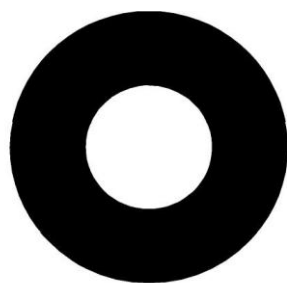
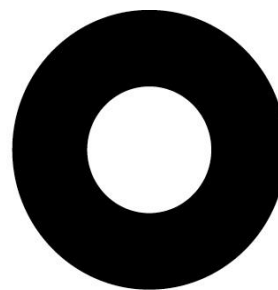


# *Vianor - Member of Nokian Tyres*



**VIANOR**

*Member of Nokian Tyres*



**VIANOR**

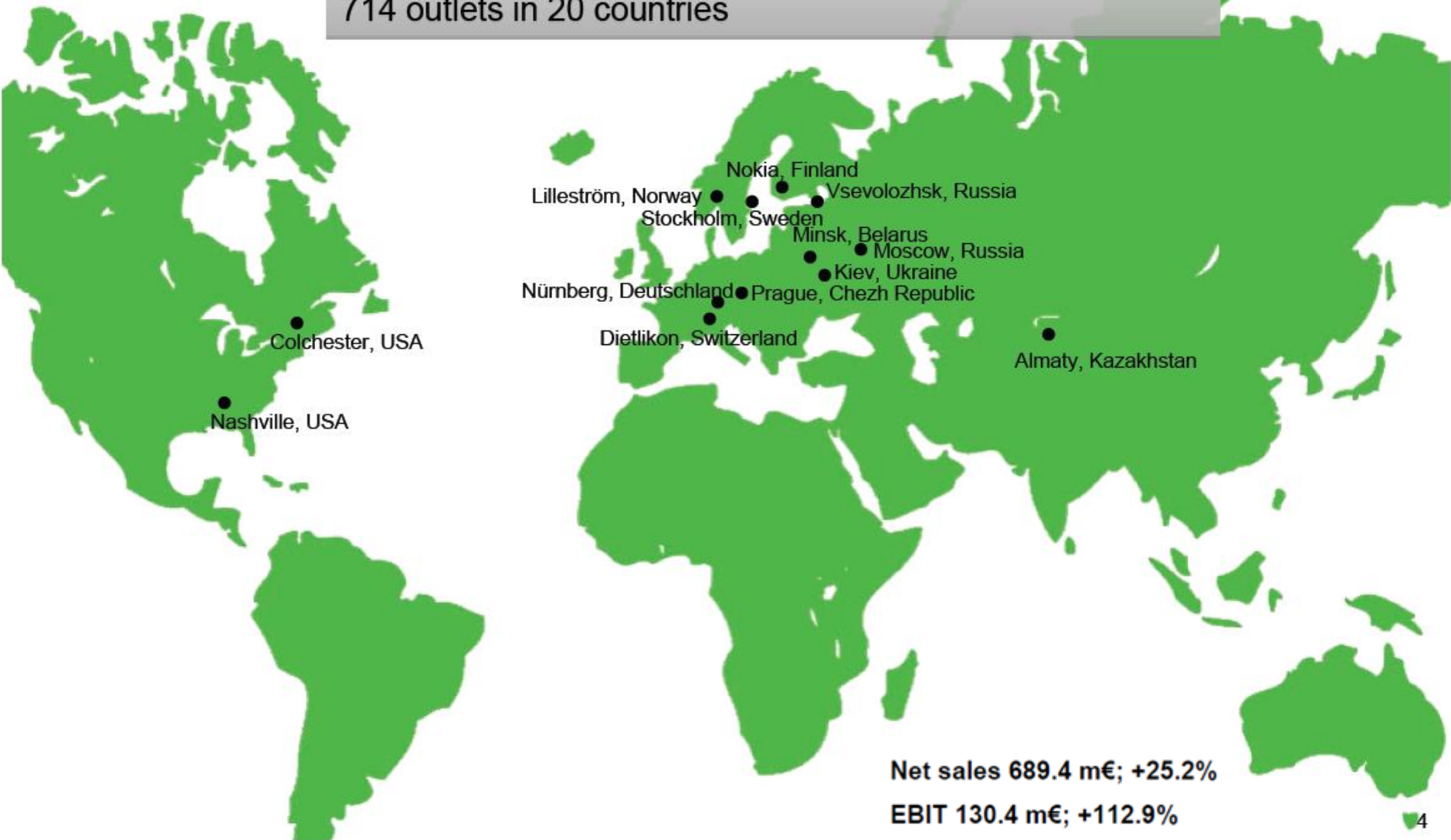
Шинный центр Nokian Tyres



**VIANOR**

## SALES COMPANIES

Own sales companies in 10 countries, Vianor tyre chain:  
714 outlets in 20 countries



Net sales 689.4 m€; +25.2%

EBIT 130.4 m€; +112.9%



- Vianor is a global tyre and car service chain that consists of owned and entrepreneurial outlets
- Owner : Nokian Tyres Plc
- Via Nor is Latin = Northern road
- A full service of tyre business covering all customer groups, products & car services
- Personnel 2009: 1.388 in own operations and ~2.650 in partner operations
- Goals of Vianor:
  - To sell Nokian products
  - To maintain / raise Nokian price level
  - To be profitable as a company
  - The quality of Vianor's operations and services have to correspond NT's high brand image



## VIANOR; own and franchising/partner

Total: 714 stores in 20 countries (+41 in Q3/2010)  
(168 owned, 546 franchising/partner)

### Nordic and Baltic countries: Total 220

<b>Finland</b>	55 owned, 8 franchising/partners
<b>Sweden</b>	54 owned, 26 partners
<b>Norway</b>	44 owned, 17 partners
<b>Baltic</b>	16 partners

### RUK + other CIS –countries: Total 401

<b>Russia</b>	2 owned, 290 partners
<b>Ukraine</b>	90 partners (incl 12 Vianor Truck)
<b>Kazakhstan</b>	12 partners
<b>Armenia</b>	1 partner
<b>Moldova</b>	3 partners
<b>Georgia</b>	2 partners
<b>Belarus</b>	1 partner

### Central Europe:

Total 83

<b>Germany</b>	4 partners
<b>Switzerland</b>	3 owned
<b>Czech Republic</b>	27 partners
<b>Slovakia</b>	11 partners
<b>Poland</b>	26 partners
<b>Bulgaria</b>	12 partners

