

**More than a happy coincidence: *Twentieth Anniversary of Valahia University of Targoviste,*
and “*Supply Chain Management for Efficient Consumer Response Conference 2012*”,
organized by ECR Department of Valahia University of Targoviste**

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Abstract

Vicennial anniversary is a major milestone, reinforcing the strengths of an educational citadel, testifying the importance of teamwork governed by values and principles. As there is always room for coincidence, sometimes the effort is rewarded by successful organizing in the same period of time of an unique scientific event tanks to one of the strengths that is unique, and this is the case of the existence of ECR Department of the Valahia University Targoviste which has received the Academic Alliance Membership accreditation from the International Commerce Institute of ECR Europe. The passion, the competence and the perseverance made possible to build a real brand, such as Supply Chain Management for Efficient Consumer Response Conference, which means more than a happy coincidence. It is important to adequately approach the agile supply chain so as to better support the company's marketing strategy by considering today's real challenge of being very responsive and giving feedback, while understanding that ECR allows companies to seek a competitive advantage by demonstrating their superior ability in working with trading partners to add value for the consumer. It is important to understand the necessity of supply chain transformation, by ensuring visibility, predictability and sustainability, by combining the advantages of leanness and agility, by learning the new lesson of collaboration in a crisis through collaboration programmes, by integrating the physical world with digital technology, and impacting the shopping experience.

Key words: teamwork, SCM, ECR, supply chain transformation, actionable intelligence

JEL Classification: L81, M14, M31

On 1-2 June, 2012 **Valahia University of Targoviste** has celebrated 20 years from the beginning. On this occasion, the Romanian Agency of Quality Assurance within Higher Education (ARACIS) handed to the **Rector Calin D. Oros** the certificate attesting the award of **High Degree of Trustiness Qualification for the Valahia University of Targoviste**. As we all know (<http://www.valahia.ro/ro/>), Valahia University of Targoviste has proved its continuous concern for achieving its mission in optimal conditions: quality education and scientific research, study and decent life for students, professional integration at national, European academic openness.

**Testifying regarding the importance of teamwork governed by values and principles,
taking action for the good of the educational citadel**

Following the invitation we have expressed our thanks to “*The Four Musketeers*” of *Valahia University of Targoviste*:

Dear Rector Călin D. Oros,

I would like to thank You and Mr. President of the Senate, Professor Ion Cucui, for the honorable Invitation on the occasion of the Anniversary of two decades of existence of the Valahia University of Targoviste.

Indeed, the accomplishments obtained within this period of time allow us to look at the past with pride and with optimism towards the future of this educational citadel.

As my soulful connection with the Valahia University of Targoviste – with the Founding Rector, Professor Florea Oprea, with You and the President of the Senate, with the Vice-Rector, Professor Leonardo Badea and the Dean, Professor Ion Stegăroiu, with Professor Virgil Popa, a traditional strategic partner and with other former (Professor Paraschiv Vagu, for example) and present colleagues – is strong, the celebration moment allows me to express my emotional attachment towards the valuable academic community of the Valahia University of Targoviste, that responsibly assumed the dimension of the cultural conformity of sharing the value systems specific to academic higher education at European and world level.

I am glad that *You* assumed to write new pages of the beautiful dream, which became reality, stated by the distinguished ancestor, *Rector and School Founder, Professor Florea Oprea and continued by Professor Ion Cucui*. This Anniversary confirms the fact that dreams are a character-testing instrument, being a certain type of planning, which requires permanent nourishment, making the difference between dreams and the vision preceded by commitment. Due to the fact that having a large vision involves being ready to receive it and when it comes be ready to accept it, from the actions undertaken accordingly other dreams are outlined that will come true via actions as powerful as the vision.

Today “*The three*” Musketeers (with Your permission, I consider him *the forth*, namely “*D’Artagnan*” – *our young and valuable colleague Leonardo Badea*), reunited “*after twenty years*”, testify regarding the importance of teamwork governed by values and principles, taking action for the good of the educational citadel, confirming the respect for the passion, competence and perseverance of all those who - “*All for one and one for all*” (as Alexandre Dumas would say) – dedicated the activity to building and enhancing the prestige of Valahia University of Targoviste.

Happy Anniversary!

