



High-Tech/Electronics manufacturers are faced with an increasing need to innovate to satisfy ever changing customer requirements while reducing costs, largely through the outsourcing of manufacturing. The new IP-driven, and globally distributed supply chains are increasingly difficult to manage because of their complexity. Regaining control of the extended supply chain is crucial to continued profitability in the face of constant change and increased variability. Delivering to customer expectations while coordinating the extended supply chain in an environment of constant change, is the core reason our high-tech/electronics industry customers have adopted Kinaxis™ **RapidResponse™**.

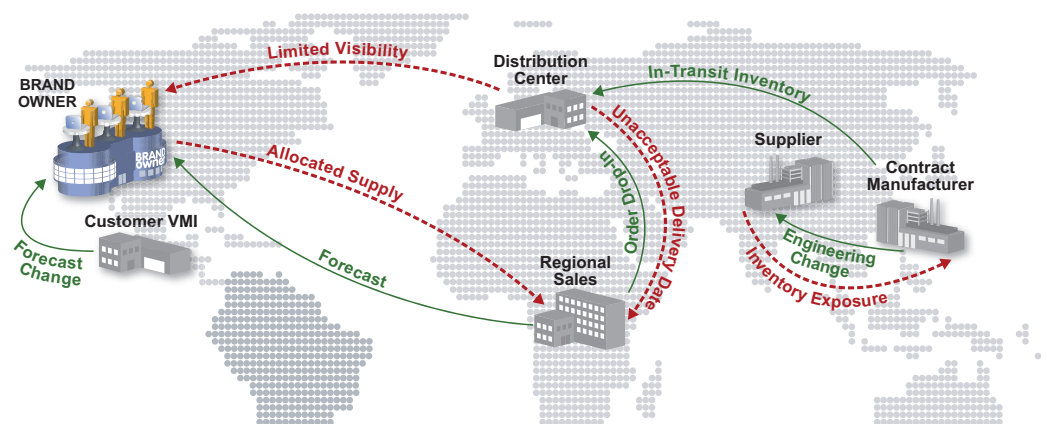
### Industry Dynamics

The high-tech/electronics industry has been in the forefront of outsourcing and off-shoring for the past 20 years, and this trend is showing no sign of abating. Many of today's brand owners have completely fables operations, yet they still have to deliver to customer expectations. In addition, there have been step changes in technology from voice and data convergence, to HD, to BlueRay—all driving an increased pace of product innovation and introduction.

With tremendous opportunities for growth in emerging markets, many manufacturers have executed aggressive globalization strategies. With this, has come increasing business complexity as they now face varying customer needs across global supply chains and longer and riskier supply chains.

Many manufacturers lack the required process standardization in manufacturing, inventory and expiry management, and other core business disciplines to cope. And collaboration across the players in the supply chain is often inefficient and insufficient.

The streamlining of manufacturing and distribution processes in order to satisfy demand while reducing unit cost is therefore becoming increasingly important in maintaining profitability, reducing inventories and enhancing competitiveness within the industry.



To deal with today's increasingly complex supply chains, you need an integrated solution that empowers your staff with planning, monitoring and response capabilities.

To meet the many challenges that emerged as a result of these new industry dynamics, high-tech/electronics companies have adopted process improvements, such as Lean Manufacturing, and technologies targeted at removing business “silos,” improving collaboration and increased productivity. Above all else, high-tech/electronics companies have turned to technology to keep a finger on the pulse of the supply chain in order to detect changes and understand consequences, and provide a collaborative environment in which all partners in the extended supply chain can create and evaluate alternative responses to the change.

### ***A New Paradigm, for a New World***

Solutions must embrace the reality that today's supply chains are multi-enterprise in nature and, thus, must provide clear visibility into the extended supply chain, along with tools that understand this virtual enterprise and its nuances. Today's solutions must:

- ▶ embrace and leverage human judgment, since the number of unplanned events with high risk to the business is on the rise
- ▶ arm front-line staff with tools for risk trade-off and response, to deal with these situations quickly and appropriately to ensure a profitable response is put into action
- ▶ foster team-based decisions that tap the collective insight of the right people in the organization — those that understand the potential impact of any unplanned event and proposed action alternative
- ▶ enable people to leverage a single system with one set of data, no matter what the problem — whether it is a demand, supply or product issue that needs to be addressed

Many of these requirements are extremely difficult, if not impossible to capture in a mathematical model — the foundation of an optimization system. And if they can be modeled, the speed at which they change and the time it takes to formulate the mathematical model make it infeasible.