USA: 10 owned

### Action plan:

- Expand network
- Pending: Italy

### Retreading plants

<b>Finland</b>	2
<b>Sweden</b>	1
<b>Norway</b>	2



# Vähittäiskaupan ja toimittajan kokonaisketjun optimointi sesonkivetoisessa kaupassa

Vianor Oy  
Nokian Renkaat Oyj  
Relex

Ville Nikkola





## PYSYVÄN LUMIPEITTEEN HÄVIÄMINEN KESKIMÄÄRIN

### Pysyvän lumipeitteen häviäminen 1971 lähtien

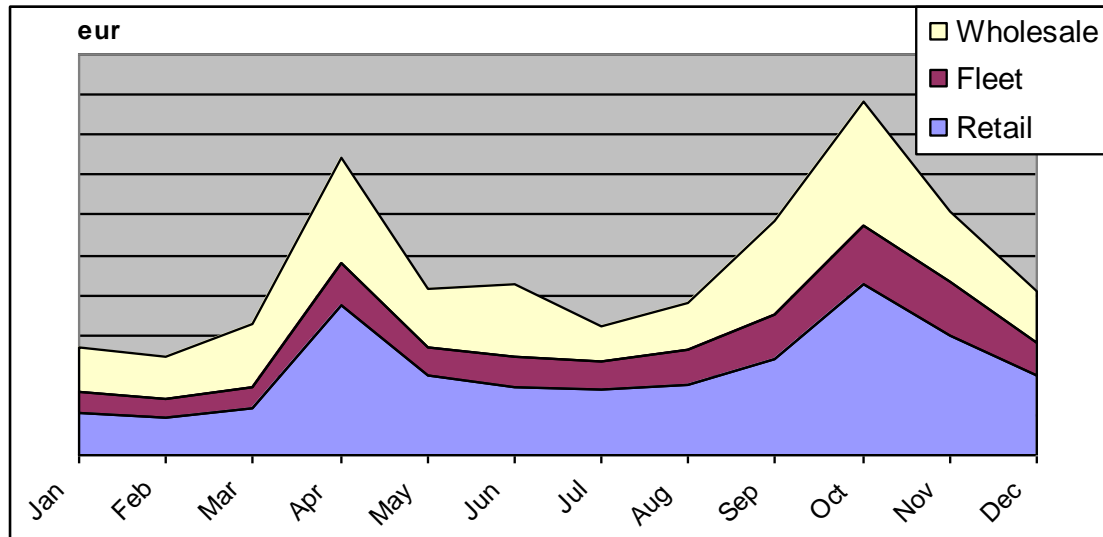
	Myöhäisin	Keskimäärin 1971-2000	Talven suurin lumensyvyys
<b>Helsinki</b>	28.4.1985	<b>27.3.</b>	71 cm (1976)
<b>Kaisaniemi</b>	27.4.1972		
	27.4.1988		
<b>Jyväskylä</b>	24.5.1985	<b>22.4.</b>	95 cm (1981)
	17.5.1996		
	10.5.1981		
<b>Sodankylä</b>	15.6.1981	<b>16.5.</b>	116 cm (1993)
	1.6.1989		
	30.5.1996		

Päivitetty 15.9.2008

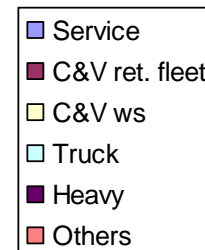
Lähde: Ilmatieteenlaitos

# Example of sales in Vianor

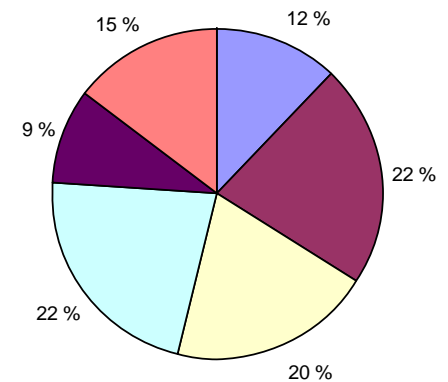
## Vianor Finland



Car services are a good way to balance seasonal fluctuations of tyre sales



SALES GROUP





# Example of sales in Vianor – PCR tyres

## SALES OF CAR&VAN SUMMER TYRES



**VIANOR**

# Example of sales in Vianor – PCR tyres

## SALES OF CAR&VAN WINTER TYRES



# Background of Relex project

- The need of optimization tool has been recognized years ago (stock, levels, freight costs, etc..)
- Mapping of different options 2007-2008
- Reference visits during 2008
- Selling the idea in Nokian organization
- History data to Relex for analysis  
2009 – demo 21.10.
- Introducing Relex pilot project 3.11.2009



# Differing goals a challenge

## Nokian Renkaat

- Accurate projection of future demand needed
  - Raw material procurement
  - Production capacity optimisation
- Ensuring zero lost sales
  - High before season inventory secures availability at outlets
  - Inventory to create sales pressure
- Efficient picking and delivery

## Vianor

- Need tighter control of the stocks in the outlets
  - New service revenue can only be generated if space allows
- Final product allocation later in the season would help reduce lost sales
- More controlled deliveries to help reduce freight and minimise reception handling



## Relex pilot project

The purpose of the project is to investigate and analyze effects in Nokian Tyres' distribution channel of implementing Relex optimization system in Vianor Oy

