SAP Ariba Supply Chain Collaboration: Achieving Total Visibility of Supply

Mugdha Walawalkar, SAP
Alexander Volkel, SAP

June 7, 2017
Agenda

Introduction to SAP Ariba Supply Chain Collaboration

The Challenge of Achieving Visibility Into Supply

SAP Ariba Supply Chain Collaboration solution portfolio

Proven Success Stories

Questions
SAP Ariba deals with both Indirect and Direct materials procurement and Supply Chain Collaboration

**Indirect:** goods or services that do not end up in the product delivered to the customer; the spend is tracked under operating expenses.

**Direct:** goods or services that go into production and are at the core of the product delivered to the customer; related spend is tracked under cost of goods sold, including:

- Merchandise vendors stocking retail shelves
- Contract manufacturing of the final product
- Manufacturers of subassemblies
- Component suppliers
- Raw material suppliers
Global Trends are Driving A New Focus on Supply Chains

“Today, B2B supply chains are increasingly taking center stage in the quest for greater profits and competitive advantage.”

-The Future of Business: Supply Chains
The Economist Intelligence Unit, 2014
Lack of visibility hits top and bottom line

Without visibility, complex supply chains risk:

**HIGH** Safety stock levels

**HIGH** Inventory carrying costs

Stock-outs & Missed or Delayed Shipments

“Supply chains need visibility across multiple systems to synchronize manufacturing and procurement.” - Lora Cecere of the magazine *Supply Chain Insights*

- 32% of manufacturing is outsourced in a typical company
- 65% of buyers have poor visibility into source of supply
- 70% of suppliers lack visibility into customer order management

Source: “Supply Chain Insights 2014”
Gaining Complete Supply Chain Visibility with Supplier Collaboration
SAP Ariba Supply Chain Collaboration
Collaborative network for real-time visibility

Buyer
- Forecast/Demand
- Purchase/Subcontract Order
- Schedule Agreement Release
- Component Ship Notice
- Component Inventory Data
- Goods Receipt Notice
- Consignment Inventory Status
- Quality Notification/Response
- Self Billing/ERS Invoice
- Payment

Supplier / Contract Manufacturer
- Forecast Commit
- PO Confirmation
- Component Receipt Notice
- Manufacturing Visibility **
- Component Consumption
- Advance Ship Notice

Manufacturing and Retail Collaborative Processes
- Enables collaboration with direct materials trading partners
- Complements and extends back-end systems
- Provides instant visibility into availability of supply

** B2B only, UI/Upload Planned in upcoming releases
SAP Ariba Supply Chain Collaboration Mobile App for Buyers and Planners

Capabilities
- Real-time status on orders, shipments, supplier commits
- Full item details and visibility into total confirmed quantity, shipped quantity, and shipping status
- Future functionality will support forecast, quality, inventory processes and more

Benefits
- Real time monitoring capability reduces supply chain disruptions
- Improved supply chain visibility
- Identification of potential supply and demand mismatches early, even while on the go
Mobile App for Buyers and Planners

- **Purchase orders**:
  - **5** purchased in the last 31 days.
  - **$50K** total value.

- **Unconfirmed items**:
  - **9** unconfirmed in the last 29 days.
  - **$20K** total value.

**Orders**:
- **45000017**
  - Star Corporation
  - Partially Shipped
  - Created 2/8/17
  - **$15,600.00 USD**

- **45000016**
  - Star Corporation
  - New
  - Created 2/8/17
  - **$15,600.00 USD**

- **45000015**
  - Star Corporation
  - Partially Confirmed
  - Created 2/8/17
  - **$15,600.00 USD**

- **45000013**
  - Star Corporation
  - New
  - Created 2/8/17
  - **$15,600.00 USD**

**Order Details**:
- **45000017**
  - Star Corporation
  - **$15,600.00 USD**
  - Partially Shipped | Feb 08, 2017, 5:07 PM
  - **Items (6)**

  **Controller**
  - Part no.: AX-4500-1
  - Ship date: 2/13/17
  - Delivery date: 2/23/17
  - Quantity: 100 PK
  - Subtotal: $3,120.00
  - Confirmation status: Partially Confirmed