To deal with today's increasingly complex supply chains, you need an integrated solution that empowers your staff with planning, monitoring and response capabilities. Legacy demand planning and supply chain planning systems were not designed for today's complexities.

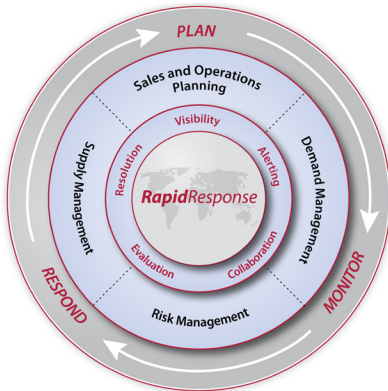
### ***Meeting the Challenges of Constant Change***

**RapidResponse** starts by delivering supply chain visibility across your multi-tier, multi-enterprise supply chain. By delivering this visibility to all the appropriate staff within your supply chain organization, you regain an understanding of the manufacturing commitments and inventory positions throughout the supply network.

This is an essential pre-requisite to being able to develop supply chain plans and coordinate the right compromise when things don't go according to plan.

**RapidResponse** proactively brings these situations to light, identifying not only unplanned events, but also identifying and quantifying the consequences to customer service, revenue, margin, and a number of other financial and operations metrics, and thereby flagging those that could do harm to your business so immediate action can be taken by front-line responders.

**RapidResponse** then delivers your team the tools to evaluate the effects of alternate courses of action on your customers, your inventory and all of your key performance indicators (KPI) so you can detail and select the appropriate course that maximizes your performance to these metrics.



- ▶ Multi-Enterprise Visibility & Reporting
- ▶ Sales and Operations Planning (S&OP) Support and Enablement
- ▶ Immediate Impact and Response to:
  - Order changes
  - Forecast changes
  - Supply changes
- ▶ Order Promising/Global Available to Promise (ATP)/Capable to Promise (CTP)
  - Demand Management/Planning
- ▶ Capacity and Constraint Planning
- ▶ Clear to Build
  - MPS Planning
- ▶ Inventory Reduction and Rationalization
- ▶ Engineering Change Management
- ▶ New Product Transition
- ▶ Supplier Collaboration
- ▶ Data Integrity Management
- ▶ Performance Monitoring and Alerting

**RapidResponse** includes specific functionality required by high-tech/electronics companies — from “clear-to-build”, to alternate parts and part equivalency capabilities that provide a summary risk perspective on the ability of contract manufacturers to satisfy demand, allowing management to focus resources or make critical purchasing, manufacturing and distribution decisions.

**RapidResponse** is a proven solution to today’s pressing supply chain management challenges at many of the world’s leading high-tech/electronics manufacturers.

For example, one of our customers needed a planning, simulation, and reporting solution that provided immediate and comprehensive feedback on how to satisfy promotions run at short notice by one of their customers. Without a quick response, their customer would have sourced alternative materials from a competitor.

The challenges they faced included gathering existing inventory information from a number of locations (including at contract manufacturing locations), as well as understanding component availability in order to manufacture additional units. Their response time was brought down from 2 days to a matter of minutes, with huge gains in personnel productivity. But equally important was both their ability to monitor daily fluctuations in demand and respond very quickly and effectively to any changes, as well as to be able to evaluate the effects of scheduled new product introductions on inventory and component liabilities.

In summary, this customer determined that **RapidResponse** was the best one-stop solution for demand, supply, and inventory planning, simulation, and reporting.

### **Reaping the Benefits**

Deploying **RapidResponse** will improve operations agility and efficiency because of greater responsiveness to change by being able to plan, monitor, and respond in a collaborative environment that promotes human judgment to reach compromise.

The benefits range from reduced inventory, to improved customer service, to increased margin capture, and reduced excess and obsolete components. These benefits have been proven over and over again in successful deployments across many industries and from large multi-national organizations to small, single site companies.



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## ABOUT KINAXIS

Kinaxis™ helps manufacturers manage increasing business complexity and achieve operations performance breakthroughs with its proven solution for demand and supply chain planning, monitoring and response. Kinaxis **RapidResponse** is an on-demand service that enables collective risk tradeoff and response to change by empowering front-line decision makers with integrated tools for supply chain visibility, demand management, supply management, sales and operations planning (S&OP) and supply chain risk management. Global leaders such as Casio, Jabil, Qualcomm, and Raytheon are realizing superior customer satisfaction and a competitive advantage with **RapidResponse**. For more information, visit [www.kinaxis.com](http://www.kinaxis.com) or the Kinaxis blog at [www.21stcenturysupplychain.com](http://www.21stcenturysupplychain.com).

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