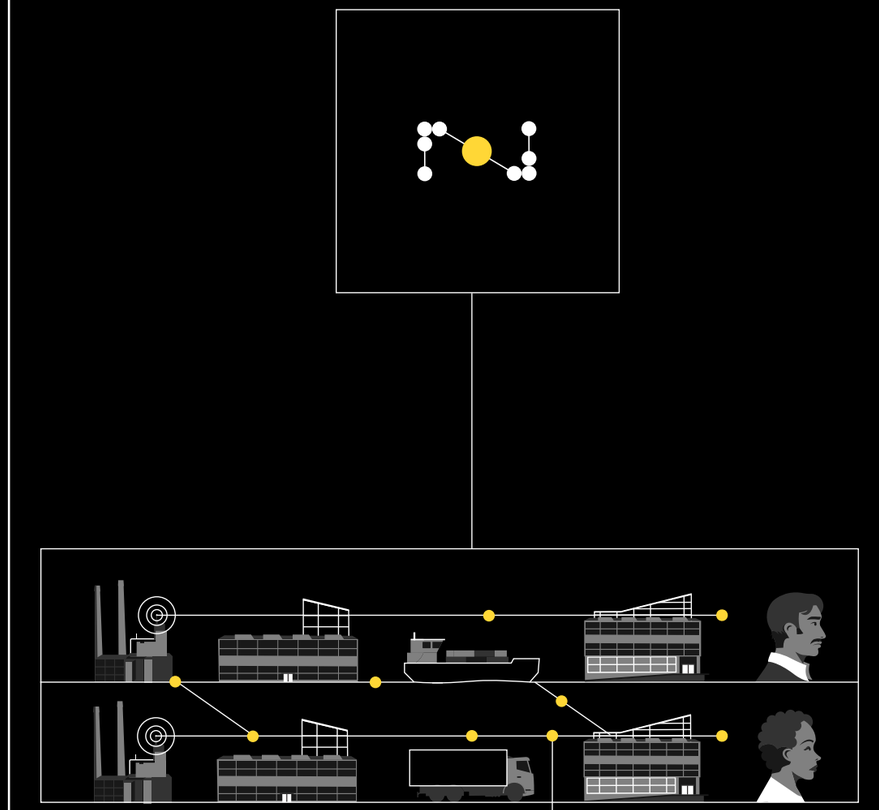
Multi-Tier Supply Chain Collaboration Industry Best Practices by o9

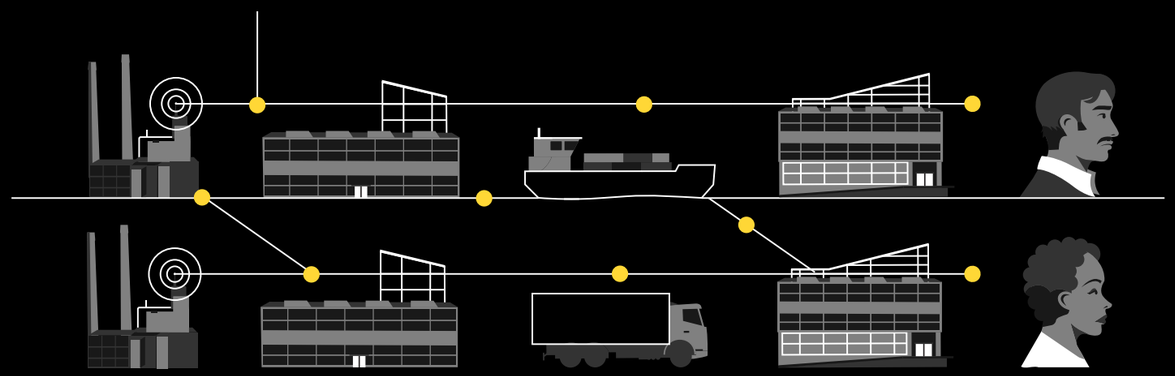


Summary

In today's dynamic business environment, successful collaboration with suppliers is essential. It highly **affects customer responsiveness, response reliability, ease of production, and overall supply chain resilience.** This paper explores the **market trends from multiple industries,** such as the alignment of production plans across suppliers and multiple tiers, the need to include suppliers and customers in the S&OP process, and how to filter relevant risk signals from millions of signals available.

→ "We've been able to improve our on time delivery by more than 15% and reduce our safety stock by 20% essentially by doing 2 things: stop finger pointing at the supplier and looking where we can help the supplier to become better and secondly by aligning the production processes of our key 25 suppliers with our production."

— Gopal Chandramowle, member of aim10x Executive Council and former CSCO Industrial at Stanley Black & Decker



We **interviewed over 10 CxO executives for this paper that explores the market trends from multiple industries**, such as the alignment of production plans across suppliers and multiple tiers, the need to include suppliers and customers in the S&OP process, and how to filter relevant risk signals from millions of signals available.

Many companies encounter significant **barriers when attempting to work effectively with their suppliers.** These challenges can include the inability to automate data flows or the need for multiple inhomogeneous tools. In this paper we discuss those technical barriers along with process-related difficulties, like a lack of trust between parties but also logical problems, think about the inability to provide visibility to T2 inventory, which is actually not allocated to any of the Original Equipment Manufacturer.