With best regards,

Theodor Valentin Purcărea

**A significant meeting on the occasion of the Third ECR Academic Partnership – Romania,
„Redesigning Supply Chain Management for Efficient Consumer Response”,
24 – 25 April, 2009**

Three years ago, on April 24, 2009, I had the pleasure to meet and discuss for the first time with Professor **Călin D. Oros**, on the occasion of the Third ECR Academic Partnership – Romania, „Redesigning Supply Chain Management for Efficient Consumer Response”, 24 – 25

April, 2009, Symposium organized by the ECR Department, Faculty of Economic Sciences, Valahia University of Targoviste. On that occasion it has been remembered that the efficient distribution (distribution efficiency requires finding out inventory, location and transportation savings) facilitates innovation in the distribution process, new technology implementation, and also low price products' at high quality and high service for the client. Professor **Calin D. Oros** proved to be a very intelligent talker, who has remembered me the words of James Russell Lowell: "*A great man is made up of qualities that meet or make great occasions*".

Let us have a look at some interesting ideas about Supply Chain Management (SCM) and Efficient Consumer Response (ECR) in the last years before this Symposium organized by the ECR Department, Faculty of Economic Sciences, Valahia University of Targoviste (ideas rediscussed on the occasion of the works of the SCM 4 ECR Symposium, 11-12 June 2010). Bob Belshaw¹, for example, has reminded us again in 2006 that applying value chain principles creates customer value and competitive advantage, *SCM* (a marketing system consisting of both: primary marketing institutions, manufacturers, wholesalers, retailers taking title to the goods as they move through the marketing channel; facilitating marketing institutions, ensuring specialized assistance in the marketing process) *being challenged by five external forces*: consumer behavior, competitor behavior, socioeconomic environment, technological environment and legal and ethical environment. It is argued that the major reason in SCM² (coordination is the essence of SCM) is a new solution and technique in increasing the competitive of business to enterprises, within this framework being underlined, for instance, that a quick response system can help an enterprise to reduce the time of processes in B-2-B or B-2C in a supply chain, being possible for the enterprise involved to link quickly "upstream and downstream of industries, and to find and solve the problems of customers in anytime and anywhere".

According to Martin Christopher³, the company's marketing strategy is supported by the supply chain which is necessary to be designed from the customer inward. Consumers cannot escape the market, but they are not passive recipients of what marketers do, that is why – according to Michael Saren⁴ – marketers must look at the marketing phenomenon as consumers experience it, as active participants in it, by achieving a broader perspective on marketing and building of customer relationships.⁵ On the other hand, Don E. Shultz⁶ showed that there is no doubt that the future's marketing organization is going to have employees who can deal with both push and pull forms of marketing, by recognizing that today's real challenge is to be very responsive, and to give feedback. While at the 14th annual ECR Europe Forum & Marketplace, 3-5 June, 2009, Barcelona, it was underlined that as the needs of shoppers (consumer different

¹ Belshaw, Bob - Impact of Global Sourcing, A Business-Engineering Joint Research Center at Lehigh University, Center for value chain research Lehigh University Value Chain Center, November 15, 2006

² QR system - A quick response system, <http://ieeexplore.ieee.org/Xplore/login.jsp?url>

³ Kerr, John - The Innovative Educator: Martin Christopher, Supply Chain Management Review. New York, Mar 2007, Vol. 11, Iss. 2, pp. 20, <http://proquest.umi.com/pqdweb?did=1271161991&sid=6&Fmt=3&clientId=83371&RQT=309&VName=PQD>

⁴ Saren, Michael - Marketing is everything: the view from the street, Marketing Intelligence & Planning, Volume 25, Issue 1 2007, pp. 11-16

⁵ Ford, David - The IMP group and international marketing, International Marketing Review, 2004, Vol. 21 No. 2, pp. 139-41

⁶ Brad Berens - Don E. Schultz on What Companies Can Do to Integrate, iMedia Connection, December 06, 2006

needs being obviously a key driver) are changing, the consumer goods industry has to keep pace. ECR is a performing strategy based on today's technology tools - that causes fundamental changes in the business process - which provides more added value to consumer. The three pillars of ECR are: providing consumer value, removing costs that do not add value, maximizing value and minimizing inefficiency throughout the distribution chain. Successful retailing involves making sure that stores are stocked with the right products at the right prices at the time the consumer wants them and this aim can be achieved by implementing ECR strategy. To implement ECR, distributors and suppliers are making fundamental changes in the business process using today's technology tools. Their goals are clear: provide consumers with the products and services they want; reduce inventory; eliminate paper transactions; streamline product flow. ECR allows companies to seek a competitive advantage by demonstrating their superior ability in working with trading partners to add value for the consumer.

