# Gain Better Visibility Into Your Multi-Tiered Supply Chain with SAP Business Network

Corey Hughes, Network Executive SAP Business Network for Supply Chain Global Advisory Practice, SAP Chicago

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**SAP**insider



#### **In This Session**

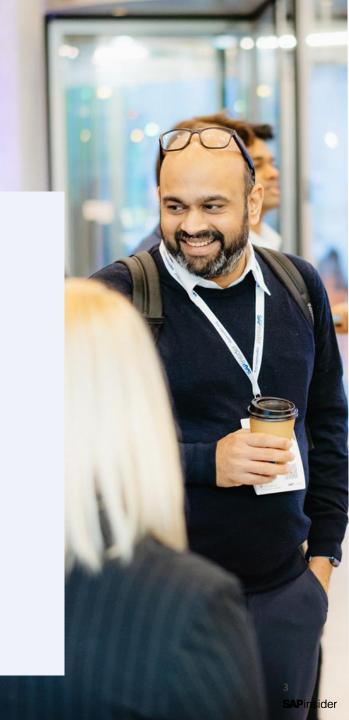
Corey Hughes

Network Executive, SAP Business Network for Supply Chain Global Advisory Practice SAP



#### What We'll Cover

- Global disruptions impact supply chain resilience
- Supply chain visibility versus reliance on trading partners: is it a tradeoff?
- Supply chain collaboration supports visibility and reliance on trading partners
- How SAP Business Network can help



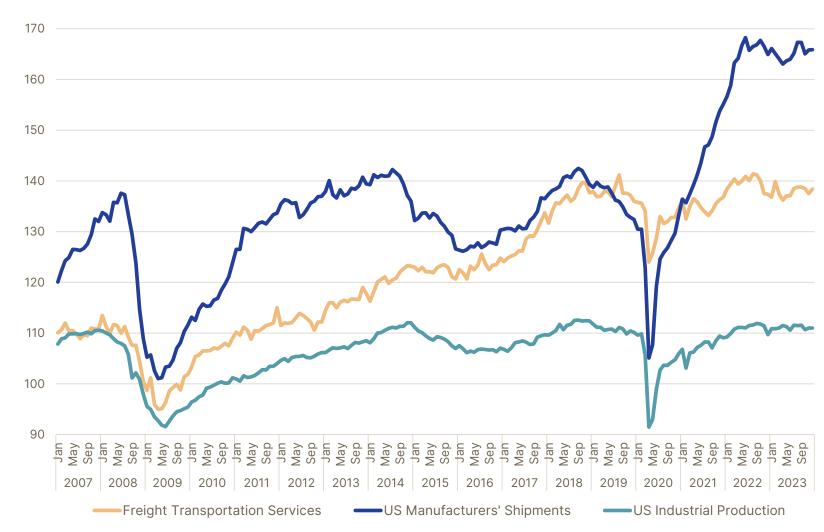
### Supply Chain Disruption in the Headlines: The New Norm?

January 31, 2020 January 2020 March 2020 March 27, 2020 Spring/Summer 2020 • COVID-19 Brexit is Official COVID-19 • \$2.2 Trillion Lockdown in - Transitional Declared a CARES Act COVID Panic-Wuhan, China signed into law **Buying & Shortages** Activities Begin Pandemic Fall 2020 February 2021 March 2021 March 11, 2021 Summer/Fall 2021 Global Freak Texas Container Ship • \$1.9T American · Port backlogs due to Suez Canal & Semiconductor Rescue Plan Act Snowstorm Stuck in Suez labor slowdowns signed into law Shortage Begins Canal. February 2022 June 2022 Summer 2022 March 2022 August 9, 2022 • \$280 Billion CHIPS War in Ukraine Federal Reserve Inflation Peaks at · China Zeroand Science Act initiates interest 9.1% Covid Policy begins signed into law rate increases March 2023 August 16, 2022 October 2023 Fall 2023 • \$800 Billion Israel-Hamas conflict · Panama Canal Silicon Valley Inflation Reduction affects shipping capacity reduced Bank Insolvency Act signed into law activity in Red Sea due to drought

