

CUSTOMER STORY

Atlas Copco reduces supplier risk with Supplier Portfolio Manager from Dun & Bradstreet



Atlas Copco

Atlas Copco is a world-leading provider of sustainable productivity solutions. The Group serves customers with innovative compressors, vacuum solutions and air treatment systems, construction and mining equipment, power tools and assembly systems. Atlas Copco develops products and services focused on productivity, energy efficiency, safety and ergonomics. Founded in 1873, the Stockholm, Sweden-based company has more than 44,000 employees and a global reach spanning more than 180 countries.



THE CHALLENGE: REDUCING SUPPLIER RISK

Atlas Copco needed a way to quickly assess the financial health of the many suppliers that provide the components used to build its innovative machines. Previously, the company used a summary of annual accounts to make this assessment, but with the number of suppliers growing to nearly 600, this method was proving cumbersome and time consuming. Without this information, Atlas Copco faced unknown but potentially significant risks from troubled suppliers.

“We needed a solution that could streamline and reduce the resources needed for assessing supplier risk.”

Mike Callens, VP Sourcing



THE SOLUTION: INCREASED SUPPLIER INSIGHT

Atlas Copco installed Dun & Bradstreet's Supplier Portfolio Manager — an online analysis tool that will integrate the company's supplier data with Dun & Bradstreet's global business database.



HOW IT WORKS

Supplier Portfolio Manager provides Atlas Copco with three different types of supplier analyses.

- First, it assesses the financial health of each supplier. This allows Atlas Copco to stay proactively informed of the evolving risk of existing and potential suppliers, so it can intervene before a supplier gets into possible trouble.
- Next, Supplier Portfolio Manager analyzes the company's dependence on each supplier, along with the potential risk resulting from the loss of a supplier.
- Finally, the Supplier Portfolio manager provides a “family provider” analysis that uncovers corporate linkages among suppliers. This information can strengthen the negotiating position of Atlas Copco by enabling the company to generate group-level discounts.

“Supplier Portfolio Manager was installed without problems. We sent Dun & Bradstreet the details of our suppliers and they did the rest, even providing on-the-job training. We chose a partnership of three years, which has given us all the intended benefits.”

Mike Callens, VP Sourcing



RESULTS & ROI: REDUCED SUPPLIER RISK, IMPROVED SUPPLIER RELATIONSHIPS

Supplier Portfolio Manager has provided several benefits for Atlas Copco.

- It has saved the company considerable time generating the data needed for a clear overview of who is a “healthy” supplier and who is not.
- Using the data and analysis, Atlas Copco identified and then spoke with vendors whose ratings indicated existing or potential problems. This not only led to productive dialogue and improved relations with vendors, but it often led vendors to take corrective action, when needed.
- The Supplier Portfolio Manager also produces analyses that give the company insight into its dependence on its suppliers, so company officials can assess and take steps to reduce our risks.
- Finally, because of the “family provider” analysis that provides insight into corporate linkages among suppliers, Atlas Copco officials are able to develop a supply strategy with a competitive advantage. For example, the company can combine multiple orders from different organizations under a single supplier to help negotiate better terms.

“With the Supplier Portfolio Manager, we gain insight into the entire portfolio of suppliers. Where it once took us a long time to go through a lot of data, with the Supplier Portfolio Manager, we now have quick access to the information that we need.”

Mike Callens, VP Sourcing



US:
www.dnb.com
T: +001 (800) 526-9018

UK:
www.dnb.co.uk
T: +44 (0)800-001-234

Belgium:
www.dnb-belgium.be
T: 02 481 83 00

Netherlands:
www.dnb-nederland.nl
T: 010 710 95 60

ABOUT DUN & BRADSTREET

Dun & Bradstreet (NYSE: DNB) grows the most valuable relationships in business. By uncovering truth and meaning from data, we connect customers with the prospects, suppliers, clients and partners that matter most, and have since 1841. Nearly ninety percent of the Fortune 500, and companies of every size around the world, rely on our data, insights and analytics. For more about Dun & Bradstreet, visit DNB.com.

© Dun & Bradstreet, Inc. 2015. All rights reserved. (DB-4304 5/15)

www.dnb.com