

Digital metal trading platform of the future

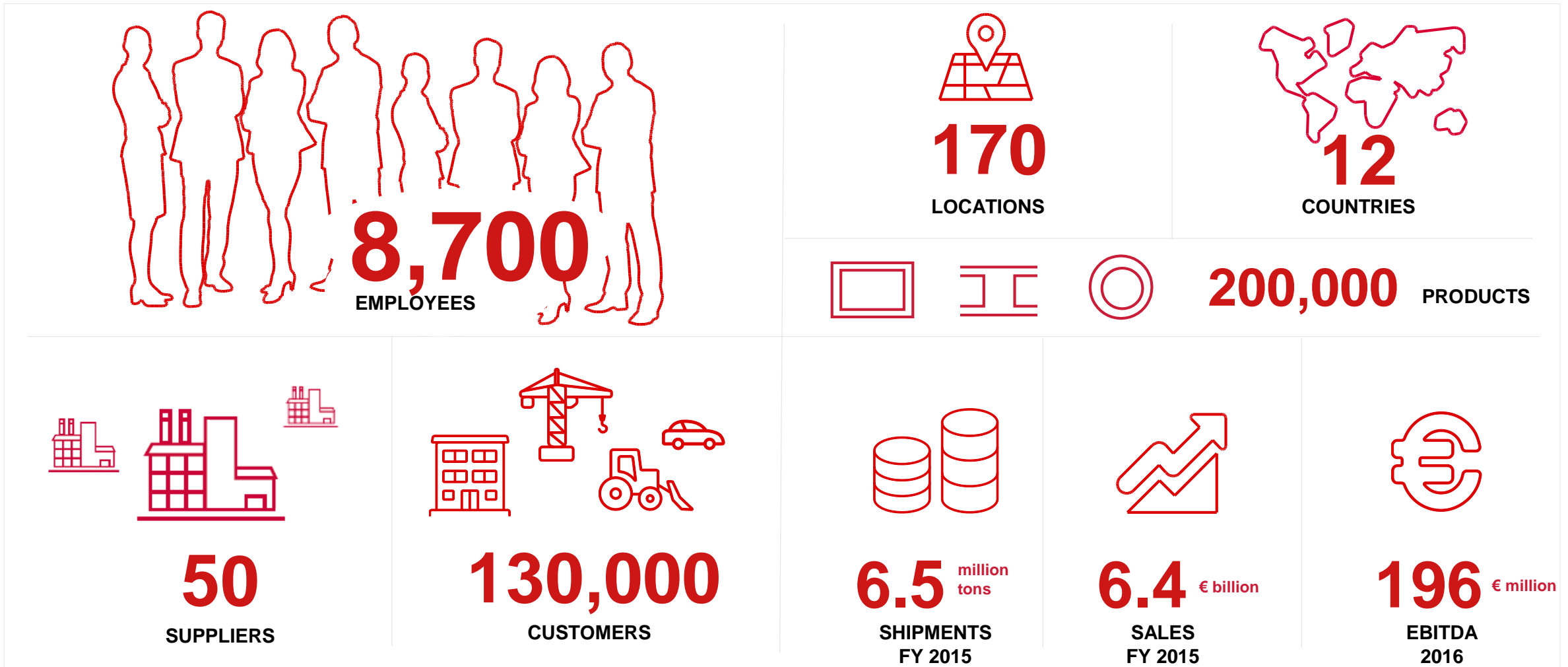
The Klöckner approach

Ralph Koenen

SAP Metals & Mining Summit
Moscow, 13th September 2017

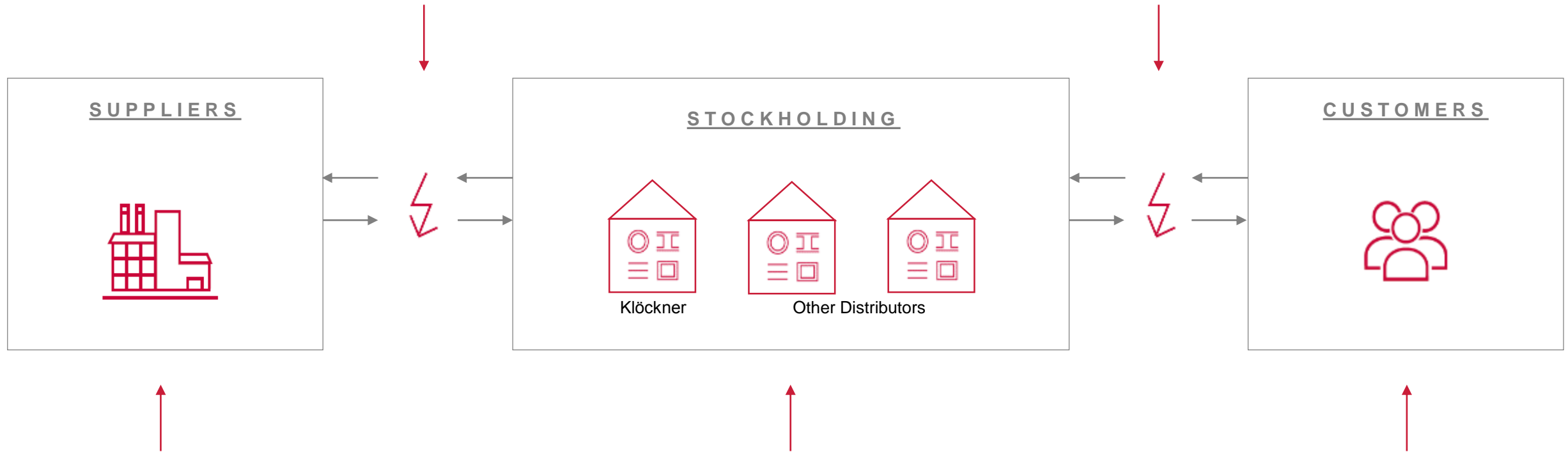


01 Klöckner & Co SE Overview



02 Steel supply chain is highly inefficient and totally intransparent

NO EFFECTIVE INFORMATION AND DATA EXCHANGE ON AVAILABLE INVENTORY, LEAD TIMES ETC.



