



SupplyDynamics

ON-SITE OPPORTUNITY ASSESSMENT

MATERIAL DEMAND AGGREGATION IN 2020

Discover how Material Demand Aggregation can save you millions across all tiers of your supply chain in 2020.

Our 1-Day Opportunity Assessment is designed to help you understand, structure, and prioritize raw material sourcing activities, especially when it comes to collaborating with sub-tier suppliers on the purchase of common materials (including but not limited to metals, plastics, fasteners, and electronic components).

MATERIAL DEMAND AGGREGATION

“Who buys what materials, in what quantities, when, and at what prices?”

Material Demand Aggregation, or "MDA," answers all of these questions and represents a systematic, technology-enabled approach to leveraging common raw material and off-the-shelf component demand from multiple sites and sub-tier suppliers to optimize price, inventory, service levels, cycle time, and accountability across your extended supply chain. This translates into better prices and service levels for Manufacturers and Parts Suppliers and greater efficiency for the Distributors and Mills you choose to do business with.

HOW DOES THE ASSESSMENT WORK?

We come to you.

On a mutually convenient day, the 1-day, on-site assessment involves interviews and operational data gathering with sponsors and key stakeholders to assess opportunities and challenges unique to your business and industry. Drawing on 18 years of MDA experience, spanning multiple industries and commodities, Supply Dynamics will brief you on how other companies use Material Demand Aggregation to drive cost savings and continuity of supply, then develop an assessment specific to your company and circumstances.

WORKSHOP COST

\$3000/day + travel expenses

(USA Only)

WHAT'S INCLUDED

- > 1-day on-site assessment with interviews and data gathering
- > 1 or 2 subject matter experts from Supply Dynamics will brief you on how other companies use *Material Demand Aggregation*
- > After on-site assessment, a 1-hour follow-up discussion of findings with participants (online conference)
- > 1 comprehensive report outlining detailed, specific procurement savings opportunities
- > FREE Metals Benchmarking Report (a \$6400 value)



IS THE ASSESSMENT JUST A GLORIFIED SALES PITCH?

Absolutely not.

While we believe aggregation can transform any OEM, it's not a fit for everyone, nor is it the right approach for every commodity. Our objectives are simple. We get to know you, understand your challenges, and provide an objective third-party assessment of opportunities to improve your raw material sourcing practices. Once you get to know us and review the assessment results we send you, you'll know what to do next and whether or not it involves us.

WHAT YOU'LL LEARN & RECEIVE

- > Benchmark the latest tools and trends when it comes to raw material sourcing (without being steered to a specific supplier!).
- > Understand:
 - Key considerations that should influence mill vs distributor engagement.
 - Pros and cons of most common raw material sourcing models:
 - Spot purchasing
 - Directed buy (pass-through model)
 - Directed buy (with rebate)
 - Right to buy
 - Buy/resell
 - Consignment
 - "Best practices" when it comes to collaborative purchasing programs and how other OEMs are using MDA to reduce their raw material costs on average by 3-12%.
 - Common pitfalls associated with group purchasing organizations and programs.
- > Review actual case studies associated with MDA.
- > Compare how others are addressing tariffs, sanctions and regulatory compliance issues (REACH, Conflict Minerals, etc.) when it comes to raw materials.
- > Receive A Comprehensive MDA Assessment.
- > See (anonymously) how your 2019 one-year purchasing history for metals compares to the price paid by thousands of other buyers with an optional, FREE Metals Benchmarking Report (a \$6400 value).

WHAT'S IN THE OPPORTUNITY ASSESSMENT REPORT?

- > Key findings and observations with respect to your current operations
- > Key business issues and any cultural and technical barriers identified and documented
- > Opportunity Assessment based on high-level operational data



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ON-SITE OPPORTUNITY ASSESSMENT

- > Path to value that outlines a high-level timeline, deployment phases, and correlated benefits
- > Basic understanding of how Supply Dynamics' solutions enable unique and structural improvements to raw material procurement and the associated financial impact
- > Step-by-step “playbook” instructions for implementing MDA

SAMPLE AGENDA FOR ONSITE ASSESSMENT

Time	Activity	Stakeholder
8:00 to 8:30	Introductions	Sponsor – Typically a VP of Sourcing, Director, CFO, and/or President
8:30 to 9:30	First Interview	Procurement stakeholders (generally those involved in the procurement of machined and fabricated parts)
9:45 to 10:45	Second Interview	Value Engineering/Raw Material Sourcing
11:00 to Noon	Third Interview	IT/Procurement Systems/Planning – those with a deep knowledge and understanding of your current IT systems capabilities and limitations (Planning systems, MRP/ERP/PLM, etc.)
Noon to 1:00	Working Lunch/Review findings	Sponsor
2:00 to 3:30	Walk Customer through Material Demand Aggregation Playbook, discuss best practices and pitfalls	Sponsor
3:30 to 4:30	Discuss Open action items and next steps to complete analysis	Sponsor
4:30	Adjourn	