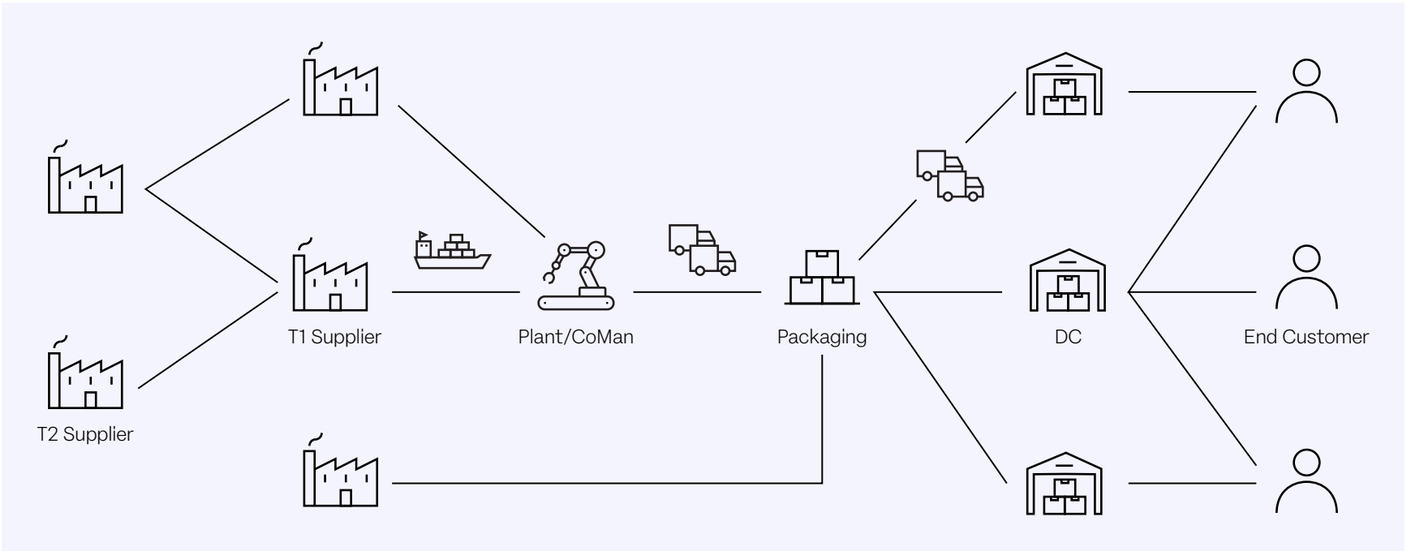
At o9 solutions, we recognize that effective collaboration is vital to achieving success, and in this white paper, we share **how our collaboration solution and supplier onboarding services address both the vision and how our customers overcome the described barriers.**

To demonstrate the effectiveness, we present customer use case snippets wherein customers achieved significant benefits, like the reduction of planning efforts by almost 20% at a Food and Beverage company, the reduction of excess/obsolescence rates by up to 9%, or increasing customer on time availability by over 5% at a Footwear and Apparel customer.

The paper concludes with a comparison of **o9 solutions' competitive advantages.**

Optimal Supplier Collaboration—Market Trends we recognize

In the current dynamic business landscape, it has become increasingly evident that organizations recognize the significance of supply chain collaboration to enhance their resilience. This realization has given rise to a vision of optimal supplier collaboration. Listening to various Head of Supply Chain and Procurement these are its elements.



→ "The extent and the quality of collaboration with suppliers is a fundamental determinant of not only the agility and efficiency of supply chain, but also has a decisive influence on resilience. It's a strategic choice."

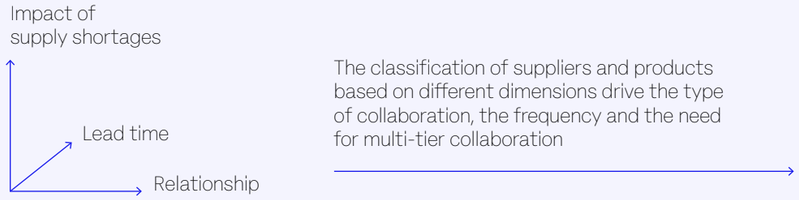
— Vineet Khanna, member of aim10x Executive Council and Former SVP, Global Head of Supply Chain at Nestlé

Supplier Classification

It is imperative to appropriately classify suppliers, as collaborating uniformly is not advisable. Instead, categorizing the suppliers based on factors such as strategic significance, revenue impact, lead time and relationship can aid in determining the ideal approach for interaction. Classification determines aspects like:

- Collaboration type (Forecast, Inventory, Capacity, Orders)
- Collaboration Frequency
- Deciding whether to engage beyond Tier 1 suppliers
- Should the supplier be included in a collaborative S&OP effort or just transactional?

Improperly classifying suppliers will typically lead to high efforts on both the customer and the supplier, with poor outcomes and poor adoption.



The classification of suppliers and products based on different dimensions drive the type of collaboration, the frequency and the need for multi-tier collaboration

Collaboration Types

- Contract Collaboration
- Capacity Collaboration
- Inventory Collaboration
- Order Collaboration
- Quality Collaboration
- Innovation Collaboration

Beyond the basics: these are the elements discussed as part of an optimal collaboration process.

Seamlessly Integrated Procurement and Supply Chain Planning and Analytics Workflows and Tools

Misaligned Workflow, Tools, and Metrics—but also parameters and data sources between Procurement and Supply Chain—hinder decision-making. If both can leverage the same advanced decision-making algorithms, and look at the same data (e.g. contracts, risk factors, order volumes, scorecards, etc.), both Procurement and Supply Chain become better together.

→ "During the chip shortage crisis, it became obvious there were misalignments between procurement and supply chain planning because of conflicting KPIs and we had to align our KPIs to become better as a team."

— Ivanka Janssen, member of aim10x Executive Council and CSCO at Swarovski, and former CSCO at Philips

