

Case Study on:



European
Business
Awards™

Ruban
d'Honneur
2012/13

Ruban D'Honneur Recipient

European Business Awards 2012/13

Import/Export Award
Moto-Profil Sp. z o.o.

European
Business
Awards™

Moto-Profil Poland

Using Technology to Cut Costs and Improve Efficiency

Words from the Judges

"With clear strategic growth Moto-Profil has achieved the highest standards of service quality."



Moto-Profil is a leading distributor of spare parts for passenger cars and light commercial vehicles (LVCs) across Poland and its neighbouring countries. Moto-Profil is a well-deserved recipient of the European Business Awards Ruban d'Honneur for Import/Export. The accolade has been given in recognition of the company's focus on service quality and logistics management as well as its successful partnership programme.

Operational cost cutting and improved efficiency in logistics are key to the success of Moto-Profil. In order to achieve both of these, the company has invested heavily in its IT solutions both internally, for its own distribution and logistics systems, and externally for its customers, helping them to achieve maximum efficiency within their own operations.

The bespoke IT solution developed in-house by Moto-Profil enables the company to manage over 98% of its orders online. It has also introduced e-invoicing for over 80% of its customers. This helps Moto-Profil support its 900 partners and over 60,000 order lines with a staff of just 20 sales representatives and six customer service employees.

"Our IT solutions are best in class, simply because no other distributor does the same for its customers. Unlike our competitors, we are committed to supporting our partners and helping them become as successful as possible." Piotr Tochowicz, Chairman of the Board, Moto-Profil

Moto-Profil's customers are its partners, not individual garages or end-users. These partners are independent wholesalers and automotive shops; they are hard-working and ambitious local suppliers who keep their own network of garages supplied with parts. Moto-Profil is very loyal to its partners, working with them to help them grow and gain market share.

Moto-Profil's ordering system is easy to use and works with both on- and offline catalogues to enable partners to find the right part, send an order and receive confirmation within a matter of seconds. Moto-Profil's customers can also connect their own enterprise resource planning (ERP) systems via web services directly to Moto-Profil's database.

The greatest asset of Moto-Profil's IT system is the 'end station' for a garage. Using Moto-Profil's e-catalogue, individual mechanics can



order parts directly from a local supplier (Moto-Profil's partner) with same day delivery. If the supplier does not have the part in stock and is operating through a compatible ERP system, the order will go directly to Moto-Profil and the part will be delivered overnight to their partner. This means that Moto-Profil's partners do not need to keep excessive levels of stock; they only need to buy a specific part once it has been ordered by, and sold to, the end-user.

Prompt delivery of parts is a crucial element of Moto-Profil's positive relationship with its partners. Orders are accepted until 6.30pm at night. Trucks go out at 11.00pm and goods are delivered to the customer by 9.00am the following morning. Moto-Profil's delivery vans cover some 80,000 km per night and all delivery locations within a 650km radius are reachable overnight.

"Confidence is very important for our partners. They can accept an order from a mechanic for a part that they don't have, or never had, in stock and know it will be with them first thing the following morning. We won't let them down and they in turn won't let their own customers down."

Moto-Profil's competitors are focused on creating outlets or supplying garages directly. Moto-Profil has made a commitment not to approach garage level or end users for one simple reason – it does not make economic sense. Moto-Profil is able to supply its 900 partners (or sell-points) much more effectively than it could supply 18,000 garages individually.

"We see our partners as sales platforms. Through our partners, we are much more efficient and cost effective. We can grow faster through our network of partners than we could ever grow alone and in return they benefit from our support."

Moto-Profil works hard to create strong working relationships with its partners. These partners could always leave and go elsewhere to buy their parts. It is this that keeps Moto-Profil working hard to be the best and to remain the partner of choice for its customers. Support for partners includes not only the cutting-edge e-commerce and ordering system, but also technical education, training, workshop equipment and marketing, all of which is aimed at "bringing custom to our customers".

"Moto-Profil has developed a very clear strategic growth model based on the highest standards of service quality and logistics management. It has developed both the systems and internet tools to make the operation efficient and effective. Also a proven success is its partnership programme, through which customers are offered parts, tools, support and technical data. This is now being effectively extended throughout Europe."

Phil Forrest, Chairman of Judges, European Business Awards 2012/13



Looking to the future...