  **Transformer**
  - Part no.: AX-4500-2
  - Ship date: 2/14/17
  - Delivery date: 2/24/17
  - Quantity: 50 PK
  - Subtotal: $2,775.00

**Controller Details**:
- **45000017**
  - **Controller Info**
  - **Ship By** 2/13/17
  - **Need By** 2/23/17
  - **Quantity** 100 PK

**Tracking**
- **Controller**
  - **In transit**
  - **Ship Date** 2/8/17
  - **Delivery Date** 2/22/17

**Item Details**:
- **Controller**
  - **Shipment Quantity** 75 PK
  - **Tracking No.** 984552316
- **Ship From**
  - 567 Sommestreet
  - Arkansas City, AR 71630
  - USA
- **Ship To**
  - 123 Anystreet
  - Sunnyvale, CA 94089
  - USA
Open integration framework
Integration with your existing IT environments
SAP Ariba is making significant investments in streamlining direct materials source-to-pay processes
One network to simplify Supply Chain Collaboration

Supply chain collaboration in real time

- Faster response to manage inventory levels and fill rates
- Easy onboarding with minimal IT costs
- Improved compliance with standards-based and open electronic communications
- Simplifies interactions and transactions – connect once, collaborate with many
- Network intelligence, reporting, and analytics on supply chain metrics
Early Adoption in key industries

**ULTA Beauty**

80% of merchandise vendors are live

Exchange of all EDI transactions – PO, PO confirmation, ASN, and invoicing

Significant efficiency in accounts payable department

**$90B High Tech OEM**

Ariba Design Partner

Evolving from a forecast-and-allocation-driven model to **demand-driven** fulfillment pull model to provide **guaranteed availability** of end product

Gartner ranked SAP as the **overall leader** in worldwide supply chain management and supply chain planning.

Thank you.

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Senior Solution Consultant  
Toronto, Ontario  
905-599-1100
Appendix
# Summary of Key Innovations

## Improving Collaboration in the Direct Material Supply Chain

<table>
<thead>
<tr>
<th>Collaboration</th>
<th>Benefits</th>
</tr>
</thead>
</table>
| **Purchase Order**                    | • Streamline PO’s by adding multiple delivery schedules per line item  
• Supports critical extensions like Packaging Information, Batch, Retail Industry Specific content.  
• Supports Return Purchase orders process along with capabilities for Return Ship Notice and Credit Memo  
• Supports Visibility to intermediate tiers of inbound orders and shipments for Drop ship scenarios.  
• Ability to communicate Order Priorities and Inventory buffer status  
• Transparent views of outstanding orders or shipments due  
• Ease of use with mass processing capabilities                                                                 |
SAP Ariba Supply Chain Collaboration
Product road map overview – key themes and capabilities – 2017

Q1 – Recent Innovations*
- Supply chain mobile app for buyers
- Supply chain collaboration dashboards
- Quality collaboration

Q2
- Supplier-managed inventory (SMI) collaboration
- Dashboard usability improvements
- Order Confirmation approval
- Reporting

Usability
- Supply chain intelligence (e.g., perfect order KPI)
- Quality collaboration enhancements
- SMI Enhancements
- Forecast collaboration enhancements

Q3
- Usability
- Additional supply chain intelligence
- Items to confirm enhancements
- Download for Inventory

Q4
- Planned**
- Q2 – Planned Q2/2017
- Q3 – Planned Q3/2017
- Q4 – Planned Q4/2017
- Recent innovations

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Quality Collaboration

**INSPECTION**

*Buyer* sends inspection characteristic and criteria through SAP ERP. *Suppliers* log in to Ariba Network to submit the results.

**COLLABORATION**

Changes and deviation over products and process happen periodically. *Buyer* and *suppliers* need a hub to keep track of all the communication and decision-making processes.

