

# We can work much more efficiently, with much bigger stocks and supply

exclusive

Debra Net ups capacities by building a new warehouse



Zoltán Bódy,  
owner & CEO of Debra Net

**Zoltán Bódy, owner and head of Debra Net, and his team have set out on a course of growth and expansion. One example of this is their new warehouse which enables the company to stock more products and guarantee better delivery capabilities. But it also helps them to prepare for future developments in the market, as we learn in our interview.**

**„** Congratulations on the opening of your new warehouse. Are you looking forward to having more room for expansion, or are you just happy that the project has come to an end?

**Zoltán Bódy:** Thank you! Both of these things are true; this expansion was unavoidable and we're glad it is finally finished.

*How long did the construction take?*

**Zoltán:** Compared to our plans, the construction took a long time due to many modifications, but it was worth it because the result speaks for itself. The planned completion should have been in March, but before all is said and done, it will probably be December. This delay has caused some disruption because by May, the first part of overseas shipments had already arrived, and the only place to store it was the new warehouse. Therefore, filling stock and completing construction have gone hand in hand since May. If you look at the pictures, we're all fine now, but there are still things to do and the purchasing continue. In total, the construction took up about a year and a half.

*Can you give us some info about the new warehouse? How much space does it provide? Which other aspects have been important to you?*

**Zoltán:** The area is 2500 square metres in total, spread out across 3 floors, which means room for 8000 shelf spaces, each measuring 60x100x50 cm. The products are moved up and down between the floors on a conveyor belt. The driveway network at our company is growing as well, so it is much easier to move goods. What is also important to us is the new highway close to the company which will be open to traffic some time next year.

*Why was the construction of a new warehouse necessary?*

**Zoltán:** We had known for years that we would need a third warehouse because the second one was already too small when it was ready. Of course, it is great to be able to achieve significant growth every year, but it also means you need more space to keep a wide range of products in stock.

*Surely, you already had ideas about the new warehouse in advance. Could you tell us about your plans?*

**Zoltán:** The new warehouse is more innovative than those warehouses we built in the past. Among other things, it will have a 50-meter long showroom in the center, where we can show our products. So, anyone who comes by to visit us in person will have the possibility to get a better view of our offer.

*Will the new warehouse affect your logistics services? Do you want to increase your assortment?*

**Zoltán:** Of course, this will make a huge difference. We can work much more efficiently, with much bigger stocks and supply.



The new warehouse



Inside the warehouse

*Now that you've created more room, you can move ahead with your expansion strategy. What will be the next step?*

**Zoltán:** There are already ideas for expansion, but the next year will be all about working out the details. We are having several negotiations with potential new manufacturers and partners, and we will expand our offer according to market demands.

*It seems that there is a trend towards exclusive distribution right now. Or are these just isolated cases? Does exclusive distribution make sense from your point of view?*

**Zoltán:** Anyone who is working in the European market knows that one single distributor is unable to cover all of it, especially in the long term. I absolutely do not believe in this type of distribution, and is you ask me, these efforts will prove to be effective.


*Some wholesalers and distributors rely on exclusive distribution to set themselves apart from the competition, others rely on private labels. What does Debra do to stand out from the crowd?*

**Zoltán:** This is a big dilemma for us as well. If we think about it, the healthiest thing would be if manufacturers focused on production from start to finish, and distributors didn't come up with new packaging and names to sell products that are already available everywhere. A distributor should take care of its customers, just like a retailer should create a beautiful shopping environment that attracts customers instead of running a mini wholesale. Of course, these roles are often mixed in today's market, and it is hard to tell what will work best for whom in the future.

If I were a manufacturer, I would choose 2–3 distributors with different locations in the EU who take care of my brand, but avoid those who do not care about my brand – or who'd just ruin it. We have territorial exclusive agreements with many

brands for 6–9 nearby countries which works very well in most cases. We cannot cover all of EU, but if there is a similar-minded distributor from West-Europe then the biggest part of market can be covered and maintained by 2–3 distributors.

*How would you sum up the wholesale business in 2018? Has the traditional supply chain continued to break apart?*

**Zoltán:** Even looking back several years, there has never been a year as crazy as 2018 in our industry. It looks like we will close a successful 2018, in spite of being so busy because of the construction project. The results of our hard work and investments will be seen in 2019. There are changes in the market and surely there will be more in the upcoming years. Fortunately, we are ready for any challenge. Changes like these are necessary to defend and add to our market leadership in Central and East Europe. 

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ZOLTÁN BÖDY

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