Multi-Tier Visibility and Collaboration

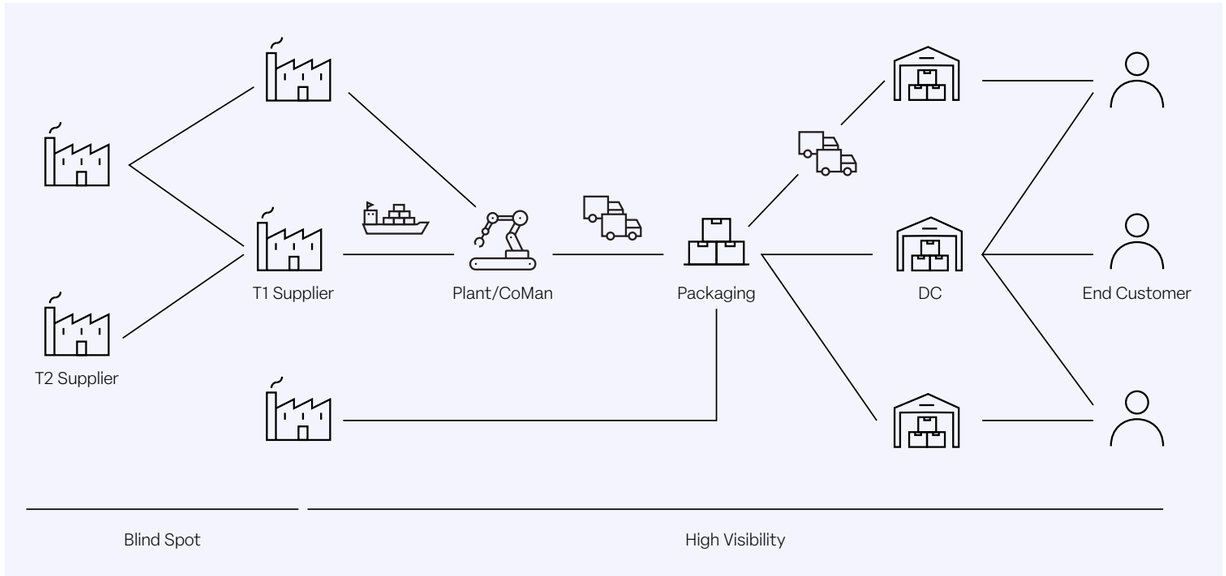
Supply chain issues can occur at various stages, including Tier 2 and 3 suppliers and further upstream. OEMs require visibility into whether Tier 2, Tier 3, and upwards are prepared to fulfill the OEM-related demands. The main challenge comes with the fact upstream suppliers might not allocate material or capacity to the OEM.

External Risk and Opportunities

Understanding supply chain risk and opportunity scores is crucial for effective supplier management. Factors like financial risk, weather events, and logistics disruptions, along with data about decreasing risk need to be gathered, filtered by relevance, and mitigated to drive informed reliable commitments to the end customer.

→ "By nature people constantly look at risk, less at opportunities. Opportunities could be equally valuable to protecting revenue or even creating new revenue sources. So we are not only talking about decreasing revenue risk by ensuring stock positions and possible material alternatives and improving cash flow by reducing safety stocks, we are also talking about creating the capability to sense new supply opportunities which could enhance revenue or at a minimum ensure a resilient and reliable supply network."

— Gregory F. Polcer, member of aim10x Executive Council and former CSCO at Estee Lauder



Cross Company S&OP, and Business Planning

Collaborative S&OP and planning exercises are crucial to synchronize market outlooks, strategic investments down to production plans, and obligations between OEMs and their key suppliers. These exercises involve jointly evaluating risks, sharing limitations, and creating a mutually beneficial plan for all stakeholders.

Hand over replenishment

Supply chain and procurement executives trying to maximize their network flexibility. One option is to hand over replenishment to the T1 supplier and equip them with the necessary information as well as setting the right boundaries, such as inventory levels. Purchase Orders therefore more and more become an element of legal execution compared to an element to manage replenishment itself. The daily work moves towards the definition and establishment of the network rules, network parameters, transparency and continuous alignment with the network partners.

Sustainability Management Competence

As ESG data demands increase, businesses must acquire, prepare and report supporting data. This necessitates not only external sources but also direct input from trading partners.

Industry Networks

Industrial networks are increasingly popular as effective solutions for addressing shared problems and enhancing communication among suppliers, logistic service providers, and customers.

Continuous Collaborative Planning

Often when different internal and external stakeholders work together collaboratively it requires standardization of certain process elements, such as the planning frequency or granularity. Some industry leaders walk away from that and promote the idea of "continuous collaborative planning". Every member of the network continues to focus on its own business optimization, but constantly shares all changes with customers and suppliers. Those then decide whether they consider those changes immediately and continuously adapt the plan or whether they want to do it in batches.

Collaborative Innovations

To obtain optimal components, companies prioritize their core competencies. However, they also recognize the need to collaborate with suppliers on new product innovations, involving shared work on Bills of Materials, Drawings, and Recipes.

What are the barriers for companies to collaborate more?

Despite its existence for over 50 years, the realization of effective supplier collaboration has arguably fallen short in many places. A closer analysis of this limited adoption reveals the following factors influencing the market:

Lack of understanding at the top level of management

Some executives still do not recognize or prioritize the importance of their supply chain partners to their business. Often, readiness concerns (i.e. 'we need to improve our forecast before sharing it with suppliers') delay collaboration initiatives. On the other hand, C-Level commitment and buy-in is of the utmost importance for the success of collaboration initiatives, due their transformational nature.

Lack of trust on a buyer and supplier level

Misuse incidents breed skepticism and hinder data sharing, driving caution in exchanging sensitive info like capacity and forecasts.

Project length

Collaboration projects have long timelines, delaying the ROI compared to projects that deliver earlier value and are prioritized accordingly. Additionally, collaboration projects are not perceived as transformational, leading to shorter expected delivery times.

→ "What always kills the collaboration related projects right from the start is the expected length of the project and the fact the value is only being delivered after a year".

— Beda Bolzenius, member of aim10x Executive Council and former CEO at Marelli

Underestimation of the importance of Supplier Onboarding

Supplier onboarding is crucial but often neglected. Suppliers struggle with multiple portals and technical integration standards. Without an efficient approach, projects can fail. Existing solutions often don't meet all requirements. So, what sets o9 apart?



There are also a number of technical aspects that delay a successful rollout—or even kill the initiative from the start.

Disconnected Tool landscape

Optimal collaboration processes require multiple capabilities and interfaces (including data sharing technology, analytics, scenario management, and incorporating external risk factors). If those capabilities are spread across multiple technologies, it will cause delays and disruptions.

Limited Process and Tool Flexibility

Supply chains require flexibility in processes and tools for effective management. Current tool sets often lack the necessary flexibility, such as modeling multi-tier networks. Adopting a more flexible approach is essential for achieving optimal results.

→ "We do have very advanced collaboration technologies, but whenever the raw material supplier of our first tier is the bottleneck, we're back on email and excel to resolve the shortage collaboratively. It just takes too long to set up a new supplier or sub tier supplier."