**NOTIFICATION**

Once a deviation is discovered, a notification will be created either by the *buyer* through SAP ERP or the *supplier* through Ariba Network to track the cause of the problem and get it resolved.
Complex retail supply chains inhibit visibility into supply

- More outsourcing
- More trading partners
- More tracking
- More geographies
- More technologies
Poor visibility challenges buyers and suppliers alike

<table>
<thead>
<tr>
<th>For Buyers</th>
<th>Risk of excess safety stock or poor fill rates</th>
<th>High cost of supplier onboarding</th>
<th>Inefficient outdated collaboration platforms and manual processes</th>
<th>Lack of intelligence to assess supplier performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Suppliers</td>
<td>Risk of overages and shortages of inventory</td>
<td>High IT costs and risks for onboarding and using multiple point solutions</td>
<td>Manual collaboration and multiple collaboration systems impact productivity</td>
<td>Complexity assessing performance and service levels</td>
</tr>
</tbody>
</table>
Complex manufacturing supply chains inhibit visibility into supply – change title
What if you could…

**Onboard Efficiently**

Embedded supplier enablement services

**Collaborate Broadly**

End-to-end process orchestration on a single business network

**Access Actionable Intelligence**

Network intelligence, data, and insights

…and increase visibility in your supply chain
SAP Ariba Supply Chain Collaboration
Brings visibility and efficiency to Direct Materials Procurement for manufacturing

Your Company
- Industrial manufacturer
- Automotive manufacturer
- Consumer packaged goods company

Your Trading Partners
- Contract manufacturers
- Component suppliers
- Subassembly suppliers
- Raw material suppliers
- Distribution centers
- Logistics providers

- Collaboration simplicity with a single business network
- Embedded supplier onboarding services
- End-to-end process orchestration to validate and enforce compliance
- Network intelligence, data, and insights to reduce supply chain risk
- World’s largest network of direct materials trading partners
SAP Ariba Supply Chain Collaboration
Brings visibility and efficiency to merchandise procurement

Your Company

- Grocery retailer
- Clothing retailer
- Electronic retailer
- Home goods retailer

Your Trading Partners

- Packaging suppliers
- Consumer packaged goods suppliers
- Brand owners
- Distributors and wholesalers
- Distribution centers

- Collaboration simplicity with a single business network
- Embedded supplier onboarding services
- End-to-end process orchestration to validate and enforce compliance
- Network intelligence, data, and insights to reduce supply chain risk
- World’s largest network of direct materials trading partners
SAP Ariba Supply Chain Collaboration
Extends your direct materials optimization and execution solutions to enable collaboration with your trading partners

- Gain early visibility into potential supply disruptions
- Reduce inflexible point-to-point solutions and manual portals
- Benefit from better integration and comprehensive road map
Options for Supply Chain Collaboration

Enterprise Portals

Diagram showing Buyer and Supplier connected through Enterprise Portals.

EDI VAN’s

Diagram showing multiple EDI VAN’s connecting Buyer and Supplier.

Direct Connect

Diagram showing Buyer and Supplier connected directly without intermediaries.

Do Nothing/Manual

Diagram showing manual processes involving Buyer and Supplier.
What Makes a Business Network Different from EDI?

Intelligence and flexibility

EDI or One-to-One Integration
- Processes customized for each trading partner
- EDI formats and connectivity standards
- No business logic
- No aggregated data content or history

Business Networks
- Standardized processes
- Multiple connectivity options
- Configurable rules and business logic
- Community intelligence
What makes a business network different from a portal?
No hidden costs

### Hidden Costs of Deploying and Maintaining a Supplier Portal

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portal Purchase/Subscription</td>
<td>6%</td>
<td>Solution design and vendor selection, Installation, integration, and configuration, Software and hardware maintenance and upgrade</td>
</tr>
<tr>
<td>Software and Hardware Maintenance</td>
<td>16%</td>
<td>Performance monitoring and reporting against SLA, Error handling, Management of multiple environments</td>
</tr>
<tr>
<td>Performance Monitoring</td>
<td>29%</td>
<td>Seller training, Online tutorials and documentation, Password resets, Help-desk staffing, Onboarding/change management for new suppliers</td>
</tr>
<tr>
<td>Seller Support/Help Desk Staffing</td>
<td>23%</td>
<td>Follow-the-sun support, Support staffed in eight languages</td>
</tr>
<tr>
<td>Global Multilingual Support</td>
<td>27%</td>
<td></td>
</tr>
</tbody>
</table>
SAP Ariba Supply Chain Collaboration journey