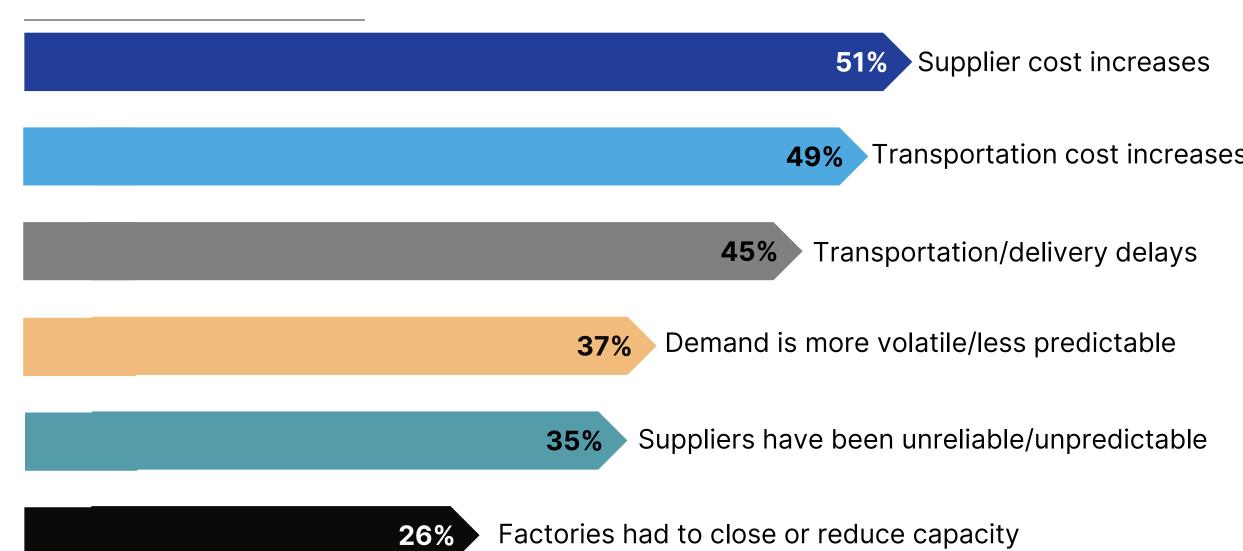
# Supply Chain Disruption: Is What We Have Seen Really That Unusual?

As an indicative measure of supply chain activity the *US Bureau of Transportation*Statistics<sup>1</sup> evaluates the monthly seasonally-adjusted indices for:

- US Manufacturers' Shipment value<sup>2</sup>
- Freight Transportation
   Services demand<sup>1</sup>
- US Industrial Production output<sup>3</sup>