— VP Critical Supply Chains
Automotive OEM

Use of ERP in-built external communication or homegrown supplier portals

Many customers still leverage self-build supplier portals, resulting in significant acceptance, scalability, and security issues.

→ "Our suppliers receive orders automatically from the ERP via email, they respond via email and a buyer has to type in the commits. A change order would go out from the email folder of the buyer and nobody knew whether the supplier had confirmed the delivery of SKU revision 1, 2, or 3."

— Procurement Process Lead
Tool manufacturer

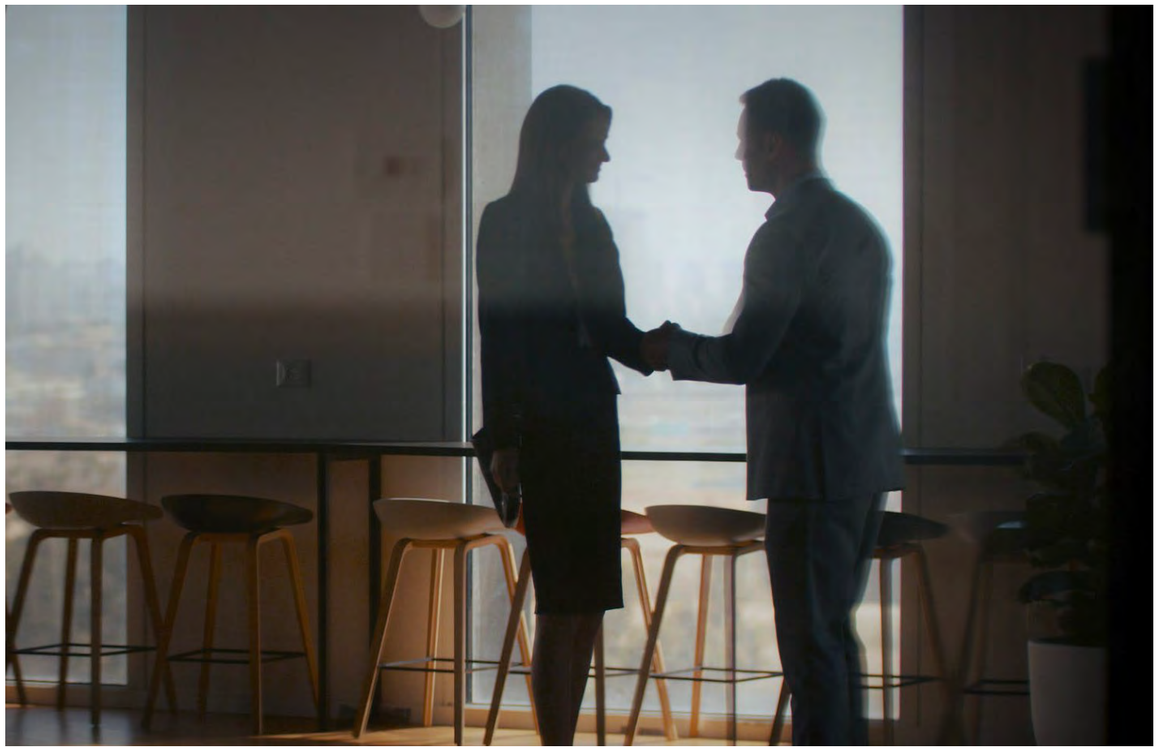
Unfriendly User Interfaces

Suppliers often resist manual error-prone data entries and prefer using email attachments generated from their ERP system when easy automated B2B integration is not available.

Poor process automation competence: Despite the longstanding existence of B2B and EDI connections, the automation challenges of data flows between companies remains a major cause of project delays and delayed returns on investment (ROI).

→ "While it is true that supplier collaboration initiatives often don't get started due to e.g. cultural aspects or mistrust, it is equally true that often simple technical aspects such as poor process automation capabilities offered by the software solution vendors cause poor adoption and finally those projects to fail".

— Joerg Hellwig, member of aim10x Executive Council and former CDO at Lanxess



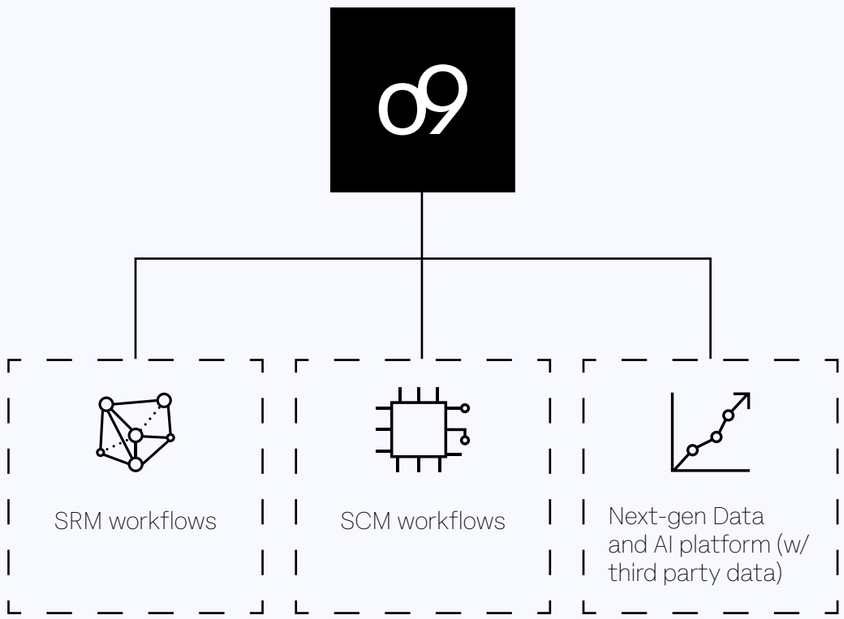
Discover the Benefits of o9 Solutions and Services: Revolutionize Your Business with Two-Way Multi-Tier Collaboration



The platform has been built to realize the vision of our founders and supporters who are at the helm of supply chains and procurement organizations in various verticals as described above. It is founded on a scalable framework that facilitates seamless smart two-way multi-tier collaboration flows encompassing vital aspects such as capacity, contract, scorecard, forecast, inventory, risk, order, or quality collaboration.

