

# **PARTNER STUDY:**

## **BUSINESS MODELLING ASSOCIATES**



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# ABOUT BUSINESS MODELLING ASSOCIATES

Since its origin in 2009, Business Modelling Associates (BMA) has been a River Logic partner. Headquartered in South Africa, BMA works on strategic, tactical, and operational planning projects throughout Africa, Australia, the Philippines, the United Kingdom, Italy, Romania, and the United States.

The founders of BMA have worked extensively with various business intelligence and optimization technologies. After learning about River Logic, they felt they could impact client markets with solutions to solve complex planning problems. They realized that River Logic offers a unique value proposition for growing businesses. It considers internal processes, customers, products, inputs, constraints, and financials holistically, and quickly identifies decisions that generate the highest financial impact.

## INNOVATIVE PARTNERSHIP

The Business Modelling Associates and River Logic alliance is successful because it's based on a win-win commercial model. As a Solution Development Partner (SDP), BMA benefits from the smart capabilities that River Logic's Prescriptive Analytics Platform provides.

River Logic's visual modeling language has built-in tools for constructing integrated financial and operational models with zero code. Even consultants at BMA have created robust optimization models. The visual modeling combined with the revolutionary cloud-based scenario analysis and visualization component makes it easy for BMA to monetize and distribute optimization solutions across a wide range of industries. Additionally, BMA has been able to quickly deploy multiple solutions for a single client, given the platform approach that River Logic offers to its Partners. The revenue gains have been significant for the company.

**BMA clients include a number of Fortune 500 companies in the following industries:**



**Petrochemical**



**Automotive**



**Consumer Packaged Goods (CPG)**



**Beer & Beverage**



**Pharmaceutical**



**Telecommunication**



**Logistics**

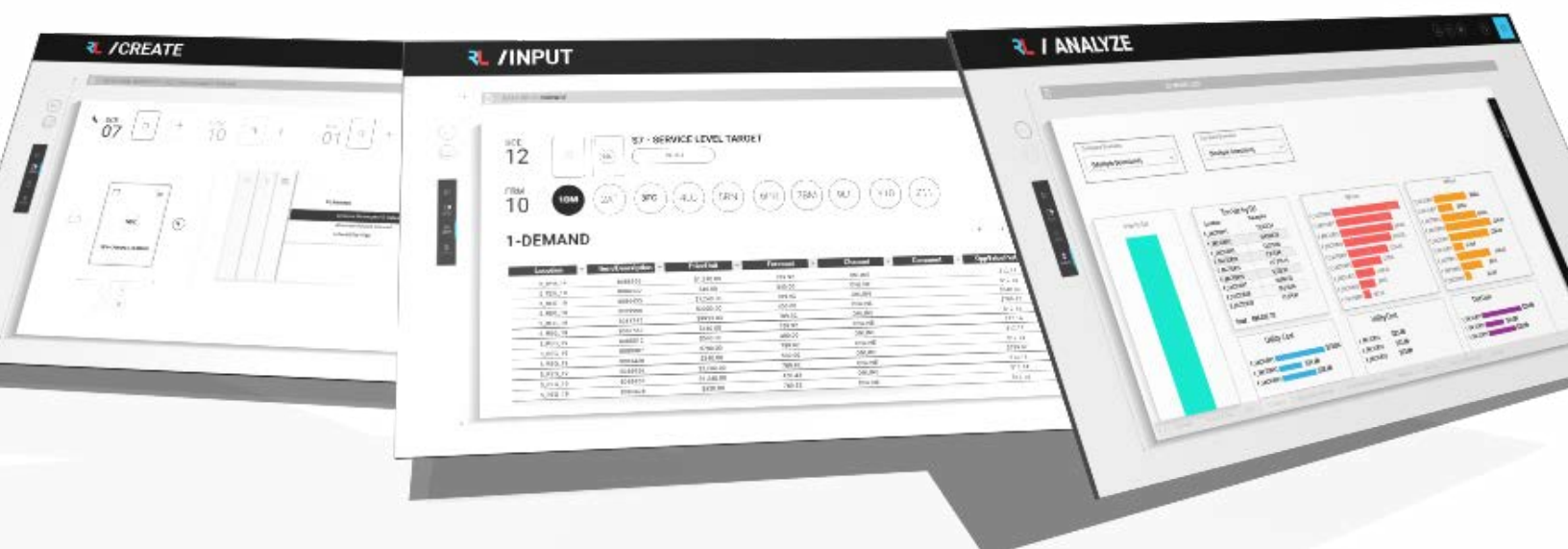
**“For two years in a row, we have grown our software revenues in excess of 75%, and we are confident this rate will continue for the next few years. Despite recent recessionary years, we have doubled our headcount and expanded River Logic-related activity internationally.”**

**SHANE RUSSELL, PRESIDENT, BMA**

# WHY RIVER LOGIC?

BMA believes that, while traditional modeling technologies may solve the challenges outlined in the case examples, not one has the diagnostic, predictive, and prescriptive capabilities of River Logic. OLAP and similar technologies focus on historical events to deliver outcomes; this makes them inadequate for modeling the future – they do not accurately represent constraints and make it difficult to gauge the impact of change. River Logic's flexibility facilitates rapid solution development beyond what more traditional modeling applications provide.