Value levers at each stage

Business benefits:

- Improved visibility and responsiveness
- Help for ensuring continuity of supply
- Reduced inventory
- Lower order management costs
- Improved forecast accuracy

1.0
A basis for direct materials collaboration, plan-driven execution scenarios

2.0
Outsourced manufacturing and consignment inventory scenarios

2016.02,05,08, 11
Extended planning related demand/forecast, multitier doc visibility, buy-side exception monitors, quality, and return PO scenarios

Available today

Planned

Planned innovations
(next 6–12 mo)
Advanced quality, inventory (supplier managed inventory or SMI) and 3rd party logistics provider integration scenarios, SAP Integrated Business Planning integration – forecast commit scenario

Future innovations
(beyond 12 mo)
Multitier inventory visibility, kanban, sell-side customer collaboration and advanced logistics scenarios

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Supply Chain Collaboration Dashboard for Proactive Exception Management

**Buyer**
- Forecast/Demand
- Order/Subcontract PO
- Change Order
- Goods Receipt Notice

**Trading Partner**
- Forecast Commit
- PO Confirmation
- Change Order Confirmation
- Advance Ship Notice

**Capabilities**
- Proactive exception alerts flagging potential issues
- Configurable inter-company business rules
- Aggregation of key supplier and supply chain intelligence

**Benefits**
- Obtain real-time status information
- Measure trading partner performance
- Prevent potential supply chain disruptions
Supply Chain Collaboration Dashboard for Proactive Exception Management

Dashboard
Supply Chain Monitor

Manage alerts

19
Forecast alerts
2 Decomits
10 Commit shortages
7 Missing commits

9
Confirmation alerts
3 Quantity deviations
6 Confirmations due

Business and performance overview

Supply and demand (cumulative)

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Direct Purchase Order Collaboration Process

**Buyer**
- Direct Purchase Orders
- Goods Receipt Notice (POD)
- Self Billing/ERS Invoice (Option A)
- Payment

**Supplier / Contract Manufacturer**
- PO Confirmation
- Advance Ship Notice
- Invoice (Option B)

**Capabilities**
- Ability to communicate granular demand by multiple dates and quantities
- Facilitates efficient order fulfilment process to meet repetitive manufacturing requirements
- Hundreds of fields supporting direct materials

**Benefits**
- Obtain real-time status information
- Improve visibility into availability of supply
- Provide suppliers with greater transparency for longer term and near-term demands of their customers
Manage Complex Requirements with Purchase Order Extensions

**Industry Specific Extensions**

- 100 new direct material fields that support direct material processing
- Additional product characteristics such as promotional deal ID, size quality, grade, color, etc.
- 38 fields for product packaging such as container serial code, shipping mark, length, weight, etc.
- Suppliers can view and edit these fields when processing purchase orders, ship notices and invoices
Print Barcode Labels Directly from Ship Notices

- Seller can create barcode labels to speed up their shipping processes and increase accuracy
- Buyers can implement the layout on suppliers’ behalf to reduce error rates and handling costs
- Industry-specific scenarios are available to meet your specific supply chain needs
Return Purchase Order Collaboration Process

Buyer
- Return Purchase Order
- Return Ship Notice
- Goods Return Posting

Supplier / Contract Manufacturer

Capabilities
- Ability to handle based on Return PO’s

Benefits
- Facilitates efficient order return process with Direct Material suppliers
SAP Ariba Supply Chain Collaboration
Multi-Tier Order Collaboration

Value to the customer/supplier

Current business challenge
Lack of end-to-end visibility and collaboration in a multi-tier environment

Business benefits
- Ariba Network will allow the ability for Tier managed Suppliers to receive the copy of the PO and the ASN
- Ariba Network will allow the Tiered Supplier to post Goods receipt on receipt of an ASN
- Ariba Network will provide special UI to manage the Multi-Tier Documents