Forrester puts o9's supply chain collaboration offering into the pole position of its collaborative supply network evaluation.

The platform integrates procurement and planning workflows fortified by advanced AI capabilities aimed at guiding stakeholders through their collaborative decision-making process effectively.



SRM/Procurement workflows

- Collaborate with suppliers on multiple workflows (Procure to Pay, Forecast sharing, Inventory Management, etc.)
- Seamlessly connect with suppliers from all tiers
- User-friendly platform with intuitive UI and easy onboarding
- Detect issues and signals that could impact continuity of supply ex: production outages, weather, strikes, ...

SCM and Business Planning worflows

- Supply risks detected in SRM are immediately prioritized and evaluated for impact to Supply Chain in SCM with corrective action recommendation
- Responsive and Resilient supply chain

Next-gen data and AI platform

- Able to seamlessly ingest third party data—commodity prices, inflation, weather, economic indicators, industry capacities, news feeds, ..
- Supply Chain Analytics, e.g., Lead time, segmentation, Cost vs Inventory vs Service levels, Pre Buy Strategies, Risk Models, ...

The o9 end-user procurement and supply chain planning teams have access to a shared information base. Planners are given extensive insight into contracts or supplier qualification, while procurement can utilize advanced planning algorithms to address strategic supply chain risks as well as to plan tenders and evaluate supplier RFP responses.

The platform is designed to:

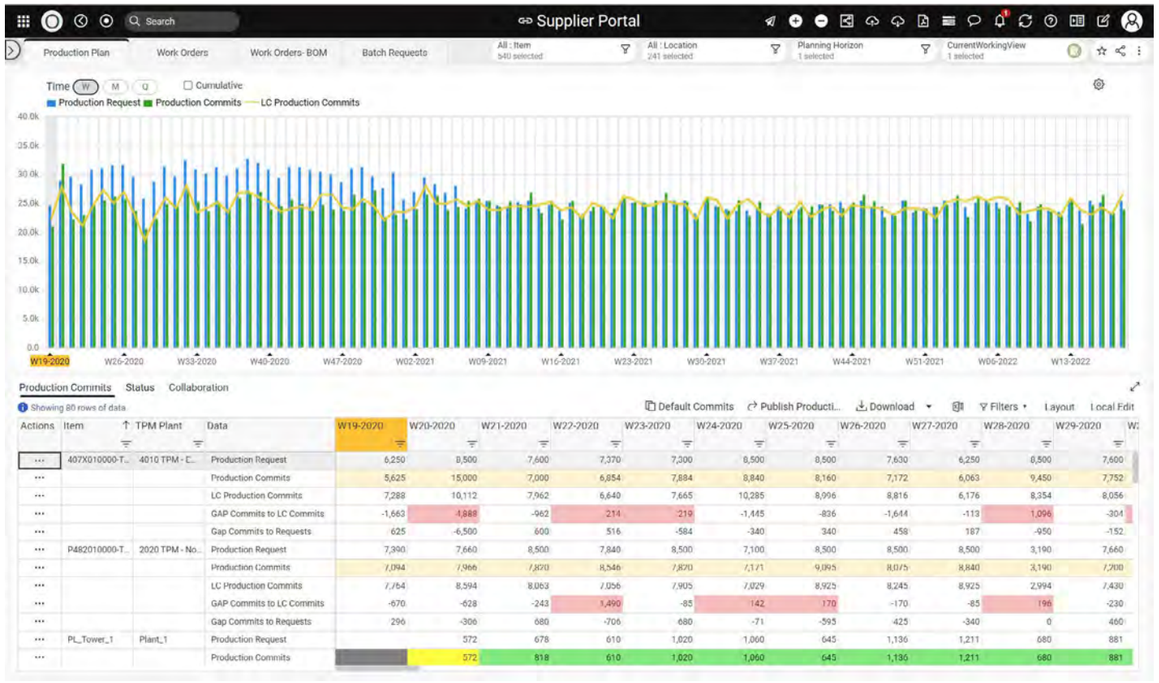
- Incorporate external risk and opportunity signals seamlessly from multiple tiers.
- Enable users to filter risks based on impact level and create collaborative mitigation scenarios quickly.
- Integrate sustainability data from suppliers, contract manufacturers, logistics service providers.
- Ultimately enable a connected S&OP process, that is conducted collaboratively among all internal and external stake-holders incorporating inputs and feedback from external parties; thus resulting in optimal outcomes across the board.

Overcoming the collaboration barriers with o9



At o9, we have successfully tackled the described challenge of management buy-in and supplier trust through our innovative purpose-built buyer and supplier onboarding methodology. Working closely with the owners of the initiative, we prioritize building up the buy-in from both internal buyers, top-level executives along with suppliers of each collaboration cluster.

We firmly believe that supplier collaboration is transformative not just from a processes and technology point of view, but more importantly for the culture of all involved companies, who we target to operate almost as one virtual entity in many aspects going forward. Achieving such transformation requires proper upfront clustering of suppliers followed by developing business cases to benefit customers alongside their respective suppliers while ensuring continuous change management to promote adoption.



Our approach includes a comprehensive plan for effectively onboarding different clusters of suppliers, which guarantees quick returns on investment (ROIs) within an optimal project duration during which we can constantly deliver value.

To achieve optimal results in supplier onboarding, from our communities perspective two critical elements must be considered:

A) An operational framework designed specifically for managing and control of the technical part of the onboarding process (outreach, NDA signature, training, user setup, ...).

B) Getting the buy-in of all parties involved and the willingness to act in concert Regarding the latter, our delivery teams have identified critical success factors such as:

- Clear allocation of customer and supplier resources
- Strong commitment and communication from customer C-Level
- Avoidance of side paths (e.g., Excel or email usage by the supplier)
- Strong buy-in from the customer's buyer community
- Integration of suppliers in blueprinting processes
- Joint alignment on business cases for monetary and qualitative benefits.

