

SUPPLIERS WITH DIFFERENTIATED CAPABILITIES

AN INTERVIEW WITH
GARY NEIGHTS

© 2015 Elemica, Inc. · elemica.com



GARY
NEIGHTS



ED
RUSCH

Gary Neights, Director of Product Management, is interviewed by Ed Rusch, VP of Marketing, about evolving best practices being used to create differentiated capabilities by customer service and sales organizations in the process industries. Gaining real-time visibility in demand, leveraging solutions to deliver “perfect orders”, and having actionable information that aids keen decision making are all key. Learn why a powerful B2B Network platform, along with business process enablement apps and actionable analytics, is the recipe to ensure success. The challenge of integrating a critical mass of trading partners, and next generation “come as you are” technologies to overcome those challenges today, are shared.

Ed

What are you hearing out in the marketplace?

Gary

Our customer service representatives are very interested in making sure that they keep their customer’s plants running, and that they fulfill orders that come in. Visibility into forward demand can be challenging to get insight into.

Ed

I’ve heard about the perfect order. Does that come into play?

Gary

Yes. Customer service organizations look at perfect orders. Were they able to deliver the product per the customer’s request? Or, were they able to deliver the product per the terms agreed to in the contract, which can be two different things. The terms of the contract might say that they need a three day lead time, but the customer might place the order with a two day lead time. Customer service organizations really try to get that order to where it’s supposed to go, regardless of what the contract says.

We can really help them with that through our Supply Chain Operating Network. To get product to the customer, it either has to be available in a warehouse ready to ship; or if it’s a made-to-order product, you have to have the raw materials, the manufacturing capacity and the logistics capacity available. So the customer service organization really plays a key role in making sure all those things are together to get that product shipped to the right place, right time, right accounting.

Ed

Easier said than done. I’m sure they have their challenges.

Gary

Absolutely.



Ed

What keeps them from being successful every time with those objectives?

Gary

Well, there's always a tradeoff between the service level that you're able to offer a customer and price. For example; if you wanted to be able to deliver 100% of what the customer asks in near real time, you'd have to have all of your products stocked on the shelf. But that can increase working capital. So it's a balancing act between the amount of raw materials that are stored, the amount of finished goods that are stored and being able to supply the product when the customer needs it. That's where contracts come into play, because a contract will lay out those terms. If a customer needs product available instantly, they might have to pay a higher price than if they're willing to accept the lead time, for example.

Ed

A company like us, Elemica, we're a Supply Chain Operating Network. Where do we come into play in the equation you just described?

Gary

If you think about the movement of materials, I think of it as the movement of molecules and the movement of information, the movement of electrons. You're going to have your physical movements going on. To make those physical movements as effective as possible, you want to have the information available so that you can have insight to predict what you have to do in the future. However, just the pure execution, blocking, tackling, nuts and bolts, getting the order in, the right quantity, the right units of measure...having that feed into the ERP system of the supplier, having the ERP system of the customer and the supplier, and logistics providers...having all of those systems synchronized is going to give the supply chain the greatest likelihood of having optimal performance...

We play a role there because we look across the extended supply chain. In fact, if you think about it using the score model, moving from a tier 3, to a tier 2, to a tier 1 supplier, to a manufacturer, to a distributor, to a customer, to the end consumer, you have that extended supply chain.

Most company's ERP systems can only see what's inside their piece of that. What we provide with our Supply Chain Operating Network is that end-to-end visibility across those companies, and that's very powerful. Therefore; as a manufacturer, you need raw materials; you need those raw materials coming in from your supplier. They need them coming in from their supplier, and the further upstream and downstream you can see, the better decisions you can make. And we're key to that.

Ed

The fulfillment organizations are telling you, in the customer management solutions, visibility is really, really important.

Gary

Yes. Visibility is important, both at a micro level (to what's on the shelf in the supply chain), to a more macro level. These are the market changes that are coming forward in the future.

Ed

I think you've touched on one of the challenges to achieving that visibility earlier when you talked about synchronizing all





these systems across trading partners and across the supply chain. Sounds like in addition to visibility and flexibility, a bit of agility needs to come into play, because you can't force all these companies and all these trading partners to adopt a single way of doing business, right?

Gary

That's a really good point, Ed. Every company is going to configure their ERP system to meet their needs. If they're a batch manufacturing company; a discrete manufacturing company or a carrier, they have their own specific needs within their business. They have their data structures they want to use; they have their accounting systems. They call the products what they're going to call them. They call their services what they're going to call them inside their ERP. So trying to get all those companies synchronized on the same data standard, the same naming conventions, it's really an impossible task. People have been trying to do it for decades, and it really doesn't work.

Now, where Elemica fits in the mix, is that we actually become - you can think of us as a configuration engine between the different ERPs of the trading partners. Our role - our real strategic play in the market, is to sit between the companies and allow them to send us their data as they want to, and we configure it so it can be normalized for application, integration and analytics. We get it normalized, and then we send it out to the trading partner on the other side how they want to receive it. So we don't try to force everyone to a common standard, because that simply doesn't work. What we do is let companies come as they are, configure the data and let it go to where it needs to go.

Ed

So we're standards agnostic.

Gary

We're standards agnostic, absolutely.

To access other interview PDFs, video content and more, go to:

www.ElemicaBlueCrew.com

www.ElemicansInCars.com

You can also visit our Resources page at:

www.elemica.com/resources





Global Headquarters | Wayne, Pennsylvania

550 E Swedesford Road
Suite 310
Wayne, PA 19087 USA
Phone: +1 610 786 1200
Fax: +1 610 786 1240

Elemica | Frankfurt, Germany

5th Floor
Herriotstraße 1
60528 Frankfurt am Main, Germany
Phone: +49 69 66123 0
Fax: +49 69 66123 200

Elemica | Tokyo, Japan

KY Kojimachi Building 1F
5-4 Kojimachi Chiyoda-ku
Tokyo, Japan 102-0083
Phone: +81 3 3238 5721

Elemica | Atlanta, Georgia

780 Johnson Ferry Road
Suite 400
Atlanta, GA 30342 USA
Phone: +1 678 514 3700

Elemica | London, United Kingdom

180 Piccadilly
London, UK
W1J9HF
Phone: +44 20 7917 2816

Elemica | Singapore

9 Battery Road
#11-01, Straits Trading Building
Singapore 049910
Republic of Singapore
Phone: +65 6597 0964

Elemica | Amsterdam, The Netherlands

Building Officia I
De Boelelaan 7, 7th Floor
1083 HJ Amsterdam, The Netherlands
Phone: +31 20 504 1500
Fax: +31 20 504 1501

Elemica | Seoul, Korea

Floor 10, Jarim Building, Suite #1015
566 Dohwa-dong
Mapo-gu, Seoul 121-815
Korea
Phone: +82 2 561 0825