Industries/Coverage
- All industries

Key features
- provide a new role to allow Suppliers to View Multi-Tier documents
- A new Tab is introduced to display Multi-Tier PO’s which are created based on the Copy document.
- No Invoice, ASN, Order Confirmations shall be possible on the copy PO
- Enable post Component Receipt based on the PO and ASN (incl. multi selection) reference
- OC or ASN posted from the Tier (n-1) supplier will be displayed against the Copy PO for the Tier n supplier as related document
- Create Reversal of Component Receipt from Receipt list page (cancellation of receipt document)
Schedule Agreement Release Collaboration

**Buyer**

- Schedule Agreement Release (FRC/JIT)
- Goods Receipt Notice
- Self Billing/ERS Invoice (Option A)
- Payment

**Capabilities**

- Extends rolling delivery schedules to suppliers
- Indicates the degree to which the lines of schedule are binding

**Benefits**

- Improved visibility into availability of supply
- Greater transparency for suppliers into longer term and near-term demands of their customers
- Flexible invoicing options, including self-billing and supplier-generated invoicing

**Supplier / Contract Manufacturer**

- Advance Ship Notice
- Invoice (Option B)
Communicate On-Going Demand with Scheduling Agreement Releases

Create rolling delivery schedules to indicate the degree to which the lines of schedule are binding:

- **Firm zone** (go-ahead for production). This is firm and fully binding.

- **Trade-off zone** (go-ahead for procurement of input materials). If you cancel, the vendor is only entitled to charge for material costs.

- **Planning Zone** (forecast)
SAP Ariba Supply Chain Collaboration
Contract Manufacturing Collaboration Process

Buyer
- Subcontract Purchase Order
- Component Ship Notice
- Component Inventory Status
- Goods Receipt Notice
- Self Billing/ERS Invoice (Option A)
- Payment

Supplier / Contract Manufacturer
- PO Confirmation
- Component Receipt Notice
- Manufacturing Visibility **
- Component Consumption Notice
- Advance Ship Notice
- Invoice (Option B)

Capabilities
- Informs CM about product ordered and components to be used
- Enables buyer and CM to share component consumption data

Benefits
- Allows buyer to leverage purchasing power while maintaining visibility and control into contract manufacturing process
- Improves visibility into availability of supply, inventory and production status
- Drives greater efficiencies between multiple supply chain parties

** B2B only, UI/Upload Planned in upcoming releases
Provide Manufacturing Partners with Components and Gain Visibility into Component Consumption

Enables contract manufacturing processes utilizing components shipped by buyer

- Enables contract manufacturing partners to drill down into component lines from an assembly PO
- Allows buyers to ship components to contract manufacturers and gain visibility into usage
- Enables contract manufacturers to report receipt and consumption of components with relevant batch information, ensuring greater predictability of supply
SAP Ariba Supply Chain Collaboration
Consignment Collaboration Process

Buyer

- Consignment Purchase Order
- Component Stock Receipt Notice (POD)
- Consumption: Consignment Transfer
- Self Billing/ERS Invoice (Option A)
- Payment

Supplier / Contract Manufacturer

- PO Confirmation
- Advance Ship Notice
- Invoice (Option B)

Capabilities

- Provides suppliers with visibility to movements related to consigned inventory

Benefits

- Improves buyer cash flow and inventory turns by deferring transfer and payment of goods until they are consumed
- Minimizes risk of material stock-outs
- Reduces replenishment lead times

Forecast Collaboration
Contract Mfg & Consigned Inventory
Quality Collaboration
Consignment Movement Visibility

Replenish and receive consignment inventory and transfer it to your stock as needed

- Obtain and share visibility into material movements with suppliers
- Signal change of ownership of inventory and settle payment to suppliers
Forecast Collaboration

**Buyer**

**Supplier / Contract Manufacturer**

**Capabilities**
- Collaboration on forecasting processes
- Configurable inter-company business rules

**Benefits**
- Aligns supply and demand planning over multiple time horizons
- Enables buyers and suppliers to identify potential shortages or overages and address them
- Ensures buyers and suppliers are aligned on material requirements over time, including frozen periods
SAP Ariba Supply Chain Collaboration
Forecast Visibility for Suppliers

Provides time series view of forecast for suppliers.