In addition, finding the right supplier counterpart is crucial, focusing on those whose KPIs can benefit from enhanced collaboration. A well-planned supplier roll-out should prioritize waves based on potential benefits and effort required while selecting pilot partners to generate positive momentum. Creating a community for customers and suppliers to share success stories also promotes learning and goal achievement.

Combined with o9's strong security and role-based user right model, the above establishes a fruitful collaborative culture and working environment for our customers and supplier community, driving reliability, responsiveness, and trust.

How o9 breaks down the technical barriers of Supply Chain Collaboration

From a technical standpoint, o9 is the preferred choice for our customers as it seamlessly integrates essential collaborative features (s. picture) with advanced functionalities in one place. With o9 there is no need to jump or interfacing between different applications. The capability is enabled through a single platform. Advanced capabilities include Impact Analytics, What-If Scenarios, and Collaborative Resolution Rooms. Additionally, the solution offers Masterand Transactional Data Validation to ensure seamless workflows. Furthermore, AI-powered data prediction capabilities such as lead time prediction are an integrated part of the platform workflows. The "Smart Commit" capability drives exception-based working and focus on the core issues, which require collaborative solutions.

In addition, the flexibility of the solution allows it to model our customers' multi-tier supply networks and critical paths and configure individual workflows, user interfaces, reports, alerts, and algorithms on top. These capabilities play a pivotal role in enhancing user acceptance among buyers as well as suppliers while ensuring the speedy realization of value.

These use cases are mutually exclusive

Use Case	Short description	Value Proposition
Forecast Collaboration	• Visibility & Collaboration on the suppliers' requirements / forecast • Supplier's ability to commit to the forecast • Automatically convert forecast in the frozen period to suggested POs	• Material Availability ↑ • Supplier Performance ↑
Capacity Collaboration	• Visibility & Collaboration on supplier's resources / capacities • Ability to commit to requested capacity; collaborate on production plan • Collaborate on BOM / Lead time details	• Factory Productivity / OEE ↑ • Supplier Performance ↑ • Overtime Labor ↓
Order Collaboration	• Purchase Order Lifecycle Management; Flexible PO State Management • Visibility & Collaboration on Shipments, Goods Receipt and Invoices • 3-way / 4-way match across PO, Shipment, Receipts and/or Invoices	• Material Availability ↑ • Supplier OTIF ↑ • Overall Purchase Spend ↓
Inventory Collaboration	• Current and Projected Inventory Invisibility • Collaboration on Safety Stock and Days / Weeks of Cover	• Inventory Turn ↑ • Supplier OTIF ↑
Sourcing Collaboration	• Visibility & Collaboration on Supplier Contracts • Analytics on Supplier Spend • Supplier scorecard based on a variety of attributes, like OTIF, Cost, etc.	• Contract compliance ↑ • Overall Purchase Spend ↓
Quality Collaboration	• Managing quality notification & resolution process • Tracking Article dimensional differences (TI/HI, Pallet dimensions, etc.) • Tracking compliance to regulatory laws - labor compliance, etc.	• Rejects due to quality ↓ • Quality Compliance ↑

Common horizontal capabilities

1. User Interfaces / Supplier on-boarding options: Web Portal | Excel Interface | Mobile Interface | EDI/B2B/API
2. Collaboration Granularity Level: Different in different planning horizons; SKU | family | LOB | Category, etc.
3. Types of Suppliers: Contract Manufacturers | Direct Material | Packaging Supplier | Tier-2 / Tier-3 Component Supplier
4. Alerts | Exceptions | Notifications | Tagging | Track Changes from cycle to cycle | NLP based searches



The same applies for o9s rich interfacing technology which includes System to System automation, Excel as well as Web UI-based End User interaction. Furthermore, it is not only about the exchange of data between customers and suppliers, but the orchestration of business processes. In o9 suppliers leverage smart auto approval of customer queries based on thresholds set by suppliers. The system will not allow for the submission of invoices that do not pass a three-way match, the system will block suppliers from creating an ASN while the customer did not approve the quality inspection report provided electronically upfront.

Example E2E Collaborative Use Cases

Besides the classic collaboration use cases o9 customers will leverage their collaboration solution not in isolation, but as part of their broader planning, execution, and risk management process on the same platform. Here are three examples:

Connected S&OP and Planning

o9's connected planning and S&OP process enable seamless integration of suppliers into the S&OP process, fostering collaboration and consensus. Stakeholders share and discuss scenarios of their outlooks, including market insights, campaigns, and supply investments to create an agreed-upon strategy. Buyers will benefit from the supplier's broader market perspective (as they deal with multiple customers in the industry), while the supplier will benefit from the customer's broader view of the component market and its closer connection to the end customers.

By following this jointly developed plan, businesses enhance supply chain resilience, and navigate marketplace challenges with confidence and agility.

Operational Supply Chain Risk Management

o9 customers benefit from the fact they can easily connect the different platform capabilities into a seamless process.

As part of an Operational Risk Management process, o9 users:

- Gather risk signals such as financial, geopolitical, labor risk, and extreme weather events for commodities, locations, and suppliers.
- Link those risk scores to the multi-tier digital twin in o9 to furthermore identify whether a risk is potentially impacting the top-line revenue.
- Collaborate with suppliers and further stakeholders on whether the risk identified is already mitigated or how a potential mitigation should look like
- Run, evaluate, and compare risk mitigation scenarios.
- After executing a selected scenario the mitigation process is then commented on and archived for future reviews and post-game analysis.

o9 possesses robust in-house capabilities in two key areas:

- Risk signal aggregation and classification: We proficiently collect and categorize risk signals from an extensive array of data sources.
- Supplier identification and profiling: o9 excels in pinpointing the multi-tier suppliers of our clients. This is facilitated through our supplier invitation, survey services, or by leveraging our well-established industry networks.

