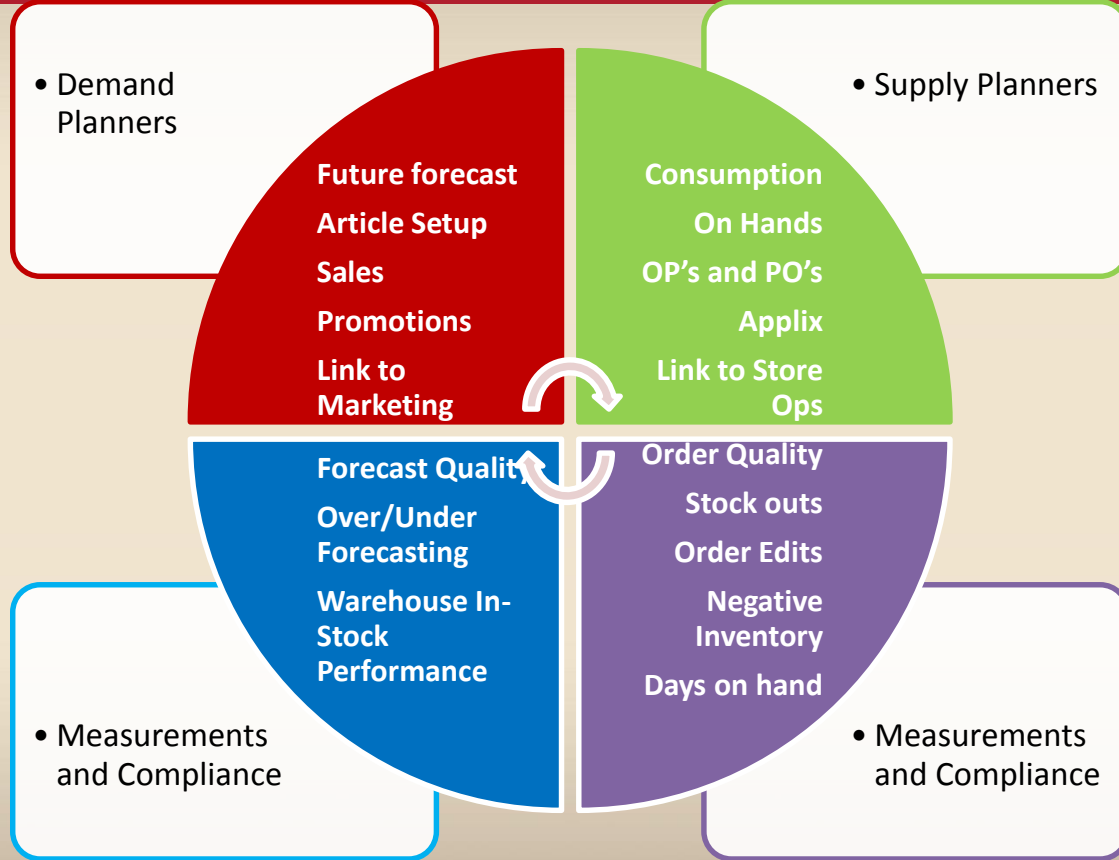


- Demand Planners (4)
 - Organized by Marketing Category
 - Handle future forecasts/promotions
 - Main contact with Marketing/
Merchandising Department
- Supply Planners (4)
 - Organized by store regions
 - Handle Orders and local events affecting the forecast
 - Manage New Store Openings, Remodels, and Stores Closings



F&R Team Structure

Demand Planning



Supply Planning

- Forecasted Categories:
 - Make To Order Sandwiches
 - Prepared Foods
 - Cigarettes
 - Fresh Fruits
 - Grocery
 - Health and Beauty
 - Fresh Bakery Items





What We Love

People we work with @ SAP

- Knowledgeable
- Passionate
- Committed to helping their customers

Particularly...



- **Jens Reichardt**
 - Jens has worked with Wawa since the beginnings of the SAP F&R implementation.



Thank You!!!

Planning and delivery calendars

- ~~• Standard SAP planning and delivery calendars~~
- Wawa custom scheduling table (ZCRT)
 - Interface with existing ordering system used by the Wawa Dairy.
 - 12 years old at time of SAP F&R go live,
 - Old ordering system replaced last year.
 - ZCRT lives on—8 years of customization is very difficult to untangle

Planning and delivery calendars

- ZCRT only allows a 7 day window
- Store delivery cycle for cigarettes and grocery is every other day
- Result—Order forecasting is always wrong.

