



SHOWCASE

Meeting the Challenges of the 21st Century Supply Chain

In many instances, 25% to 40% of an organization's business is transacted internationally. This number rose dramatically in the past five years and is predicted to reach between 35% to over 50% within the next decade.

With this seismic transformation to a global economy, the complexity of a company's supply chains increases geometrically if not exponentially. Managing inventory, costs, and compliance effectively and efficiently across a network of global supply chains is severely compromised using traditional processes and technologies. Rising levels of inventory, misunderstood total cost of product ownership, increased regulatory business compliance and the risks associated with international business have brought an unprecedented level of awareness to C-level executives.

With this growing percentage of global activity in a company's product mix, the way a company constructs and manages its global supply chain has significant and growing impact on its financial results and strategic competitiveness. The inability to effectively manage these complex supply chain networks places organizations at significant risk.

Synchronizing Your Supply Chains

The key challenge to developing a comprehensive 21st century global commerce management capability – the management and synchronization of the international physical, financial and information supply chains – is to ensure predictability of the performance of all partners across the global supply chain. With many, if not all, activities of the global supply chain outsourced to contract suppliers and service providers, the level of direct control over

results is often significantly diminished. To achieve and assure high levels of performance in this less controlled environment, companies must have the appropriate tools in place to influence partners to provide the highest levels of compliance. Only when partners achieve the highest acceptable levels of compliance is predictability assured and thus superior global supply chain performance is made possible.

Synchronization of the global supply chains is comprised of four elements – each of which is critical to effectively managing global supply chains. The synchronization of these activities is imperative if superior supply chain – and therefore organizational – performance is to be achieved:

1. developing a global network of suppliers and service providers,
2. retaining people with the level of expertise to manage the global environment,
3. creating the right processes, and
4. providing the information infrastructure that enables superior global supply chain execution and management.

Integrating the Physical and Financial Supply Chains

Operations works in the physical supply chain; finance manages the financial supply chain. Management focuses on insuring that the strategic goals of the organization are achieved or exceeded. Virtually all view their world through the lens of information about tangible assets. Information ideally represents the physical and fiscal worlds as realistically and in as close to real-time as possible. Accurate, real-time information that is available for

collaboration across an organization's supply network – internal or external – supports timely execution of tasks and responsibilities, tactical problem solving, and strategic decision-making and is the fundamental underpinning of optimal global commerce management.

Blinco Systems Inc. provides solutions that integrate the execution capabilities and information needs demanded by the physical and financial supply chains. This integration, coupled with client configured business process, is specifically designed into Blinco's 3rdwave GCM (Global Commerce management) solutions to support and manage the complex domestic and global international environments. Blinco's 3rdwave GCM solutions provide execution and communication infrastructure synchronized on a unique global data repository that insures all relevant supply chain information is available and visible throughout the organization and its authorized partners in a real-time and useable manner.

Information and visibility, while important in and of themselves, are limiting in their potential power unless they can be put into context. 3rdwave GCM contextualizes information and allows operators to understand the **implications** of an event exception within the supply chain and its affect on their specific activity and empowers them to make optimal decisions.

Contextualized supply chain information enables operators to see where an item is in the supply chain and its affect on distribution or manufacturing. Contextualized financial information allows finance to understand the impact of a physical event on the cash and asset position of the company and optimize financial asset allocation and execution. With intelligent contextualized supply chain information management has 100% visibility of where their department, business unit or organization is at any point in time.

3rdwave integrates and synchronizes global supply chain activities and processes and insures absolute integrity of the physical and financial product information allowing our clients to have a complete 360° view of their global business' status.

Leadership for the 21st Century Supply Chain

3rdwave's highly integrated environment and contextualized information have allowed companies to achieve these notable results.

1. The global supply chain arm of a major publicly traded Japanese automotive group to:
 - a. increase its business by over 900% while only increasing its back office by 2.5 times for an improvement in operational efficiency of >300%,



- b. improve its compliance capability by bringing complete process control to its highly flexible and agile organization,
- c. eliminate cost uncertainty, and
- d. improve customer service with accurate and immediate product availability and financial status.

2. The specialty foods group of a publicly traded international food conglomerate to:

- a. reduce its total global inventory by >25% while maintaining in excess of 98% fulfillment rates,
- b. improve its return on assets from <15% to over 45%,
- c. virtually eliminate any unexplained cost variances,
- d. close their accounts within 48 hours of period end.

Successful global commerce management requires solutions that are highly flexible and enable organizations become more lean and agile. The strategic benefit of low cost country sourcing on an organization is directly dependent on its having the right information at the right time supporting the company's strategic goals and tactical operational and financial activity.

3rdwave GCM solutions deliver immediate value to clients that operate in a complex global supply chain environment. Blinco Systems' ultimate value proposition is its knowledge and understanding of the global business environment and processes, its project leadership, and its ongoing collaboration with clients focused on continuous global supply chain improvement. Managing inventory, costs, and compliance across a network of global supply chains thus becomes both effective and efficient. 🍌

www.blinco.com
416-510-8800 x 234