#### Global Disruptions Continue to Plague Manufacturers: How Have They Impacted Supply Chains This Past Year?

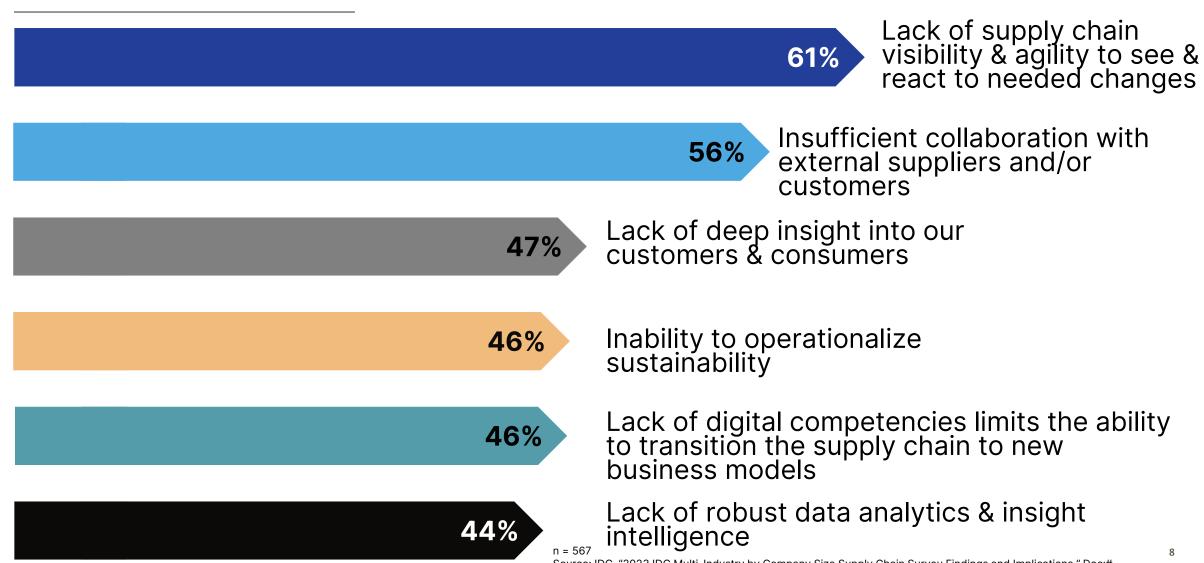


# Supply Chain Visibility: What Happened?

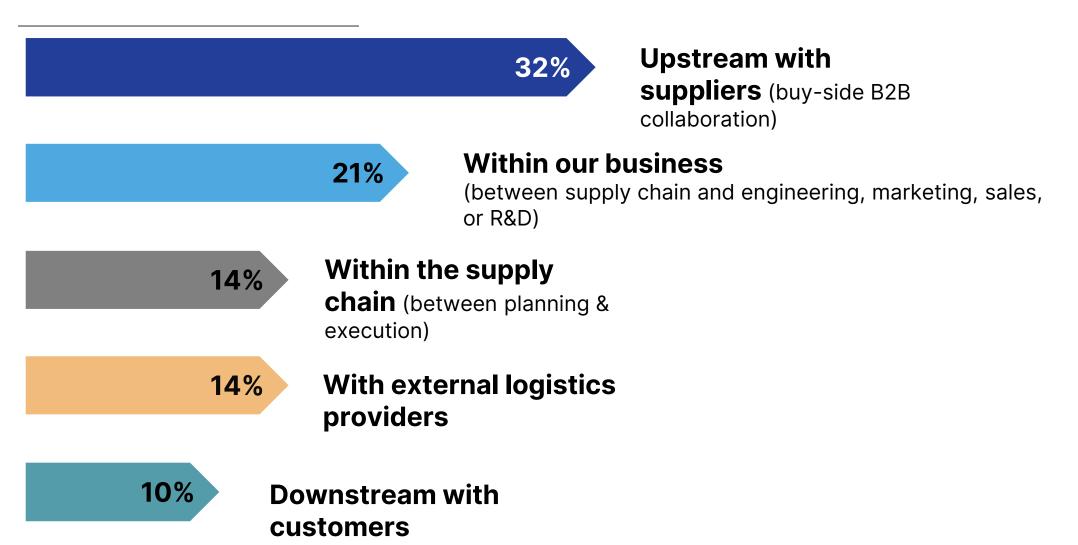
87%

# of companies outsource at least part of their