Stores ordering on Tuesday
this week will order on
Monday/Wednesday next week



Selling Class

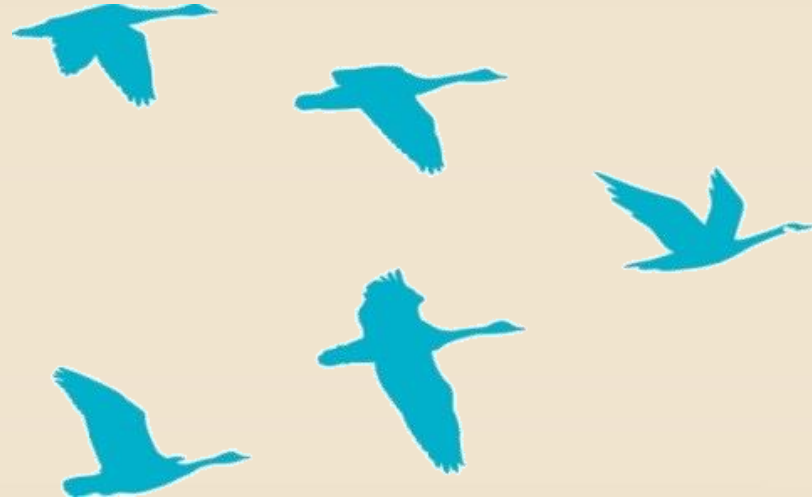
- Fast Seller 2 (highest selling class)= selling 20 units in a week
- Impact of sales unit of measure on selling class not foreseen
- Soup sells in Ounces. Selling 2 12 oz soups results in an article being in our highest selling class
- Deli meats and cheeses are added to sandwiches in .03 pound increments (recipes). Requires equivalent of 600 small sandwiches for a sandwich component to be FS2

- **Process**

- Set process expectations with the business before implementation
 - There is nothing as long lasting as a temporary work around

- **Reports**

- Love the amount of data available but difficult to identify what needs attention verses what is just background noise
 - Set up reporting requirements

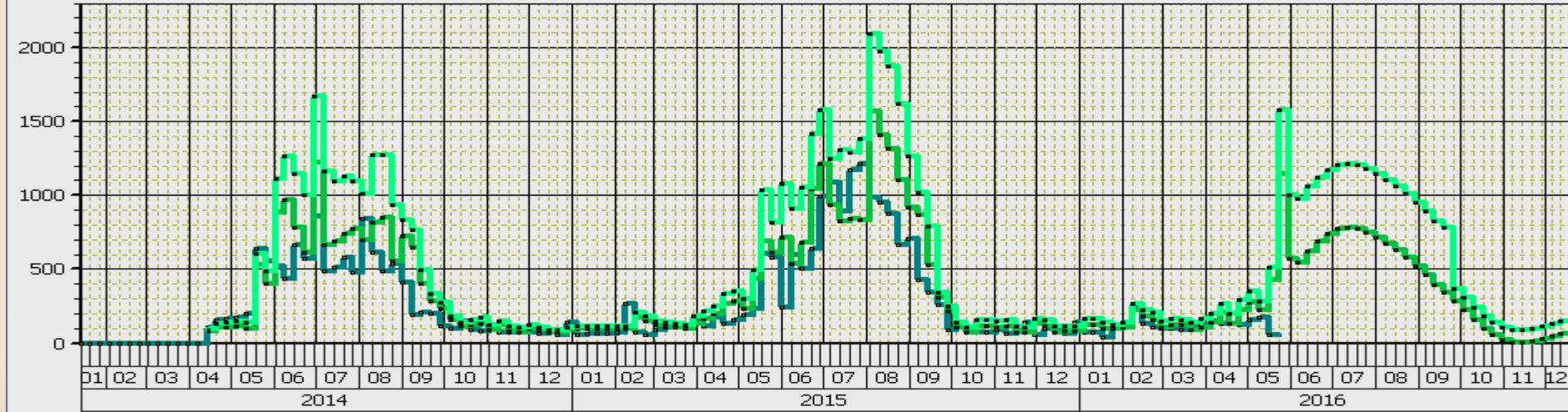


- **Powerful and Configurable**
 - Able to meet the needs of a wide range of products and very different store locations
 - Example—water in Sea Isle, NJ
- **Flexible**
 - Able to get system to function in creative ways
 - Example - bakery sales calculation



.5 Liter Bottles of Water

Location: 300 WAWA, STORE # 0300
 Product : 85080 DP PS WATER .5 LITER
 Stock : 282.00 EA (05/20/2016)

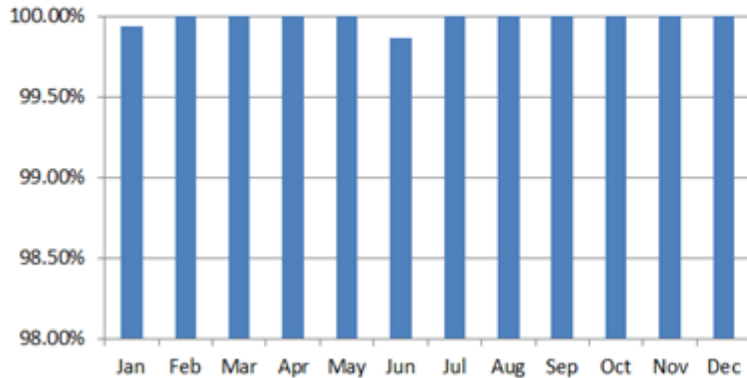


- Highly Seasonal Item in a Highly Seasonal store
- Spike in period 5/2016 is a Boolean DIF for holiday week