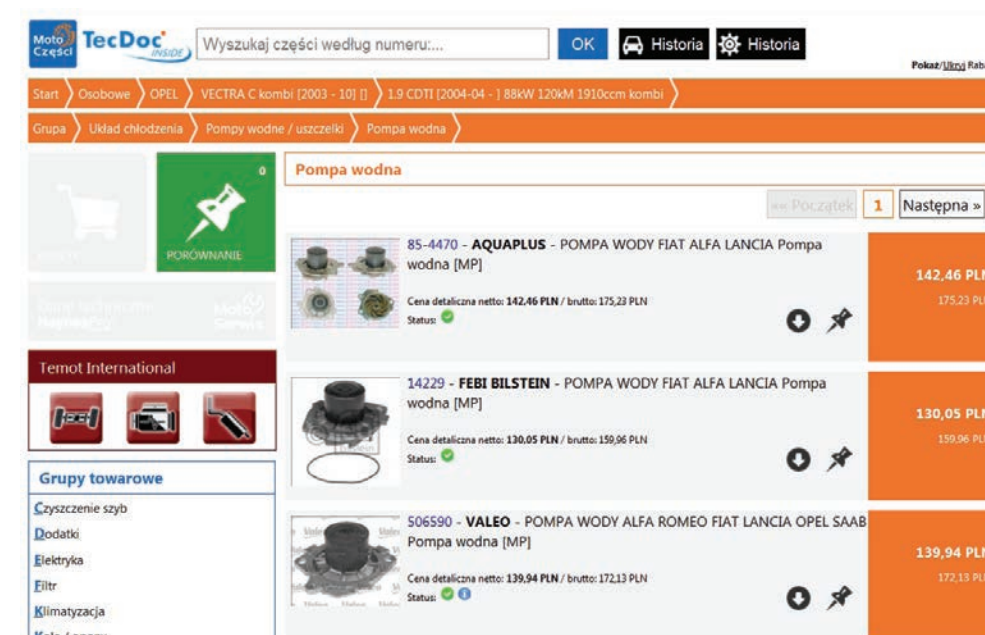
Moto-Profil is located in the Katowice region of southern Poland and has a good delivery range from the Baltic coast of Poland in the north, eastern Germany in the west, Czech Republic, Slovakia and Hungary to the south and back to Latvia in the north-east. It is because of this that these are the areas where Moto-Profil currently focuses its export operations.

From April 2011 to April 2012, Moto-Profil's exports to these countries grew by almost 40%. Export currently accounts for 25% of Moto-Profil's total sales; it is expected to reach at least 30% in 2013.

Looking to the future, Moto-Profil is aiming to extend its export territories to include countries such as Ukraine, Moldova, Hungary, Croatia, Romania and Russia. The company has already set up a sister company called Keyparts, which is dedicated to forging partnership links in Russian-speaking countries. In these countries, there is a different way of doing business – it is not so easy to insist on using sophisticated IT solutions, it is more important to visit face-to-face and to speak the language.

"We have set up a network of specialists who can speak the local language and can spend time supporting partners through their orders. These partners are given maximum assistance to do their jobs in their own local markets as they know them much better than us. This approach has seen our exports grow in these countries from just 3% three years ago, to 20% in 2011."

Three years ago, Moto-Profil set up a marketing project called **Profi Auto** (www.profiauto.pl), which brings key partners together for joint advertising and marketing activity. The Profi Auto brand is now the most actively promoted brand in the automotive parts industry in Poland with 200 Profi auto sales points are currently signed up. With 200 members, Profi Auto is able to create advertising on a level which is usually too out of reach to individual partners including TV and radio advertising and high-profile internet advertising. Moving forward, Moto-Profil aims to have a Profi Auto partner in every city in Poland.





"The European Business Awards offers an opportunity for us to step out of the automotive sector and introduce our business to a wider audience. In doing this we invite other people to look at our company and give their opinion. Being recognised as a Ruban d'Honneur by the independent jury of the European Business Awards, which is made up of experts from so many different sectors, probably means we aren't doing too badly, which is very good to hear!"



Mr Piotr Tochowicz, Chairman of the Board, Moto-Profil

About Moto-Profil

Moto-Profil has been active in the import and distribution of car spare parts since 1993. The company provides spare parts to over **11,000** car garages across Poland through its network of local wholesalers and retail outlets. It also exports to neighbouring countries across Europe and further afield to Russian-speaking territories.

For both domestic and export sales, Moto-Profil uses the same strategy: building relations with partners, helping them gain the best position in their local markets and giving them help in their everyday business strategy in order for them to be as successful as possible.

By operating a flat organisational scheme, Moto-Profil is able to offer its customers direct access to the Board. Partners are able to request a meeting with the President of the Board or the senior management at any time and every year there is a Partners Conference where future plans are introduced to the partners.

Moto-Profil has worked hard to become a paperless company. Electronic invoicing and fully electronic internal information and reporting systems have been developed and the next step is to introduce a paperless warehouse system.

With over 480 employees, Moto-Profil is an important job creator in Chorzów and the local area. The company offers fair wages and contracts, which make it an employer of choice in the region.

In 2011, Moto-Profil was voted the 'Most Friendly Distributor' in an internet poll carried out by MotoFocus.pl – an online portal for auto mechanics.

About the European Business Awards

Since 2007, the European Business Awards has been shining a light on the most pioneering businesses on the continent by promoting excellence, best practice and innovation in the European business community. The awards programme recognises excellence in all disciplines of business including individual business functions. Entrants have ranged from fish farming organisations to renewable energy firms. In 2011, they had a combined turnover greater than €766 billion Euros (6% of EU GDP) and employed over three and a half million people between them.

Businesses from across Europe are invited to enter the Awards. The competition for finalist places is fierce with many of the Europe's most established brands being represented.

The Judging panel is comprised of experts in their fields who each bring experience, business acumen and understanding to the board. The overall winners in each category will be announced at an awards ceremony in Istanbul in June 2013.

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