LONG DELIVERY TIMES, INCORRECT DELIEVERIES AND HIGH INVENTORY LEVELS

03 Steel distribution industry does business like in 1990

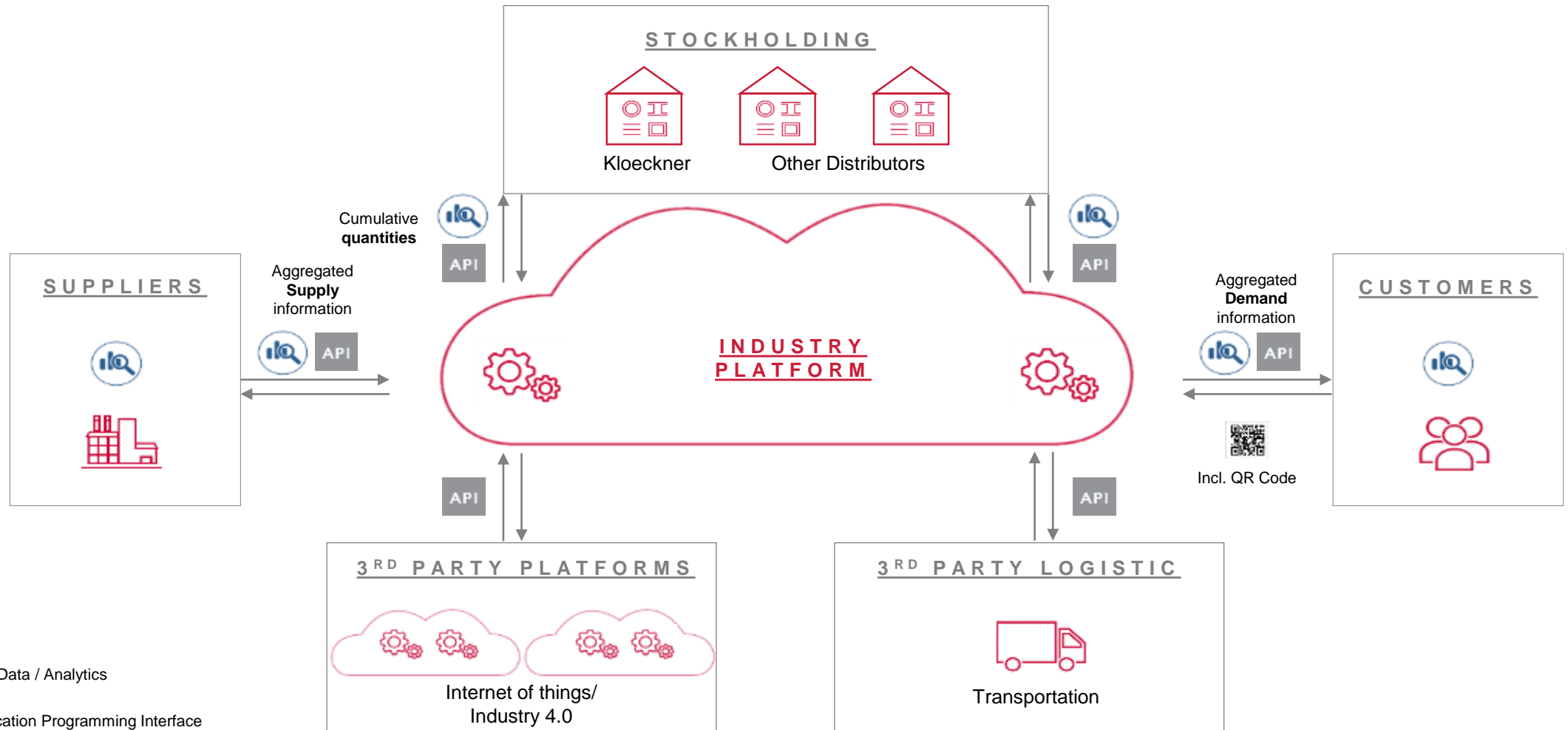


- Low IT penetration in processes
- High stockholding
- Unclear status on product availabilities
- Low pricing transparency
- Inefficient execution