operations

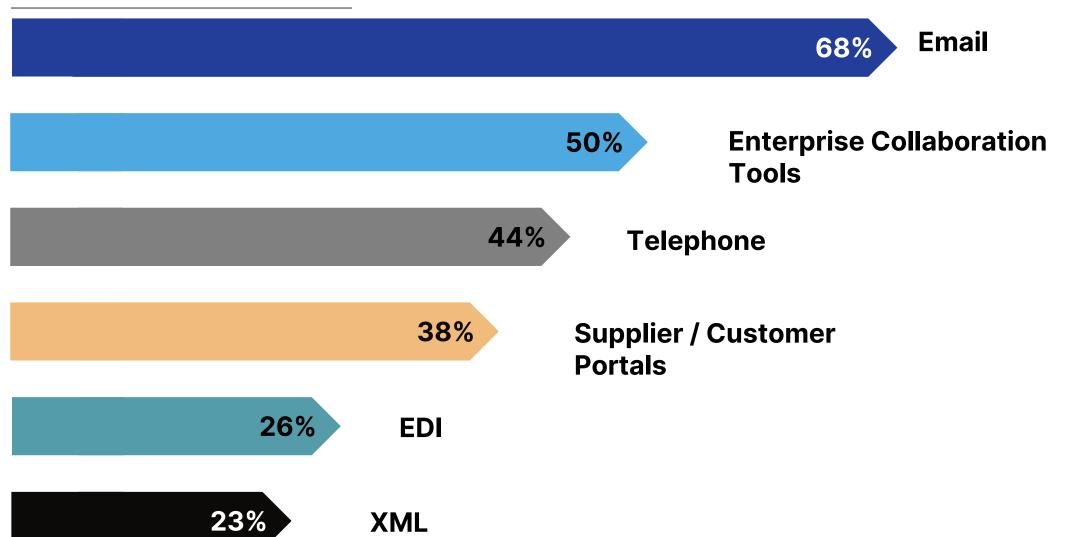
# Current Supply Chain Gaps: Which Are Likely To Be Most Problematic If Not Addressed?



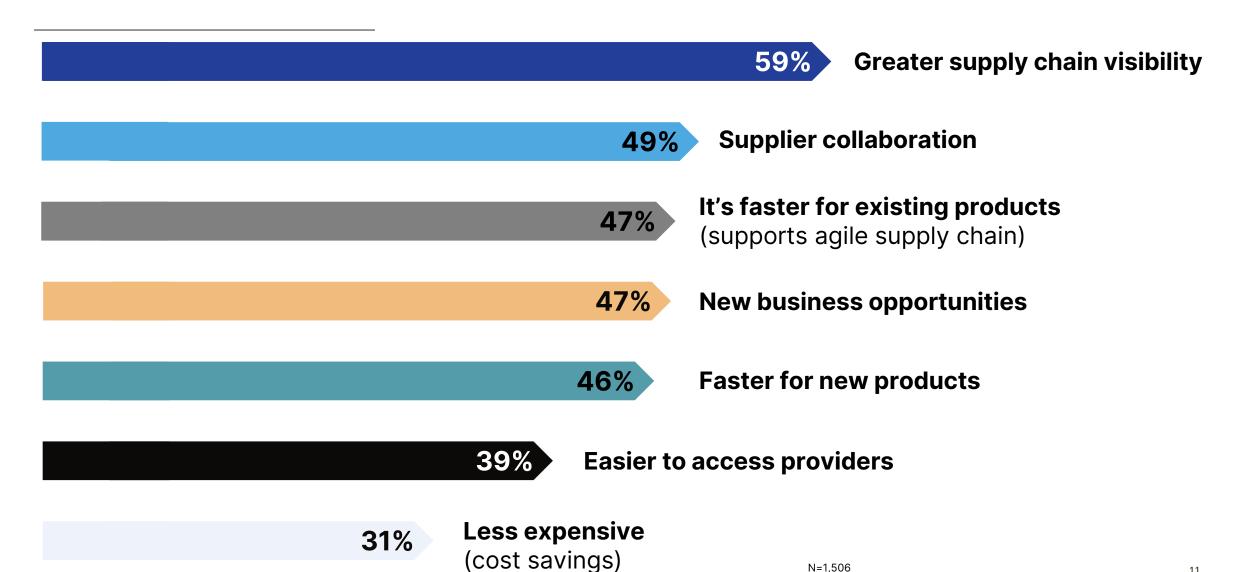
# Collaboration Helps Enterprises Regain Visibility: What are the most pressing collaboration challenges?