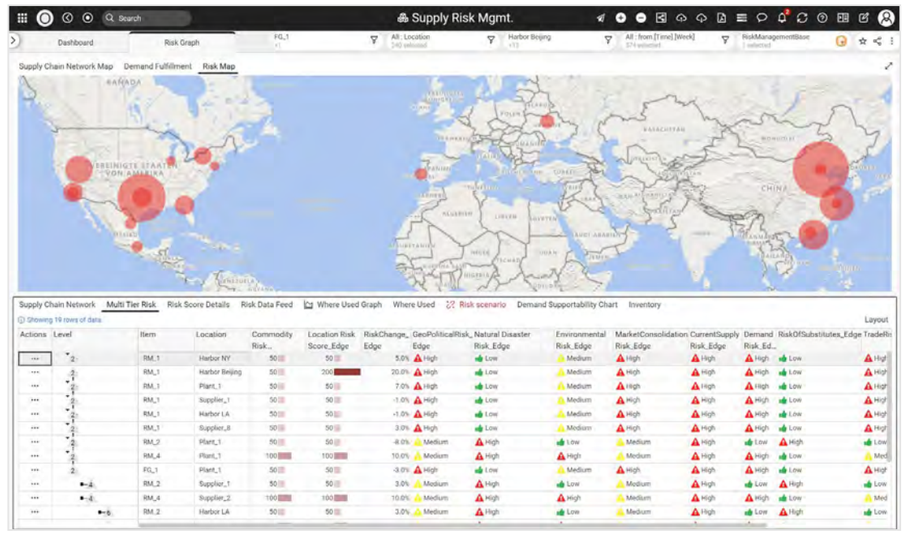
Moreover, o9 maintains a close and synergistic partnership with both the consulting and technology communities in the realm of risk management. Many of these partners are already esteemed risk data providers for our clients. This collaboration is meticulously streamlined, ensuring seamless integration and cohesion between teams. Consequently, our collaborative efforts enable end users to adeptly anticipate potential disruptions and capitalize on emerging opportunities.

Strategic Supply Chain Resilience Stress Test

As part of a Strategic Resilience Stress Test o9 customers:

- Predicted future risk situations
- Run Risk scenarios to better understand the potential impact of those incidents on the end customer fulfillment costs
- Define and test mitigation scenarios collaboratively with suppliers on the platform
- Analyze mitigation costs and operationalize mitigation scenarios

The o9 multi-tier supply chain collaboration and risk management solution is never used in isolation but as an integrative part of a broader decision-making process, even including 3rd party systems to ensure the knowledge of the entire network and external data source is leveraged to build and execute the best plan possible.



o9 Customer Examples

o9s collaboration capabilities are leveraged by some of the largest manufacturing companies around the globe. They share Forecasts and Orders with multiple Tiers through the platform, they receive commitments, capacity updates, and order details. Here are 3 examples of global manufacturers on how they use the platform to drive cross-company alignment.

Customer Snippet 1: The o9 platform has enabled one of the world's largest food and beverage producers to engage in bi-directional collaboration with its packaging suppliers.

This partnership focuses on forecasting raw materials and collaborative inventory management. Prior to implementing o9, Excel spreadsheets were used for sharing information only unilaterally without any commitment from either party.

With the introduction of this new system, suppliers are notified when updated data is available which they can access through a user-friendly web interface or fully automated API integration.

Our client is replacing a recently introduced collaboration solution from one of the large ERP vendors due to the lack of solution flexibility and reports significant improvements since adopting this approach:

- Increased utilization of production capacity
- Improved responsiveness toward end customers
- Reduced time spent on internal communication and replanning as planning
- Inputs have become more reliable due to direct supplier involvement compared to previous assumptions about their delivery capabilities.

Overall, we believe that such collaborative efforts will continue driving positive outcomes across various industries by fostering transparency between stakeholders while enhancing operational efficiency at every level within an organization's supply chain network.

Customer Snippet 2: Collaborative Multi-Tier War Room at one of the largest Auto OEMs

The existing EDi-driven process proved inadequate in handling anticipated disruptions, resulting in poor customer service and a constant need for reactive replanning. In response, the decision was made to implement the o9 platform to facilitate enhanced collaboration with critical suppliers. Both parties now share their supply and demand commitments, working together to address any deviations within extended time frames of four weeks or longer. Additionally, both entities monitor any cascading effects on second-tier participants through the system's alerting features.

Considering the extensive volume of data involved, it is impractical to thoroughly analyze every single item. Consequently, o9's smart commitment functionality filters out those situations which are considered non-critical while it ensures effective resolution of the critical impactful situations.

Customer Snippet 3: The o9 decision-making platform has enabled one of the world's leading sports brands in the market to streamline its manufacturing network, align production plans of multiple tiers, and drive in-season visibility through regular production milestone updates.

Tier 1, Tier 2, and Tier 3 suppliers provide their available capacity through the platform for the OEM to align production processes across all tiers in o9. In addition, suppliers share their current inventories and provide frequent updates on their WIP status. They commit to the production plan calculated in o9 and either use the input for their own manufacturing process or to compare it with their own local planning result. Buyers can easily simulate the financial consequences of a PO change.

As a result, there now exists greater alignment across all tiers for manufacturing processes, while flexibility continues to be clearly communicated across all parties. This new level of transparency allows the OEM and its trading partners to react quickly to demand changes from the market to reduce liability and waste.

Customer Snipped 4: Introduction of forecast, inventory and order visibility at a large US Telco Network provider.

Our customer, an established user of o9's supply chain planning offering, replaced its former collaboration solution due to solution inefficiency, lateness and poor user adoption. With o9, they now have 16 key suppliers actively integrated into their planning process. The customer aligns on forecast and inventory with the largest telco network equipment manufacturers, they create common visibility on inventory and order status. Based on o9's single platform for planning and collaboration, strong in-tool collaboration features and it's very high user adoption they:

- Receive supplier commitments via a systematic processes
- Gain visibility of T-Mobile suppliers finished in good position and lead times at the individual product level
- Are clear on on-hand unallocated inventory sharing at suppliers



→ "o9 delivered Supplier Collaboration module ahead of time and under budget. We are very excited to roll it out to our suppliers"

— Sr. Director at T-Mobile

Example Business Case for a supplier collaboration initiative for a 1 Billion business