Flexible UI supports
- Search Filtering
- Configurable Views
- Flexible Time Bucket Views
- Shows related Firm Orders
- CSV Download and Upload

CM Buyer Forecast

<table>
<thead>
<tr>
<th>Customer Part #</th>
<th>Supplier Part #</th>
<th>Customer Location</th>
<th>Lead Time</th>
<th>Unit</th>
<th>Last Modified</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>LAPTOP-100</td>
<td>SUP-LAPTOP-100</td>
<td>001C</td>
<td>7</td>
<td>EA</td>
<td>17 Apr 2016 11:23:04 AM</td>
<td>@</td>
</tr>
<tr>
<td>RM1 PHONE_A</td>
<td>VEND_RM1 PHONE_A</td>
<td>0001</td>
<td>10</td>
<td>EA</td>
<td>15 Apr 2016 9:23:37 PM</td>
<td>@</td>
</tr>
</tbody>
</table>

Download CSV  Upload CSV

Display Forecast By: Day  Week  Month  Year
From: 05/10/2016

Forecast Collaboration
Contract Mfg & Consigned Inventory
Purchase Order and Schedule Agreement
Quality Collaboration
SAP Ariba Supply Chain Collaboration
Forecast Commit by Suppliers
SAP Ariba Supply Chain Collaboration
Forecast Visibility for Buyers

Value to the customer/supplier

Current business challenge
Ariba Network currently does not provide the visibility of this data to the Buyers.

Business benefits
- Prevent Buyer loosing the consolidated visibility of the true forecast that was shared to the Suppliers
- ERP system does not necessarily hold the forecast that was sent to the Suppliers, this will be covered by CSC view
- Buyers and Suppliers to view the same Data to collaborate and share the data.

Industries/Coverage
- All industries

Key features
- Extend the Forecast Application to be displayed to the Buyer.
- Provide new role to allow SCM Buyer App to view Forecast Data
- A new List view to display the forecast Exceptions based on Forecast Commit horizon
- download and view the data per supplier.
- Adjust the Purchase Order data to show based on Material or Material/Plant
- Main screen supports personalization and Download of the data to Buyers
Quality Notification Collaboration

**Capabilities**
- Joint record and resolution process for quality issues initiated by either trading partner
- Multiple quality notification types supported

**Benefits**
- Visibility into quality issues to drive quick resolution
- Transparency into rework or returns of non-compliant products
- Supply chain alignment on quality information and compliance

### Buyer
- Direct Purchase Orders
- Goods Receipt Notice (POD)
- Quality Notification Request
- Quality Notification /Deviation Response

### Supplier
- PO Confirmation
- Advance Ship Notice
- Quality Notification Response
- Quality Notification /Deviation Request
- Quality Notification /Deviation Request
SAP Ariba Supply Chain Collaboration
Quality Collaboration – Supplier View
SAP Ariba Supply Chain Collaboration Mobile App for Buyers and Planners

Capabilities

- Real-time status on orders, shipments, supplier commits
- Full item details and visibility into total confirmed quantity, shipped quantity, and shipping status
- Future functionality will support forecast, quality, inventory processes and more

Benefits

- Real time monitoring capability reduces supply chain disruptions
- Improved supply chain visibility
- Identification of potential supply and demand mismatches early, even while on the go
### SAP Ariba Supply Chain Collaboration Mobile App for Buyers and Planners

#### Orders

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<tr>
<th>Item ID</th>
<th>Total Value</th>
<th>Supplier</th>
<th>Status</th>
<th>Created</th>
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<tbody>
<tr>
<td>45000017</td>
<td>$15,600.00</td>
<td>Star Corporation</td>
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#### Order Details

**45000017**
- **Total Value**: $15,600.00 USD
- **Status**: Partially Shipped | Created: 2/8/17
- **Date of Partial Shipment**: Feb 08, 2017, 5:07 PM

<table>
<thead>
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<th>Item Details</th>
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<tr>
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</tr>
</tbody>
</table>

