The new era of supply chain begins now

Unleash the power of Watson Supply Chain to create a transparent, intelligent and predictive supply chain

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ELEVATING THE SUPPLY CHAIN
TO MEET TOMORROW'S CHALLENGES

Digital business is changing business models – and how we conduct business. It is changing how businesses communicate, transact and interact with customers, suppliers and partners. And it is accelerating the pace of business, in a world already operating 24/7.

How do businesses not just keep pace – but stay ahead of the competition in this environment? How do they adapt to, and exceed, ever-evolving global customer demands and expectations? How do they weather increasing volatility and risks?

Their ability to do so is largely dependent on their supply chain.

As much as 65 percent of the value of a company's products or services is derived from suppliers.[1] Suppliers and the supply chain impact everything from the quality, delivery and costs of a business's products and services, to customer service and satisfaction, and ultimately profitability.

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Supply chain leaders are tasked with continually ensuring the quality, delivery and availability of supply – while controlling costs. They must monitor and mitigate an array of potential supply disruptions – including both common events, such as weather, delivery delays and quality defects, as well as major events such as political unrest, natural disasters and the financial instability of suppliers. They must also safeguard the brand, ensuring suppliers and product components live up to customers' expectations and social values. Today's expectations are that inbound supply needs to be just as focused on customer experience, personalization and client delivery as the outbound side of the equation.

And in an era where innovation can mean the difference between success and stagnation, supply chain leaders are increasingly being called upon to collaborate with suppliers to foster greater efficiency and innovation.

Lack of visibility and transparency is the greatest hurdle in achieving the supply chain organization's objectives.[2] Most organizations lack transparency into critical links in supply chain processes – as well as the visibility needed to better predict and prevent disruptions and inventory imbalance. This largely stems from an inability to corral and make sense of an overwhelming amount of data scattered across different processes, sources and systems.

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Supply chain organizations also are struggling to keep pace with change, both technological advances and the changes that the digital age is bringing to industries and markets. Under these pressures, they lag in elevating their personnel and empowering them with the knowledge, data and capabilities needed to succeed.

1   CAPS Research, Institute for Supply Management, *Cross-Industry Report of Standard Benchmarks*
2   *IBM IBV Global Chief Supply Chain Officer (CSCO) Study*

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Create a modern supply chain that is transparent, intelligent and predictive. By establishing greater visibility into supply chain data and processes and leveraging cognitive technologies, supply chain organizations can both predict and mitigate disruptions and risks and deliver more value to the business.

ESTABLISH GREATER TRANSPARENCY AND VISIBILITY

Develop greater transparency and visibility by establishing one shared view of supply chain data and intelligence across all suppliers, partners, systems and processes. Such visibility should include both internal and external sources of data — both structured and unstructured. Provide the supply chain organization with contextual intelligence that shows the impact of business decisions.

CASE STUDY

Supply chain visibility maximizes market opportunities for Bonnie Plants

Bonnie Plants, a leading provider of plants to the retail industry with more than 10,000 customers, uses IBM solutions to create a single view into its supply chain that enables it to connect people, processes and technology across boundaries. Each time a Bonnie Plants product is scanned, the information is collected, rationalized and processed immediately. Bonnie Plants' teams can check sales and project the needs of an individual customer carrying their plants. This real-time visibility allows the company to ship new plants where and when they are needed. With IBM, Bonnie Plants has gained real-time, end-to-end visibility and control over its business processes and external trading partners, maximizing market opportunities. Read the full story.

PREDICT AND PROACTIVELY MITIGATE DISRUPTIONS AND RISKS

Leverage the latest cognitive technologies to create transparency and comprehensive visibility into supply chain processes – and potential disruptions and risks – so that the organization can quickly and proactively mitigate those events. Further, foster collaboration among internal supply chain staff – and work collaboratively with suppliers and partners – to resolve disputes, respond to events and drive innovation.

CASE STUDY

KeHE Distributors mitigates risk, keeps fulfillment running like clockwork

KeHE Distributors, which works with some of the largest retailers in the United States, must ensure that its order fulfillment processes run like clockwork. Otherwise, they risk delivery delays that eat into margins. KeHE Distributors leverages IBM solutions to keep its logistics network running efficiently, reliably and cost-effectively, which in turn helps the company to protect its margins.

"In our industry, operating lean is crucial to combat downward pressure on margins. We have not experienced any unplanned downtime, keeping our logistics network running smoothly and cost-effectively," says Carl Snyder, manager of IT initiatives at KeHE Distributors. Read the full story.