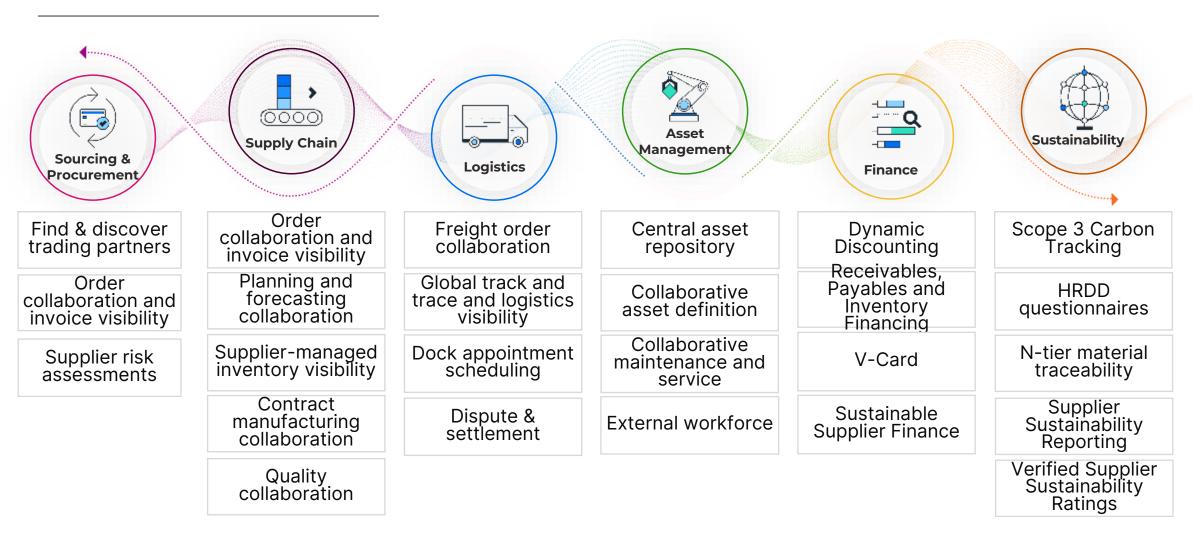
# Most Common Forms of Procurement and Supply Chain Collaboration Today



#### What have been the benefits of participation in a B2B network commerce?



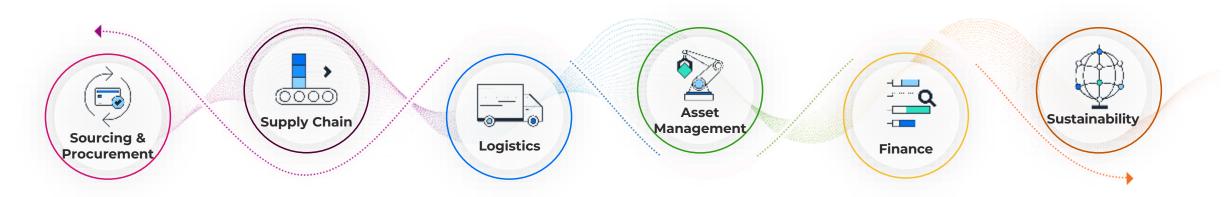
## SAP Business Network Collaborative Processes



Integrated with SAP solutions to orchestrate end-to-end processes with all trading partners