### TARGETS

- Decreasing inventories → increase of stock rotation
- Increase availability in the outlets
- Increasing profitability in the outlets
- Decreasing shipment costs and number of internal shipments
- Releasing resources in the outlets for sales work

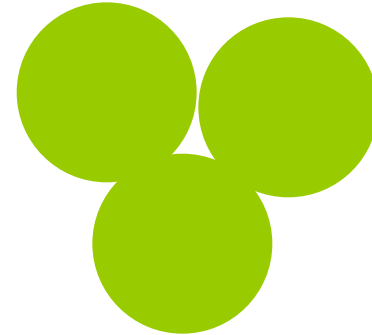
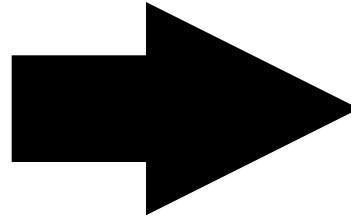
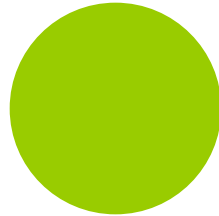
→ MEASUREMENT SYSTEM

# "Old" distribution structure

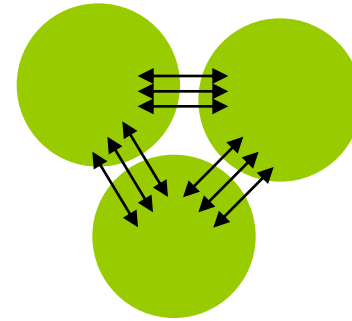
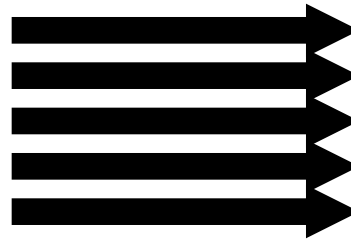
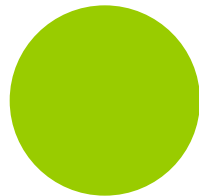
Central  
warehouse(s)

Vianor outlets

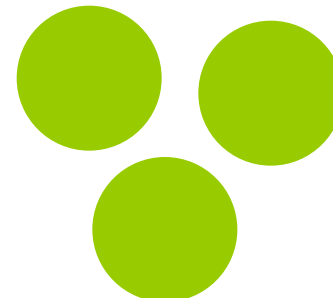
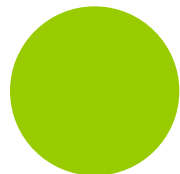
Before season