CONNECT AND BUILD STRONGER BUSINESS RELATIONSHIPS

Digitally connect, collaborate and interact with suppliers and partners to build frictionless, productive and advantageous business relationships. Leverage a digital supplier and partner network to seamlessly onboard suppliers, and drive speed, efficiency and agility in the supply chain – as well as the business.

CASE STUDY

Mondadori Group invests in source-to-pay platform to strengthen supplier engagement

Mondadori Group, a leader in the publishing industry, sought to strengthen its engagement and collaboration with suppliers as a source of competitive advantage. The company created a dedicated procurement function and leveraged IBM solutions to establish global, integrated processes that provided the capabilities needed to achieve its goals. Mondadori Group started by introducing an integrated, scalable platform from IBM that manages the entire source-to-pay process – offering an organization-wide view of spending by category, company and supplier, as well as a central, traceable source of supplier bids and information.

"We predict that many new business imperatives will define the future of the procurement function, including greater speed, cross-departmental collaboration and responsiveness. Our vision was nothing less than a complete transformation, and we now have a mature, enterprise-class solution to help us reach our goals. We now have a tailor-made process to deepen our engagement and collaboration with suppliers," explains Andrea Munari, group procurement director at Mondadori. Read the full story.

ELEVATE THE SUPPLY CHAIN FUNCTION AND EMPOWER PEOPLE

Embed robust cognitive capabilities into existing systems to provide incomparable visibility, transparency and insight into data and processes. Empower teams beyond transactional roles, into trusted business advisors who proactively reduce costs, mitigate risks and drive innovation. Elevate supply chain personnel to strategic leaders who guide and inspire the organization.

CASE STUDY

Cognitive solutions transforming the IBM supply chain organization

Managing more than 17,000 suppliers across 100 global markets, the IBM supply chain organization lacked the visibility required to get ahead of disruptions and maximize opportunities. By turning to IBM's analytics, cognitive, mobile and social tools, they fortified decision-making at the individual level and coordination across the supply chain.

For example, take the classic challenge of shifting demand – what orders to place on the line, and what supply is needed to build? Previously, the teams responsible for each phase weren't able to communicate in real time, causing misalignment between the latest demand, orders and supply. With cognitive capabilities, each group has immediate knowledge of changes to demand, supply and/or the order load – and is equipped with context-based intelligence to optimize inventory, fulfillment and build plans.

WATSON SUPPLY CHAIN PUTS YOU AT THE FOREFRONT OF WHAT'S NEXT — NOW.

Watson Supply Chain elevates the supply chain organization's existing systems and capabilities to provide greater visibility, transparency and insight into supply chain data and processes. Watson Supply Chain embeds robust cognitive capabilities and extends digital connections with partners to empower organizations to better predict and mitigate disruptions and risks, as well as drive collaboration and innovation, while reducing costs.

Embeds cognitive capabilities into solutions and establishes comprehensive supply chain visibility

Enhance existing systems with a cognitive solution that actually understands, reasons and learns

Establish comprehensive visibility into supply chain data across the global organization

Analyze data, both structured and unstructured, at enormous scale and speed, for deeper insights

Optimize data exchange and operational efficiency across a digital business partner network

Provide staff the capabilities to intelligently monitor and assess threats, disruptions and risks

Elevate personnel by providing cognitive solutions and a knowledge base that enable them to make quicker decisions and improve day-to-day actions

"Our machines should be nothing more than tools for extending the powers of the human beings who use them."

– Thomas Watson, Jr.

Combines technology leadership with supply chain expertise

Extend the value of technologies via IBM Global Business Services, including industry-leading supply chain consulting services

Access global support across geographical markets, languages and industries/sectors

Leverage expertise from the deep network of IBM supply chain consultants and practitioners guiding development of Watson Supply Chain

Extends visibility across the entire value chain through an ecosystem of solutions

Tap into inventory and fulfillment capabilities through companion offerings from Watson Commerce

Incorporate complementary solutions in cluding procurement, B2B integration and order management

Leverage a global trading network with over 350K clients managing millions of transactions a day

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Illuminate new possibilities with Watson Supply Chain

Now is the moment when you can leverage cognitive capabilities to create a transparent, intelligent and predictive supply chain.

Start outthinking possibilities for your customers, suppliers and partners – your entire value chain – today at ibm.com/watson/supply-chain.

You'll learn how you can use the power of Watson technology to enhance the work you do every day, allowing you to act with greater speed and precision.

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