Potential for digitalization

04 Goal is the transformation of a classic value-chain into a platform business



05 How it all started - summer 2013 „Innovation 1.0“

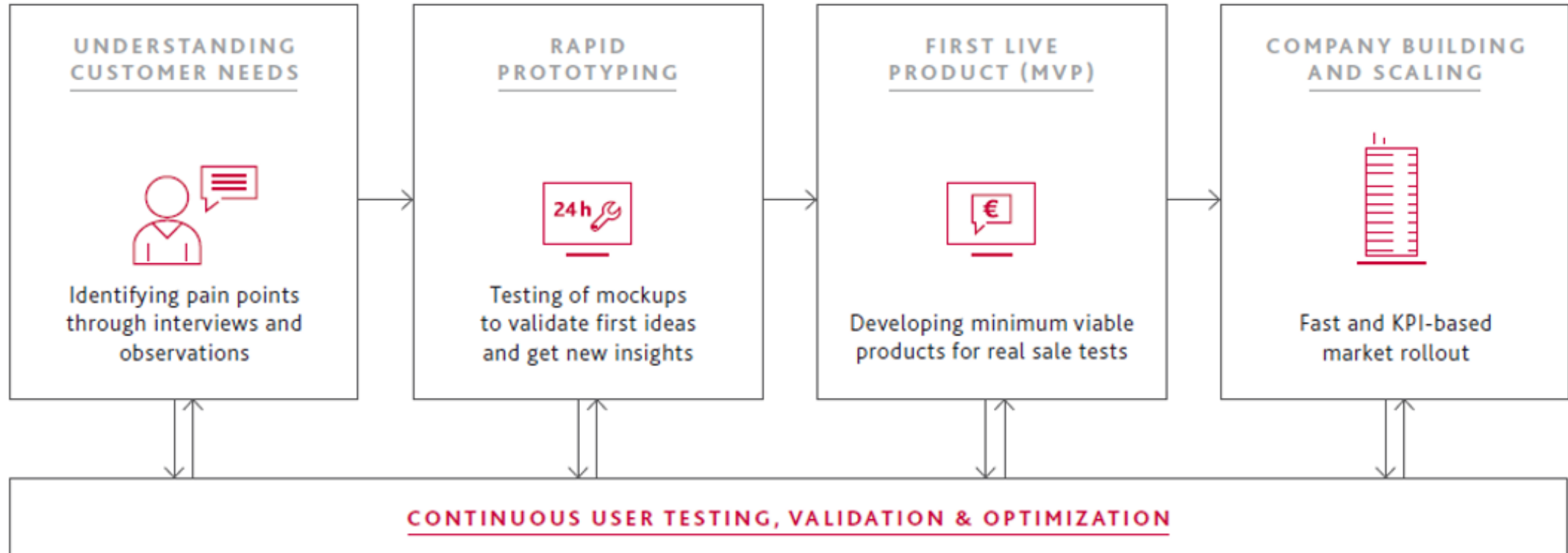
- First innovation workshops initiated
- Guided by moderator
- Generation of first (very good) ideas
- Implementation at a side