In the opinion of Andrew Fearne,⁷ the today necessary strategic approach to SCM shifts the emphasis from internal processes to external relationships and the integration of key business. Value (as perceived by consumers) = benefits (solution to my problem) – costs (financial and opportunity costs) – risk (unfulfilled promises). In 2002 Global Supply Chain Forum (Ohio State University: 3M, Cemex-Mexico, Coca-Cola USA, Colgate Palmolive Company, Fletcher Challenge, Ford Motor, Company, Hewlett Packard, International Paper, Limited Logistics Services, Lucent Technologies, Maersk Sealand, Taylor Made-Adidas Golf Company, Wendy's International Inc., Whirlpool Corporation) has defined the Value Chain Management (VCM) as: "The integration of key business processes from end user through original suppliers that provides products, services and information that add value for customers." Andrew Fearne attracted our attention that: VCM is a coordinated response to an increasingly dynamic and uncertain market, regulatory and technological environment, a collaboration within and between businesses in the value chain (its purpose being to improve the competitiveness of the value chain as a whole); supply chain mapping (as analytical and communication tool) can be an effective way to extend the line of sight, value chain visibility allowing both, a real time sharing of information that enables rapid response (agility) and efficient operations (lean), and a greater understanding of consumer behaviour that enables alignment of innovation process with consumer demand; the fundamental enablers of co-innovation being strategic alignment, value chain visibility, relationships, and consumer insight.

In 2009, Richard Reeves and John Knell⁸ draw attention on the fact that SCM "has become a vital source of strategic and tactical value to businesses", underlining that SCM is "the undisputed king of business integration", the supermarket sector being one of the most commonly cited example.

Let us finally remember a suggestive quote: "*It is supply chains that compete, not companies*" (Martin Christopher - Logistics & Supply Chain Management, Pitmans, London, UK, 1992).

⁷ Andrew Fearne - Food and Wine Value Chains: Prosperity Through Collaboration, Presentation, March 2008, SA Centre for Innovation, Dept of Trade & Economic Development, March 3rd, 2008, South Australia; Andrew Fearne is Professor of food marketing & supply chain management, Kent Business School, University of Kent and Adelaide Thinker in Residence

⁸ Reeves, Richard & Knell, John - The 80 Minute MBA, Everything You'll Never Learn at Business School, Headline Publishing Group, An Hachette UK Company, London, 2009, pp. 99

Supply Chain Management for Efficient Consumer Response Conference, 18-19 May, 2012: “Supply chain resilience driven by consumer and shopper. Collaborate and survive!”

This year’s Conference began with a “Welcome speech” by the **Deputy Rector Leonardo Badea** (who saluted the attendees as key players of a no doubt successful Conference, and assuring them of the adequate preparation, planning, and running) and a *Keynote* by **Professor Virgil Popa** (<http://www.crd-aida.ro/our-team/virigil-popa/>), ECR Department Director (<http://ecr-uvr.ro/>), and Editor-in-Chief of the “Supply Chain Management” Journal (<http://www.scm-journal.com/>): “ECR: the Next Generation – New Ideas for the next ten years from ECR Europe 2012. Supply Chain Resilience. Process Reengineering in Conditions of Risk and Disruptions.”

Plenary session Co-chairs were Gheorghe Gh. Ionescu and Theodor Valentin Purcărea. The Moderators for the other sessions were: Virgil Popa and Victor Raul Lopez, Dorina Tănăsescu and Janusz Grabara, Marta Starostka-Patyk and Virgil Popa. At the end of the Plenary session **Rector Calin D. Oros** saluted the attendees, a challenging exchange of views taking place after that.

Within the context of the Plenary session, on behalf of Professor Constantin Rosca, President of *Romanian Scientific Society of Management (SSMAR)*, Professor Theodor Valentin Purcărea handed the SSMAR “Certificate of Membership” to *Professor Virgil Popa*.