River Logic, with its unique ability to resolve multiple client problems at once, allows BMA to be more than a technology supplier – it has become a strategic business partner with its clients. Client relationships typically focus on a particular challenge. Once value is delivered and once the client starts to understand the full potential of River Logic, relationships rapidly morph into something mutually beneficial and sustainable. The speed of this relationship change is crucial for a solutions business, like BMA.







## OBJECTIVE

South Africa's largest cash management service provider sought a solution that would optimize the processing and management of cash across a network of 20+ handling centers.



## CHALLENGE

The company was undergoing a corporate transformation; they were re-focusing operations from security and risk to a "factory" paradigm. In this paradigm, cash is perceived as "stock" (as in factory inventory); consequently, it required that centers adopt modern manufacturing principles (advanced forecasting and inventory optimization) to improve performance.



## SOLUTION AND ROI

BMA used River Logic to develop a tailor-made solution for the company's unique environment; complex settlement rules in the industry made it impossible for the company to use an off-the-shelf scheduling or supply chain optimization application, as these did not allow configuration to address their unique challenges.

Given the critical nature of the solution, BMA established a strategic relationship with the SBV Services on a gain share basis, which drove ongoing solution innovation, as well as established a mutually beneficial go-to-market strategy for the solution throughout Africa.

The company has set up a new consulting/technology arm of their business following their work with BMA, and now sells the solution to interested buyers across the continent.

**" WHEN YOU COMBINE INDUSTRY EXPERIENCE THAT IS RESPECTED AND TRUSTED, WITH A UNIQUE NEXT- GENERATION TECHNOLOGY, IT'S NOT TOO DIFFI CULT TO DIFFERENTIATE FROM THE COMPETITION. WHEN A CLIENT SEES A SOLUTION SWIFTLY SOLVE TODAY'S PROBLEMS, WHILE ADDING VALUE, AND REALIZES THAT IT CAN BE APPLIED TO ADDRESS FUTURE CHALLENGES, IT'S NOT TOO DIFFI CULT FOR THE CLIENT TO MAKE A PURCHASING DECISION ."**

**ROD STOUT, DIRECTOR, BMA**



## OBJECTIVE

Barloworld Logistics, one of South Africa's largest and most innovative logistics service providers, sought a contracts decision solution to assist with optimizing margins throughout the contracts lifecycle.



## CHALLENGE

Clients of a Logistics Service Provider (LSP) often experience complex changes within their business that directly impact their original contract with the LSP. These changes result in erosion of LSP contract margins, which in-turn leads to a reactive claim with clients for pricing terms increase. Contract conflicts may diminish client relationships – often, clients choose not to renew their contracts. This “behavior” creates a repeating pattern for contract under-performance and successive lower corporate margins, which negatively impact shareholder perceptions.



## SOLUTION AND ROI

Using River Logic, BMA designed a contracts decision support solution covering the entire contract lifecycle. The solution includes all the assumptions and constraints related to a client's business, forming the basis for service costing that Barloworld is required to supply. Once a contract is commenced, the solution is fed daily operational data and utilizes River Logic's prescriptive analytics to forecast future performance, and deliver optimal choices for desired outcomes.

User-friendly dashboards provide Barloworld Logistics and its clients full visibility for potential performance variances, driving timely decision-making and actions to minimize variability. As the client develops trust in the application, the LSP expects pro-active engagement to run scenarios for potential changes in the client's business. In this environment, the LSP becomes a strategic partner for its clients, rather than a reactive arms-length service supplier.

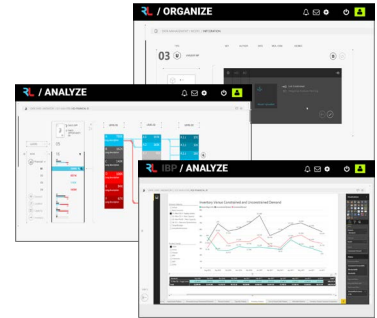
Contracts vary significantly in size and scope; therefore, a “predicted” ROI is not determined per client; it is accepted that, for a typical contract, the solution can be used to add 1% to the contract margin and pay for itself in less than one year. For an LSP involved with multiple contracts, which last 3-5 years or longer, this is very compelling. This solution can easily rollout to other LSPs in a few months' time.

# ABOUT **RIVER LOGIC**

River Logic has been a global innovator in prescriptive analytics (optimization) since 2000. Its platform — designed for business users — enables enterprise-wide optimization, collaborative planning, and performance management, all delivered through a revolutionary user experience. By understanding how to best utilize cross-functional resources and manage trade-offs, companies make more impactful decisions. River Logic goes to market primarily through partner organizations like PwC, Deloitte, TBM Consulting, and Microsoft, helping them develop high-value applications that monetize their IP. Recent clients include Unilever, BHP Billiton, the FAA, McKee Foods, Peabody, the Russian Post, and Valero. Typical client value-add ranges from 10% cost reduction to 2-5% of sales in additional profit.

## GET A DEMO OF **RIVER LOGIC'S**

PREScriptive **ANALYTICS** PLATFORM



**INTEGRATED MODEL**

**OPTIMIZED DECISIONS**

**PRESCRIBED EXECUTION**

# DEMO

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