NOT PROMISING AT ALL



06 Our innovation process – lean, agil and customer centric

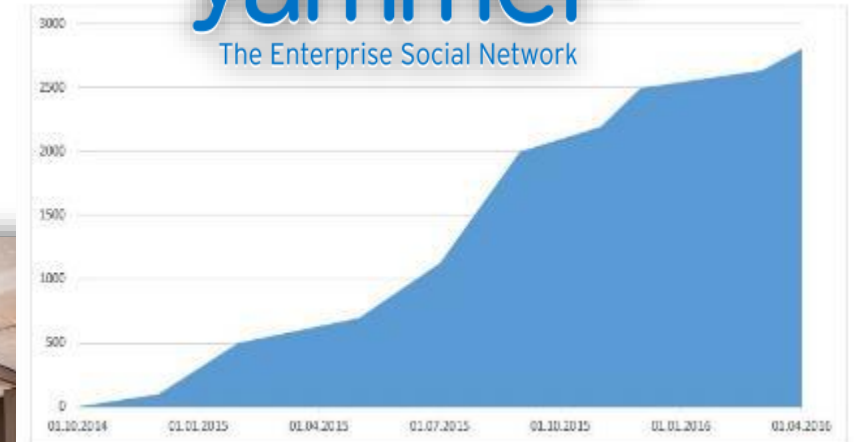
APPLICATION OF LEAN-STARTUP-METHODS



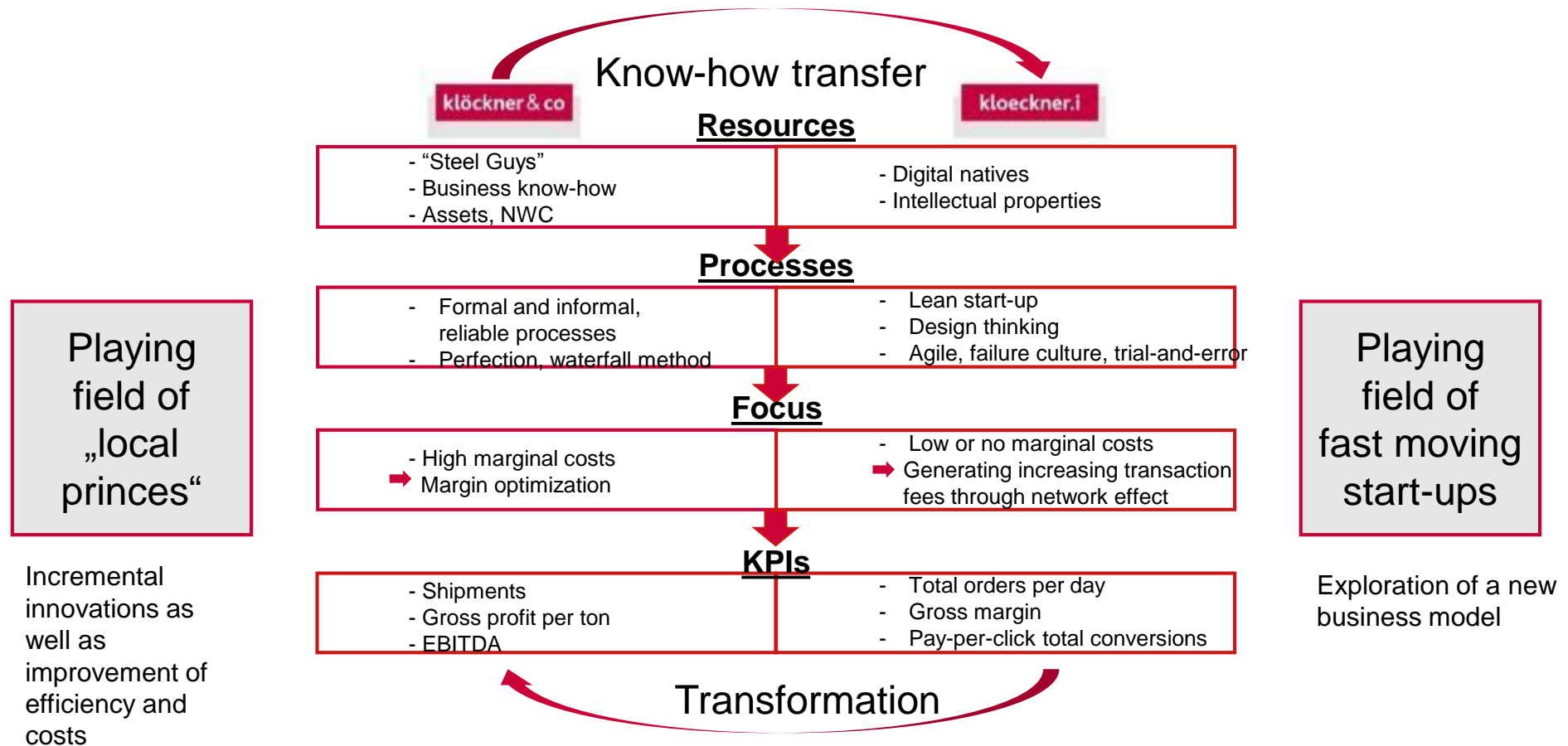
07 Cultural change and digital transformation