#### Item Details

- **Controller**
  - **Ship by Date**: 2/13/17
  - **Need by Date**: 2/23/17
  - **Quantity**: 100 PK

- **Transformer**
  - **Ship from**: 567 Somertree Street, Arkansas City, AR 71630, USA
  - **Ship to**: 123 Arnystreet Sunnyvale, CA 94089, USA
  - **Tracking No.**: 984552316

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## Summary of Key Innovations

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<td>• Multi-Tier Order and Shipment Visibility</td>
<td>- Ability to communicate Order Priorities and Inventory buffer status</td>
</tr>
<tr>
<td>• Ship Notice/Confirmation Due Lists</td>
<td>- Transparent views of outstanding orders or shipments due, Ease of use with mass processing capabilities</td>
</tr>
<tr>
<td><strong>Scheduling Agreement Release</strong></td>
<td>- Suppliers gains transparency into longer term demands of their customers to plan accordingly and respond to short term firm demands.</td>
</tr>
<tr>
<td>• Forecast &amp; JIT Releases</td>
<td>- Provides efficient way of communicating plan driven demand in repetitive mass manufacturing environments compared to Discrete PO’s.</td>
</tr>
<tr>
<td><strong>Contract Manufacturing</strong></td>
<td>- End to End Visibility of Subcontracting process such as physical component movement and component consumption along with Batch recording capability for finished products and components.</td>
</tr>
<tr>
<td><strong>Consignment</strong></td>
<td>- End-to-end support of consignment procurement through settlement process.</td>
</tr>
<tr>
<td></td>
<td>- Consignment Inventory Movement visibility allows suppliers to trigger replenishments and invoicing as needed.</td>
</tr>
<tr>
<td><strong>Forecast Collaboration</strong></td>
<td>- Early visibility of net demand</td>
</tr>
<tr>
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<td>- Forecast commit process, Including Buyer Views</td>
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<td>- Helps Suppliers Plan capacity in advance and Buyers to ensure continuity of supply.</td>
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<tr>
<td><strong>Quality Collaboration</strong></td>
<td>- Closed loop Quality Collaboration Process between trading partners</td>
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<td>- Helps in enforcing compliance and regulations</td>
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<tr>
<td><strong>Supply Chain Exception Monitor/SCM Mobile</strong></td>
<td>- Dedicated views for buyers and planners to monitor supply chain exceptions</td>
</tr>
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<td>- Reduces supply chain disruptions</td>
</tr>
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SAP Ariba Supply Chain Collaboration
Product road map overview – key themes and capabilities – 2017

Q1 – Recent Innovations*
- Supply chain mobile app for buyers
- Supply chain collaboration dashboards
- Quality collaboration

Q2 – Usability
- Supplier-managed inventory (SMI) collaboration
- Dashboard usability improvements
- Order Confirmation approval
- Reporting

Q3 – Usability
- Supply chain intelligence (e.g., perfect order KPI)
- Quality collaboration enhancements
- SMI Enhancements
- Forecast collaboration enhancements

Q4 – Planned**
- Additional supply chain intelligence
- Items to confirm enhancements
- Download for Inventory

**FUTURE PLANS: Subject to change

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Supplier Managed Inventory Collaboration: Coming Soon!

**SMI Monitor**
- Demand/Inventory levels
- Mix/Max levels
- Planned shipment calculations
- Exception alerts

**Capabilities**
- Collaboration on end-to-end supplier-managed inventory (SMI) process
- Push-based replenishment based on min/max inventory policies
- Dashboards providing min/max alerts and planned shipment calculations

**Benefits**
- Optimize inventory levels
- Ensure supplier compliance to min/max inventory rules
- Improve order fill rates in demand driven supply chains

**Trading Partner**
- Planned Replenishment Notification
- Advance Ship Notice

**Buyer**
- SMI SA
- Demand, Inventory and Min/Max Info
- Goods Receipt Notice

**SMI Monitor**

**Trading Partner**

**Capabilities**

**Benefits**
Supplier Managed Inventory Collaboration: Coming Soon!