It is worth to mention that on the occasion of the debate within the framework of the Plenary session there were underlined some important lessons to learn thanks to some relevant opinions expressed both, this year and in the last years, such as:

- a) What about the relationship among Distribution, Logistics Management, and Supply Chain Management: << Distribution is a component of Logistics Management, and Logistics Management is a component of Supply Chain Management >> (Eric Peltz - Logistics: Supply Based or Distribution Based? http://www.almc.army.mil/alog/issues/Mar-Apr07/supply_vs_dist.html);
- b) What about success in Supply Chains: << Efficient and effective collaboration within the business network is key to success in Supply Chains - The real challenge: Manage costs and complexity now, without compromising the future (need to address all three issues at once) >> (Siddharth Taparia - *Collaborating with Your Business Network in the Cloud*, SAP, 2012, Supply Chain Council);
- c) What is happening on the SCM way << From “Agility to Change” to the Greatest Supply Chain Challenge: Alignment of the Supply Chain organization to the business strategy (55%) >> (Roddy Martin - *Measuring Your Readiness*, SVP Supply Chain Transformation, Competitive Capabilities International, April 2012, TRACC);
- d) What is happening on this way according to the prestigious McKinsey Quarterly, which allowed us to capture some ideas, such as:
 - << The superior application of six management practices = Outperform competitors in service, inventory, and distribution and logistics costs >> (Bruce Constantine, Brian D. Ruwadi, and Joshua Wine - *Management practices that drive supply chain success*, The McKinsey Quarterly, February 2009, McKinsey & Company);

- << Now that volatility could undermine survival is important to collaborate more effective with key suppliers... a return to growth could, paradoxically, close the window of opportunity to improve the supply chain >> (Christoph Glatzel, Stefan Helmcke, and Joshua Wine - Building a flexible supply chain for uncertain times. The “bullwhip effect” means that distortions in data cascade through a company’s suppliers. Businesses must remain flexible to protect themselves, The McKinsey Quarterly, March 2009, McKinsey & Company);
 - << barriers to better performance: rising risk, lack of collaboration, and low CEO involvement >> (McKinsey Global Survey results: “The challenges ahead for supply chains”, 2010, McKinsey & Company, Trish Gyorey, Matt Jochim, Sabina Norton, Contributors, Andreas Brinkhoff, Consultant);
 - << Some of the challenges (turbulent trade and capital flows, for example) represent perennial supply chain worries turbocharged by the recent downturn... efficient distribution requires creativity, since retail formats typically range (in emerging markets) from modern hypermarkets to subscale mom-and-pop stores... >> (Yogesh Malik, Alex Niemeyer, and Brian Ruwadi - Building the supply chain of the future, The McKinsey Quarterly, January 2011, McKinsey & Company);
 - << ... *operational agility will increasingly represent a competitive edge*...>> (Mike Doheny, Venu Nagali, and Florian Weig – “Agile operations for volatile times”, McKinsey Quarterly, May 2012);
- e) There is always a “but”: << Agile Supply Chain utilizes the front end of the traditional responsive supply chain, but has custom products (dedicated SKU/customer), services (licensing & fusing) and/or unique inventory strategies >> (Albrecht Ricken, SAP AG, Ross Young, Intel Corporation, Dan Swartwood, Satellite Logistics Group - Reference Model for Marketing & Innovation Management , Supply Chain Council, 1 April 2012); it is known that the Supply Chain Council has developed multiple reference models that are complimentary to the SCOR model, the latest being specific to Product Lifecycle Management across the supply chain;
- f) What about << Supply Chain Transformation: *a fundamental change in the processes and technology used to plan, source, make, and deliver product* >> (Bruce Torre, Ciena Communication, Joseph Fitzgerald, Deloitte Consulting - *Delighting service customers through an M&A supply chain transformation Service Operations at Ciena Communications*, Supply Chain World North America, April 2012);
- g) What about << Supply Chain Landscape (Visibility, Predictability, Sustainability) and Challenges Due to Lack of Supply Chain Visibility: High Inventory Cost, High Operating Cost, Missed Revenue/Lost Customers (Lalit Wadhwa, Vice President, Global Supply Chain Ops, Avnet Inc. - Leveraging Visibility in Supply Chain for Cost to Serve Analysis, 28 March 2010, Supply Chain Council);
- h) What about << High-Level Relation between SCOR and Product Lifecycle Operations Reference (PLCOR): Marketing typically drives Supply Chain Management/Supply Chain Requirements, a result of Product Positioning/High Level Integration with other Reference Models/PLCOR/Create Impacts Planning in SCM >> (Albrecht Ricken, SAP AG, Ross Young, Intel Corporation, Dan Swartwood, Satellite Logistics Group - Reference Model for Marketing & Innovation Management , Supply Chain Council, 1 April 2012);