System Stability

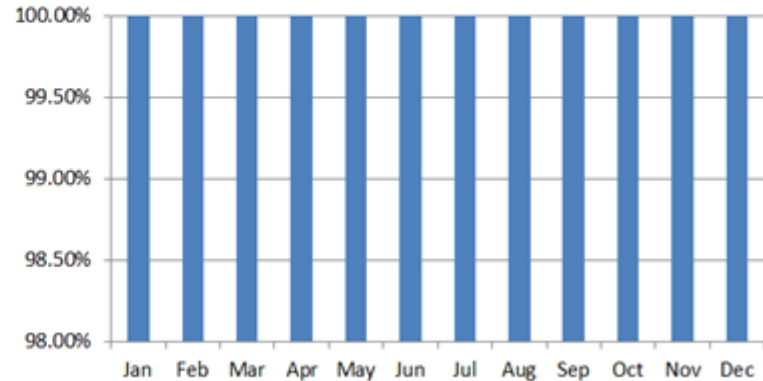
2015 Metrics for SAP Systems

PRD (ERP)



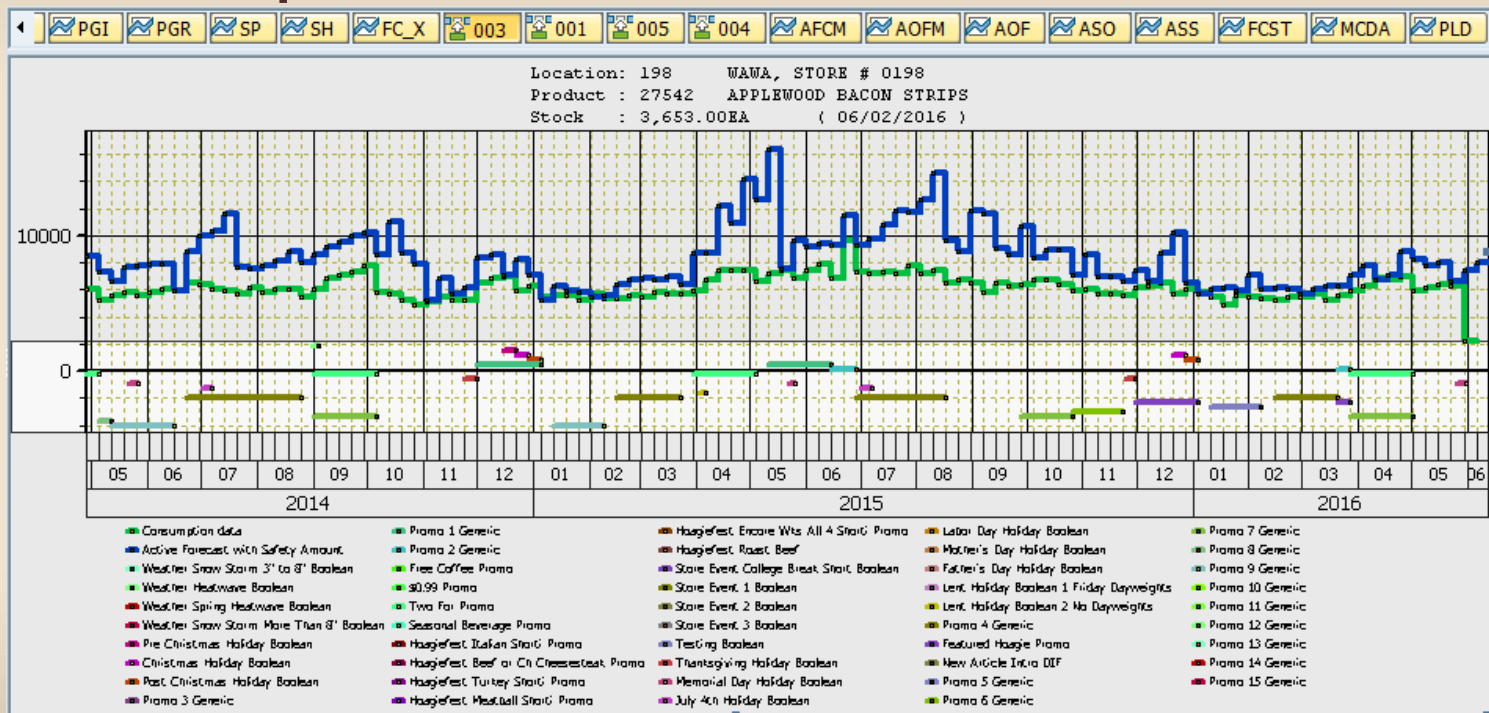
Unplanned Downtime: 90 minutes

SCP (SCM)



Unplanned Downtime: 0 minutes

Bacon Strips



- Each colored line is a promotion that includes a sandwich that has bacon or where bacon can be added to it

- Nearly always on some promotion
- 90% of consumption history marked with a BOOLEAN DIF

Questions?