



Inside AT&T: Behind the AT&T Retail Experience, a High-Powered Supply Chain

How do you keep 16,000 retail locations (company owned, distributor and resale) properly stocked with the latest, most sought-after wireless phones and accessories? It takes a sophisticated supply chain operation that integrates virtually every core technology in AT&T's portfolio. And then some.

Supply Starts With The Network

In one sense, AT&T's consumer supply chain operation is organized conventionally, set up around primary procurement processes.

And the physical infrastructure is rather straightforward. A supply chain organization of 4,133 staffers manages product flow at two distribution centers, one geared for bulk distribution to retail locations, and the second geared for distribution of product to individual consumers. One handles 'reverse processing', meaning buyers remorse, damaged or defective devices destined for return to the manufacturers; or, used phones that require a data scrub and replacement parts to be repurposed.

The backbone of the AT&T consumer supply chain is the AT&T VPN Service enabled with Multiprotocol Label Switching (MPLS). It supports flexible access points to the private network for both internal organizations and outside suppliers.

Warehouses and distribution centers operate on AT&T Wi-Fi utilizing AT&T's machine-to-machine technologies. Bar Code scanners used in order fulfillment enables fluid and efficient processing from inventory to shipping. Orders are sent wirelessly to the staff devices and once an order is fulfilled, the order management, warehouse management and other critical systems are updated simultaneously and seamlessly.

Some managers use iPads that connect wirelessly to the warehouse management and other systems allowing access to near real time operational information and fulfillment reports. AT&T employs electronic information exchange at all stages of the supply chain, whether it is upstream (suppliers) or downstream (customers), to realize and leverage higher productivity and reduced costs.

The network architecture and supply chain systems developed by AT&T allow for independent failover of critical components to different geographical locations. In the event of an emergency – such as a problem in the data center, or even a natural disaster – the AT&T supply chain organizations have deployed continuity options that will keep the business running.

Having What The Customer Wants When They Want It

That is the very measure of a rigorous supply chain system. AT&T uses a combination of people, processes and technology that includes a cutting-edge Enterprise Resource Planning (ERP) platform to manage the supply chain and the Sales and Operations Planning (S&OP) process, which enables estimation of the anticipated demand down to the store level for devices.

Synchronized coordination using sophisticated systems running on AT&T's global network helps ensure AT&T retail stores meet customer expectations. Isn't that what it is all about – having what the customer wants, when they want it.

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