#### **SAP Business Network**

#### **Business Value**



**40 - 60% Reduction** in

Reduction in operating costs for processing invoices

**Up to 100%** 

Of Purchase Orders **sent electronically** (By number of POs) **Up to 12%** 

Lower Days in Inventory

**Up to 23%** 

Lower revenue loss due to stock outs

37%

Fewer late shipments

40 - 60%

Reduction In expedited logistics operating costs

3%

Reduction in MRO inventory cost

25%

Lower
maintenance
cost through
predictive or
conditionbased work
orders

83%

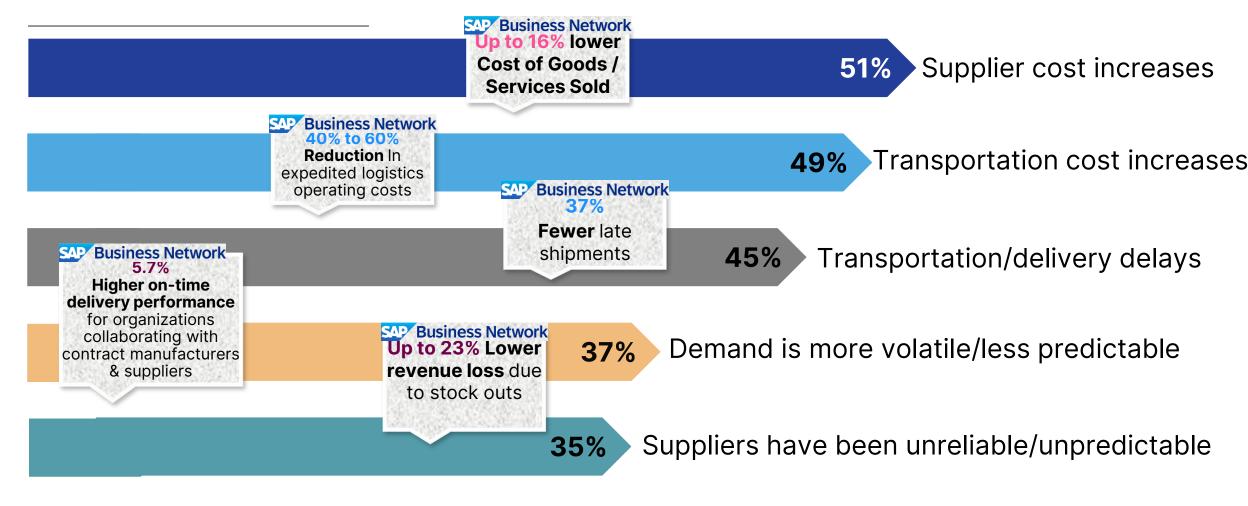
Of total invoices processed without exceptions

**50%** 

Faster transaction cycle time for A/P function for invoice processing **5** of **17** 

United Nations
Defined
Sustainable
Areas you
impact just by
digitalizing your
purchasing
documents

#### Global Disruptions Continue to Plague Manufacturers: How Have They Impacted Supply Chains This Past Year?



Factories had to close or reduce capacity

n = 5

26%

Source: IDC, "2023 IDC Multi-Industry by Company Size Supply Chain Survey Findings and Implications," Doc:# US51186622k September 2023

### Where to Find More Information

#### **Lessons Learned from the Best-Run Supply Chain Networks - www.sap.com**

 Find out how you can enable an intelligent network to connect extended supply chains and optimize collaboration and visibility

#### **SAP Business Network customer use cases**

Hear directly from leading manufacturers how they collaborate with their multi-tiered supply chains

#### IDC's Worldwide Multi-Enterprise Supply Chain Commerce Network 2023 Assessment - www.sap.com

Learn more about business networks

#### Mabe's supply chain collaboration journey - www.sap.com

Learn how a producer of household appliances collaborates with its suppliers

#### **Key Points to Take Home**

- Global disruptions impact supply chain resilience with cost increases and delays in supply and transportation
- 87% of companies outsource some of the operations, impacting supply chain visibility
- Supply chain collaboration enables enterprises to outsource to trading partners without losing visibility
- SAP Business Network can help automate that collaboration and improve OTIF, inventory turns, and costs



#### Thank you! Any Questions?

Corey Hughes

Network Executive, SAP Business Network for Supply Chain Global Advisory Practice

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https://www.linkedin.com/in/coreyghughes/

Please remember to complete your session evaluation.

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