Season

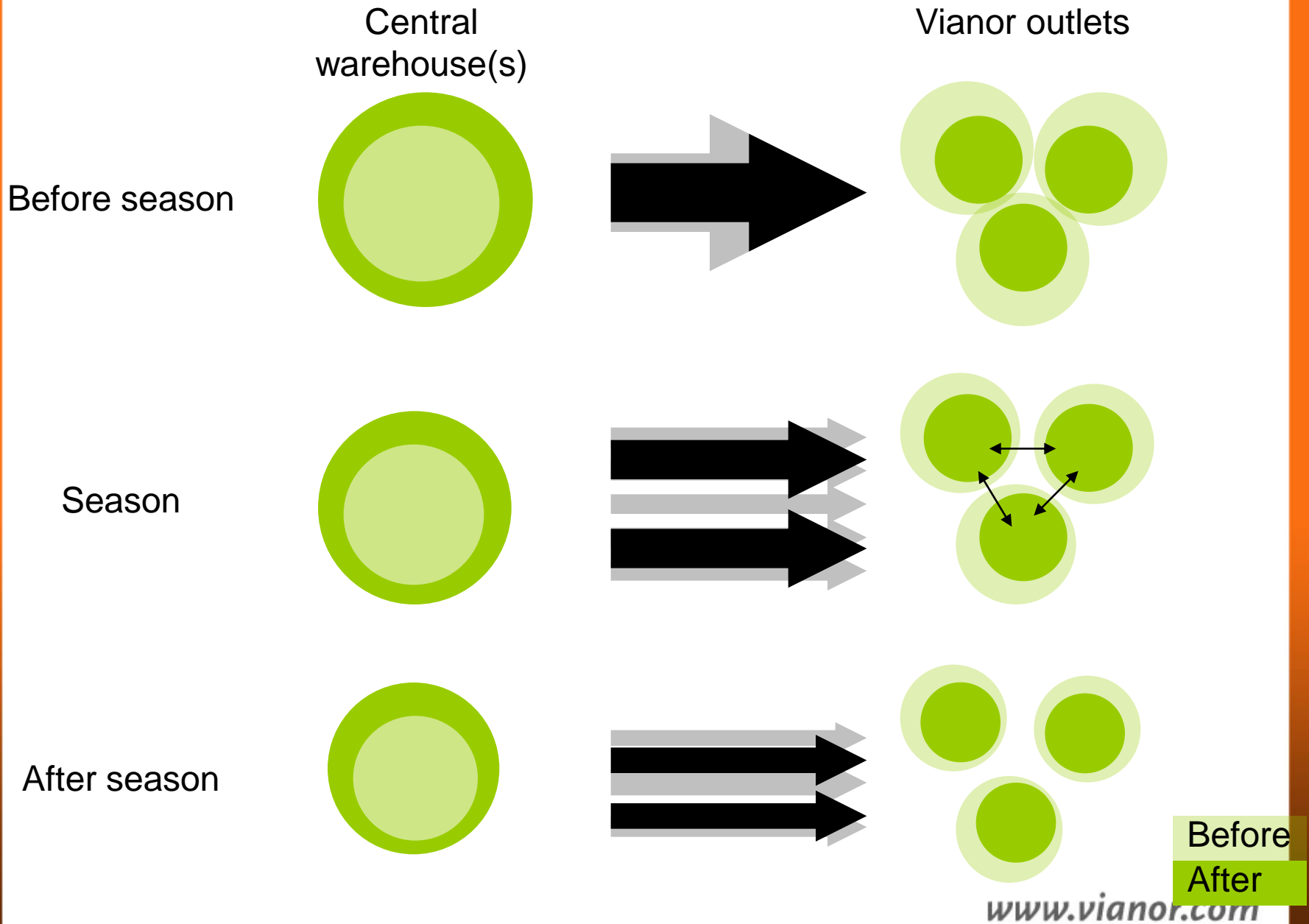


After season

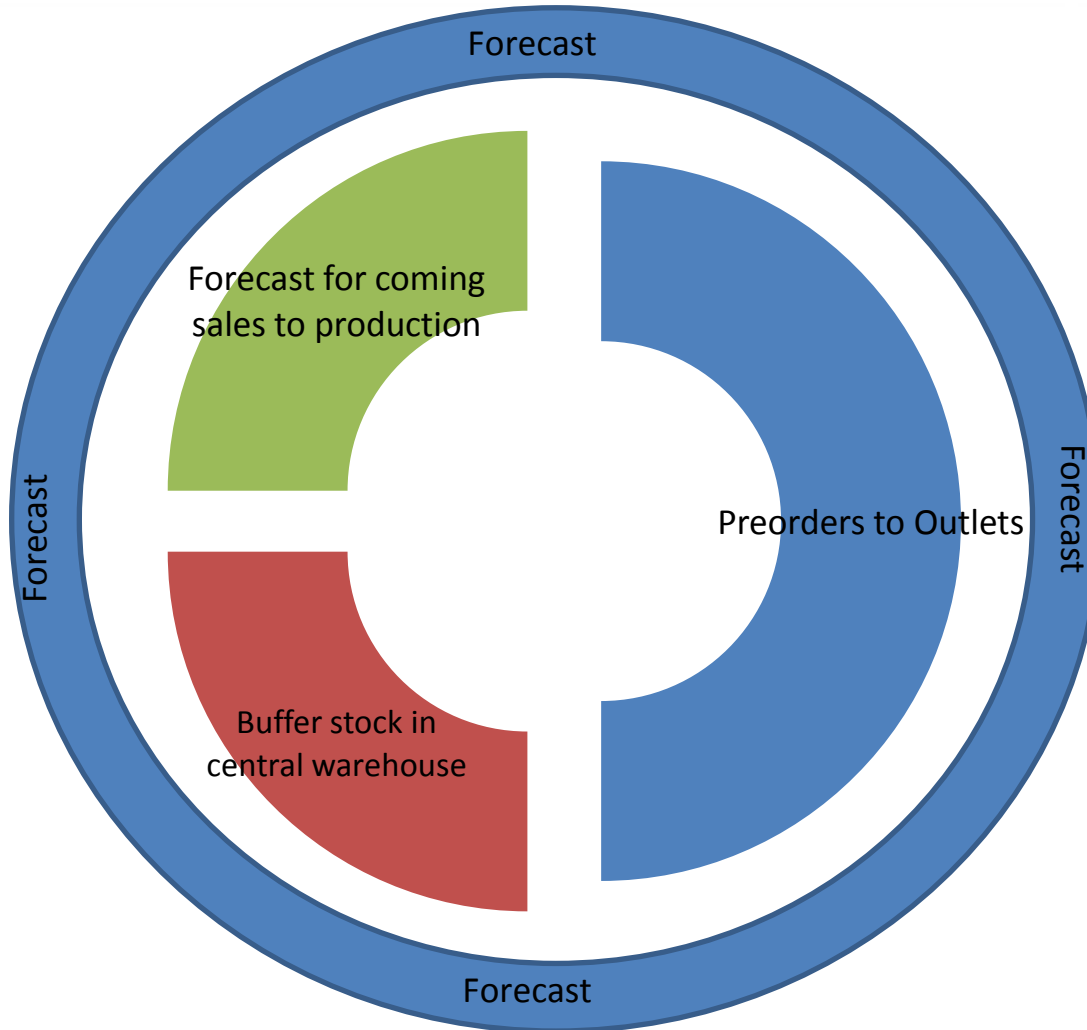




# New distribution structure supported by Relex



# Plan for ensuring availability



# Autumn 2010 results in nutshell

- Pilot outlets' peak inventory levels -30% compared prev year (spring peak inventory -50%)
- Pilot outlets' availability better in all product groups (PCR) compared with other outlets
  - Possibilities to effect production plans
- Pilot outlets' retail winter tyre sales +15% (tyre chain +8%) in peak season
- Nokian tyres' shipments; tyres per shipment increased 100% compared prev year (potential five times bigger)
- Hotel tyres increased in every pilot outlet

Cross-disciplinary project where all the supply chain parties can get benefits

Production

Cust.serv.

Warehouse

Carriers

Outlets

# SC Sales and Logistics Strategy Summary 2011-2014

No	Target	Action	Schedule	Responsibility
1..	<b>Unified Order to Cash processes</b>	Process descriptions for Nordic GOM  To be implemented in Russia	Q2_2011  2012-13	JJu  JJu
2.	<b>Russia logistics plan, Regional approach</b>	To create concrete roadmap and operating model for growth (structure, service level, systems) + to manage the implementation	2011-2012	TB
3.	<b>KPI's for logistics operations</b>	To implement harmonised platform for performance, costs, availability follow-up → to be used as an operative tool in sales and logistics globally	2010-11	JJu
4.	<b>Replenishment of Vianor outlets (Nordic)</b>	Roll out of Relex • to increase stock rotation, to release space for tyre hotel And service	2011-12	VN
5.	<b>Expand and develop Service concept in CE</b>	To expand geographical region served from Ejpovice especially with Small delivery sizes + to study each CE country for logistics structure	2011	JJu

# Future