Financial Metrics	Associated Operational Metrics	How?	Typical Savings for $1B business
Revenues	• Customer Service Level • Time to Market on the NPI	• Better part availability when the order drops due to tighter collaboration • Proactive visibility to service level risks and optimized scenario planning	$5 - $10M
Costof Goods sold (COGS)	• Per unit cost redution • Reduced freight expedites • Reduced out of territory shipments • Reduced EOQ liability payouts • Reduced E&O • Imporved planned productivity	• Comparison to market prices (up/down) | analytics to leverage total spend across parts • Early visibility to excess DOC/aged inventory risks, scenario planning, corrective actions • Early visibility to E&O Risks, Liability, Transitions • Superior visibility and analytics of inventory liability with CMs / Suppliers • Early visibility to quality risks, predictive failure analytics, corrective actions	$8 - $13M
Balance Sheet	• Reduced DIO	• Early visibility to excess, aged inventory and corrective actions	$10 - $15M

o9 compared to other collaboration solutions

Supply chain collaboration is part of o9's procurement offering, which spans the entire source to settle process. Our collaboration offering stands out from our competition with a number of differentiators.

Capability	o9	Other
Multi-Tier Collaboration	o9 enables modeling and collaborating with n-Tier suppliers	Often designed to support collaboration processes with suppliers, setup in ERP business partner only (1 tier) - no real multi-tier
Telescoping Aggregation	o9 offers collaboration on different aggregation levels over the planning horizon (e.g. SKU + days in the near-term horizon and quarters + product family in the long-term horizon)	Forecast collaboration is stuck to a single aggregation level (e.g. SKUs) cross the planning horizon
Capacity Collaboration	o9 supports capacity and production collaboration from the plant level down to separate product lines	Capacity collaboration is often not supported, only SKU-based collaboration is enabled
Risk Management / Collaboration	Embedded Risk Management and Risk Collaboration	External risk factor visibility is not linked to the network
Milestone Tracking	o9 enables the management and monitoring of production process milestones (word orders, PO)	No milestone and batch tracking
Aggregation / Disaggregation	o9 enables users to flexibly aggregate and disaggregate data out of the box	Limited aggregation capabilities
Impact Analysis Intelligence / What-if	o9 enables the evaluation of the impact of supplier commits (What-if analysis) as part of the collaboration platform	No evaluation/What-If capabilities
Scenario Collaboration	o9 enables the vendor to share different commit scenarios with the customer	No scenario collaboration capabilities
Comments / Collaborative Tasks	Powerful comment and task framework	No commenting functionality for forecasts, capacities
Artificial Intelligence	o9 supports several use cases with its AI capabilities, such as lead time prediction and supplier commit date prediction	No embedded prediction capability
Change Requests	o9 technology can adapt the solution to the business process needs where needed	Long lead times to fulfill change (requests due to the architecture)
Integration	Collaboration, Planning and strategic Procurement: one platform eliminating modules and interfaces	Single siloed solutions requiring interfaces, which are root causes of process disruptions
Smart commitments	Framework to drive automated commitments based on thresholds, contract or flex capacity boundaries	Simple copy previous forecast or previous commitment as the new commitment

Customer Industry	Key Decisions Enabled	Key Outcomes
Apparel	Tier-1 and tier-2 supplier collaboration and visibility Production capacity booking to ensure delivery within the supply chain	Reduced lead times and maximization of cost breaks from consolidated production
Oil & Gas	Collaboration on capacity availability with suppliers throughout the supply chain Identification of the optimal supplier for any given material / service	Consistent supply chain performance, with minimum intervention
Retail	Routing of inbound supply to regional distribution centers – answering the question of 'how much should we send where?' Orchestration of activities of 7 3PLs, fully integrated into their systems, with 60 3PL people using o9 every day.	Inbound receiving and repacking facility no longer required, delivering clear savings, with better outcomes
I&MC	Management of supplier schedules to minimize lead time and cost Solves the problem of working within capacity constraints and material availability	System suggestions facilitate supply chain, delivering maximum benefit, despite inherent capacities and constraints
Food	Management of supplier production schedules and supplier material resource plans (MRPs) Collaboration with suppliers directly to receive their schedules and MRPs and share back adjustments	Ensures suppliers are able to deliver on-time without running out of customer's premium raw materials
High Tech	Visibility to supply chain disruptions at Tier-1 and Tier-2 suppliers through effective every day supplier collaboration Automatic identification of high impact issues which will affect on-time delivery, with root cause analysis	Issue resolution prioritized based on the scale of impact to order delivery, allowing accurate and responsive mitigation
CPG	Raw material aggregation and build ahead for production, determined through aggregation of BoM requirements across orders Optimize for best balance of stockholding, storage utilization and stockholding cost—to minimize supply risk	Increased agility and flexibility through collaboration

Conclusion

In the dynamic, volatile and ever-changing In the dynamic, volatile and ever-changing business world, effective, seamless supplier collaboration is paramount. Supplier collaboration is wide-reaching, influencing customer responsiveness, connecting all nodes of production, and building robust supply chain processes.

This white paper discusses the importance of optimal supplier collaboration, emphasizing the alignment of production plans across the supply chain, and the inclusion of suppliers in the S&OP process.

Companies also face challenges like data automation issues and trust deficits. o9 solutions address these barriers, showcasing customer cases that achieved benefits like a 20% reduction in planning efforts. We highlighted the importance of classifying suppliers based on strategic significance, revenue impact, collaboration types, frequency and engagement levels. For optimal collaboration, key elements must be included, such as integrated procurement and supply chain planning, multi-tier visibility, and external risk assessment.

Obstacles to effective collaboration include management's lack of understanding, trust issues, and extended project timelines. o9's platform offers solutions by integrating procurement and planning workflows, enhancing decision-making, and fostering collaboration. The platform's features include risk and opportunity management, milestone tracking, and AI capabilities. Several global manufacturers have leveraged the o9 platform and witnessed greater alignment, responsiveness, and reduced lead times.

In conclusion, o9 stands out in the market, offering multi-tier collaboration, combining procurement and business planning workflows on a single platform powered by AI-driven insights and predictions.

Want to learn more about Supplier Collaboration and how it can benefit your company? Schedule a meeting directly with our experts here.

To learn more about o9 Solutions, please visit our website at www.o9solutions.com.

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