- i) What is happening at the level of Supply Chain World Europe hosted by Supply Chain Council: << Taking Supply Chains to the Next Level, A Shift to Integrative Thinking, Madrid, Spain, 21-23 October 2012: Customer Delight; Operational Excellence; People; Resilience >> (<http://www.supplychainworld.org/europe/>).

As we are both, participants and spectators at the significant evolution of the consumer behavior, social media influencing consumers' interaction with one another and with brands and the supply chain networks, while impacting the economy and the society as a whole, we clearly understood that collaboration and adaptation are key factors in focusing on customer empowerment, supply chain networks facing the challenge of combining the advantages of leanness and agility, up streaming from the decoupling point to achieve economies of scale and down streaming to achieve consumer responsiveness. We also see that the issue under discussion at the level of ECR Europe Conference & Marketplace in Brussels on the 9th and on the 10th of May 2012 was "The next generation", because no part of the supply chain is left untouched by the digital technology which is rapidly being woven into the very fabric of our businesses today.

There are incredible new ways of connecting with the shopper thanks to digital technology, social media and sustainability. As shoppers are demanding more online solutions for their grocery shopping, suppliers must establish a more effective trading relationship online, while struggling to root out supply chain waste, reduce costs and increase sales. Together, all the parties involved in the supply chain must learn the new lesson of collaboration in a crisis through collaboration programmes, by integrating the physical world with digital technology, and impacting the shopping experience. Together, they can prove what means a real understanding of the fact that that companies can serve consumers better, faster and at a lower cost by working together with trading partners. Together they can find the proper way to be prepared for the supply chain uncertainties of an increasingly fragmented marketplace characterized by increasing volatility and complex patterns of customer demand, rising consumer expectations about customer service, increasing cost pressure in logistics, and global competition. Together they must keep better track of customer information and costs, better manage the cross-functional trade-offs underpinning supply chain decisions, and more actively develop supply chain strategy and better execute it accordingly.

Today, the leading companies know well that efficient distribution in emerging markets requires creativity, being aware of the importance of adequately building supply chain assets so as to dismantle complexity and of adequately using manufacturing networks so as to thrive in a more uncertain world. Today, at the level of the senior supply chain executives facing with driving economic performance, there is a real emphasis on key transformational strategic, tactical and operational best practices. These senior supply chain executives underline the need for actionable intelligence in solutions that will allow leaders to maximize their current operations by increasing productivity, reducing cost, improving utilization and quality, and yielding greater returns on existing assets, supply chain optimization, innovations for changing times, and performance excellence being on their agenda.

Foto:

- A. (Aniversare 20 de ani Univ.)
- Mapa festivitate Valahia.jpg

- Prospect Valahia.jpg

B. (Placheta Aniversare Univ. pt. T.V.P. + Certificate of participation pt. T.V.P.)

- Placheta Aniversare Valahia.jpg
- Certificate of participation.jpg
(UNA LINGUA ALTA)

C. (SCM4ECR Conference)

- Image 2.doc: Rector Calin D. Oros (sitting in the middle) between Professors (at left) Virgil Popa (standing out) and Dean Ion Stegaroiu, and (at right) Theodor Valentin Popescu and Deputy Rector Leonardo Badea
- Cover (Mapa).jpg
- Cover 2 (Mapa).jpg
- Cover (Program).jpg
- DSC_0619.jpg (Professor Virgil Popa)
- Professor Theodor Valentin Purcărea hands the SSMAR “Certificate of Membership” to Professor Virgil Popa.docx
- Professors Virgil Popa and Theodor Valentin Purcarea.docx