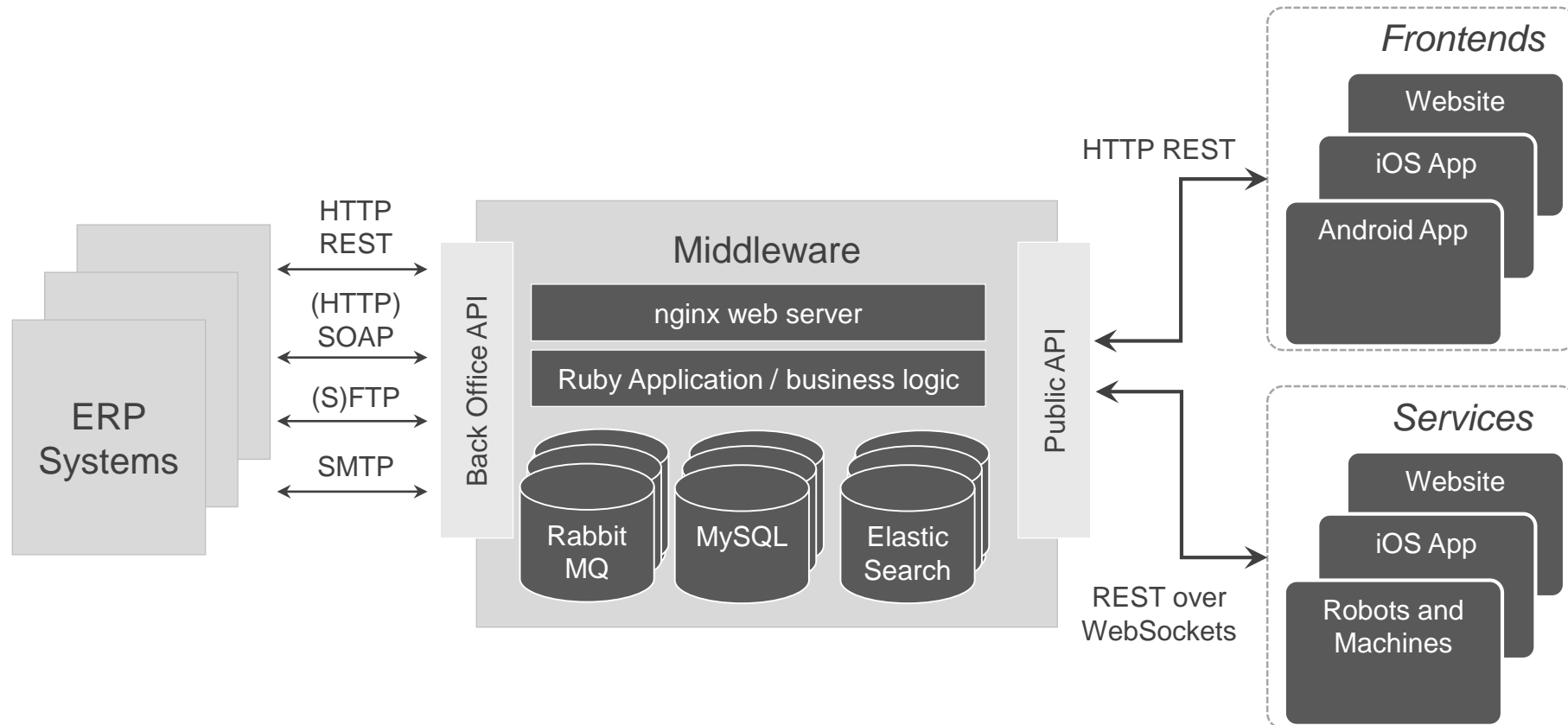
yammer[®]
The Enterprise Social Network



08 Separate business unit to speed up but integrated approach to transform

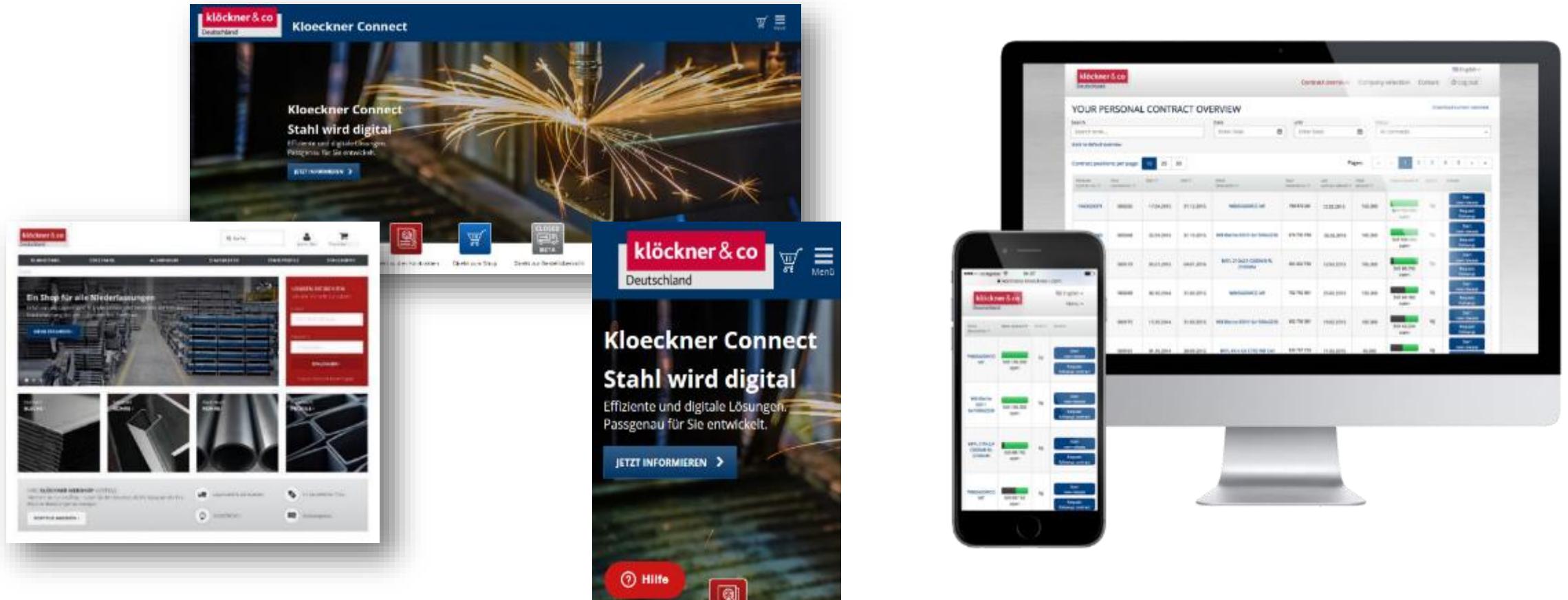


09 Fast development and testing with an MVP middleware



10 First version of Service Platform and new B2B webshop launched

www.kloeckner.de



11 Key Take Aways

Digital transformation is not an option **01**

02 Drive the transformation instead of to be driven and marginalized!

Technical implementation via cloud solutions and integration into enterprise IT backends **06**

03 User benefit has highest priority for all developments

Speed by adaption of start up methods and organization **05**

04 Minimal Viable Product+ Fail Fast, Fail Cheap vs. Waterfalls + High Depreciation

Q & A

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