



Webinar:

Examining the Impact of Coronavirus on Supply Chain & EDI Teams: What You Can Do Now to Improve Visibility, Efficiency, and Become Future-Proof

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Today's Speakers



Jennifer Tattenbaum

Vice President of Product Management, CoEnterprise

Jennifer is a passionate product leader and strategist. She leads the product development and roadmap for Syncrofy.



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Senior Consultant, CoEnterprise

Thomas has been an Analytics/BI consultant, working across multiple industry verticals, for nearly seven years. He emphasizes visual analytics that reliably produce actionable intelligence.

About CoEnterprise

An award-winning software and services company for enterprise and mid-market customers

The logo for Syncrofy, featuring a stylized blue 'S' icon followed by the word 'yncrofy' in a white, lowercase, sans-serif font.

- Founded in 2010, HQ in New York City
- Privately owned with 150+ employees
- Over 1,000 software implementations
- Well-known clients across all industries
- Extensive EDI and supply chain expertise

Syncrofy, our flagship SaaS platform empowers EDI & supply chain professionals to gain visibility into their data

The Impact of Coronavirus on Supply Chain

What have we experienced?



FORTUNE

94% of the Fortune 1000 are seeing coronavirus supply chain disruptions

The New York Times

'Pretty Catastrophic' Month for Retailers, and Now a Race to Survive

The New York Times

U.S. Food Supply Chain Is Strained as Virus Spreads

FORTUNE

75% of companies report coronavirus has disrupted their supply chains

Bloomberg

Key Food Prices Are Surging After Virus Upends Supply Chains

Shifts in the Supply Chain

Keeping up with Demand

Increasing supply of items in high demand has proven difficult—why?

Disruption at the Global Scale

- Slowdowns in production and imports
- Non-essential domestic manufacturing shuttering with stay-at-home orders

Effects at the Local Level

- Consumers panic buying
- Hoarding leaving shelves empty

There will be a 'massive' shuffling of supply chains globally after coronavirus shutdowns

Why And How Coronavirus Will Sharply Change The Supply Chain

The Modern Supply Chain Is Snapping

How Coronavirus Could Wreak Havoc on Your Supply Chain

The Domino Effect—How Much and Where?

The supply chain has held up well under pressure
Only stabilizing supply will convince and calm customers.

Response to Rationing

How much should manufacturers produce? How much should purchase managers order?

Analytics is Critical

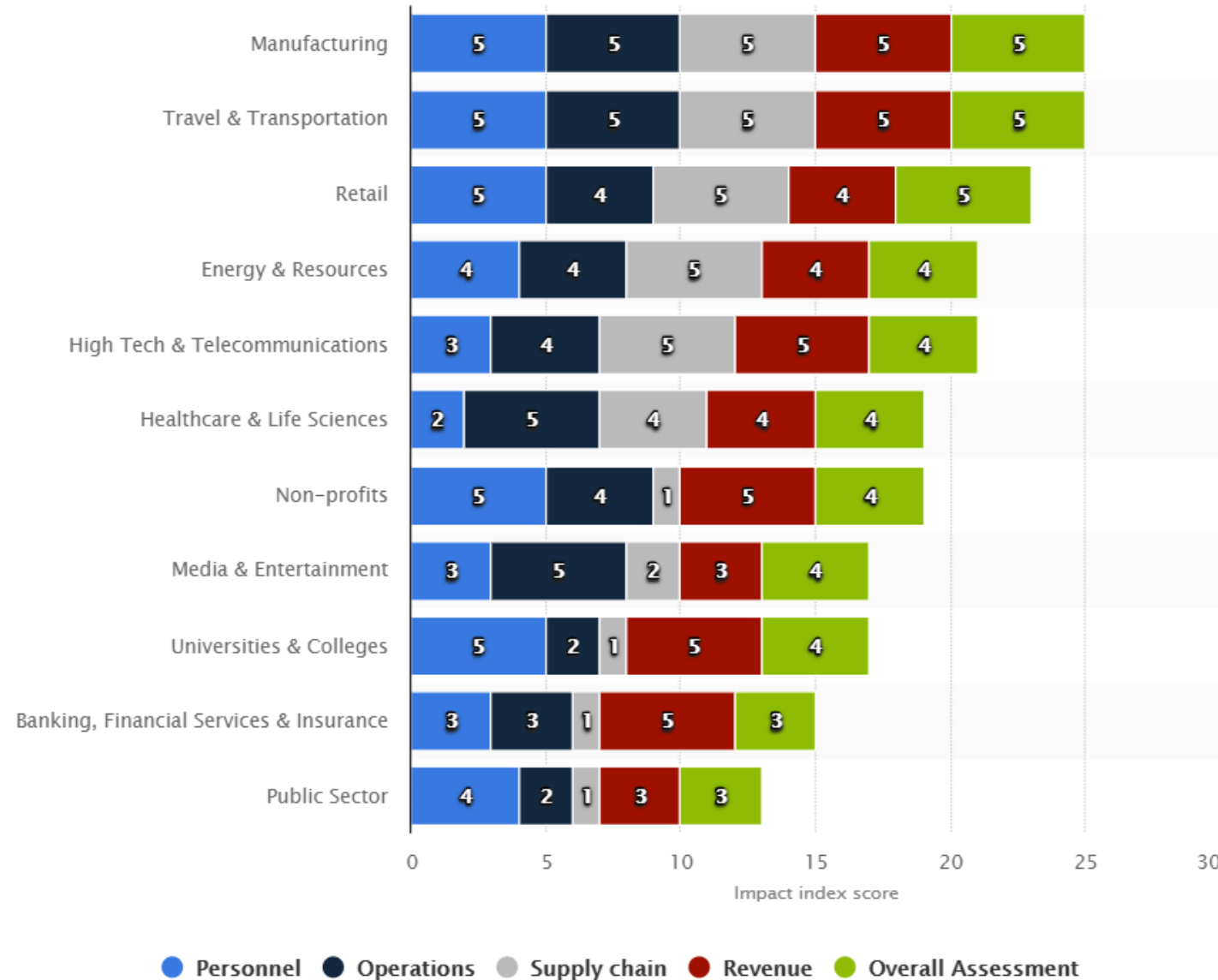
Carefully tracking orders, shipments, and deliveries, updating inventory models, and communicating effectively with suppliers and customers is imperative to keeping the supply chain flowing.



What's the Data Showing Us?

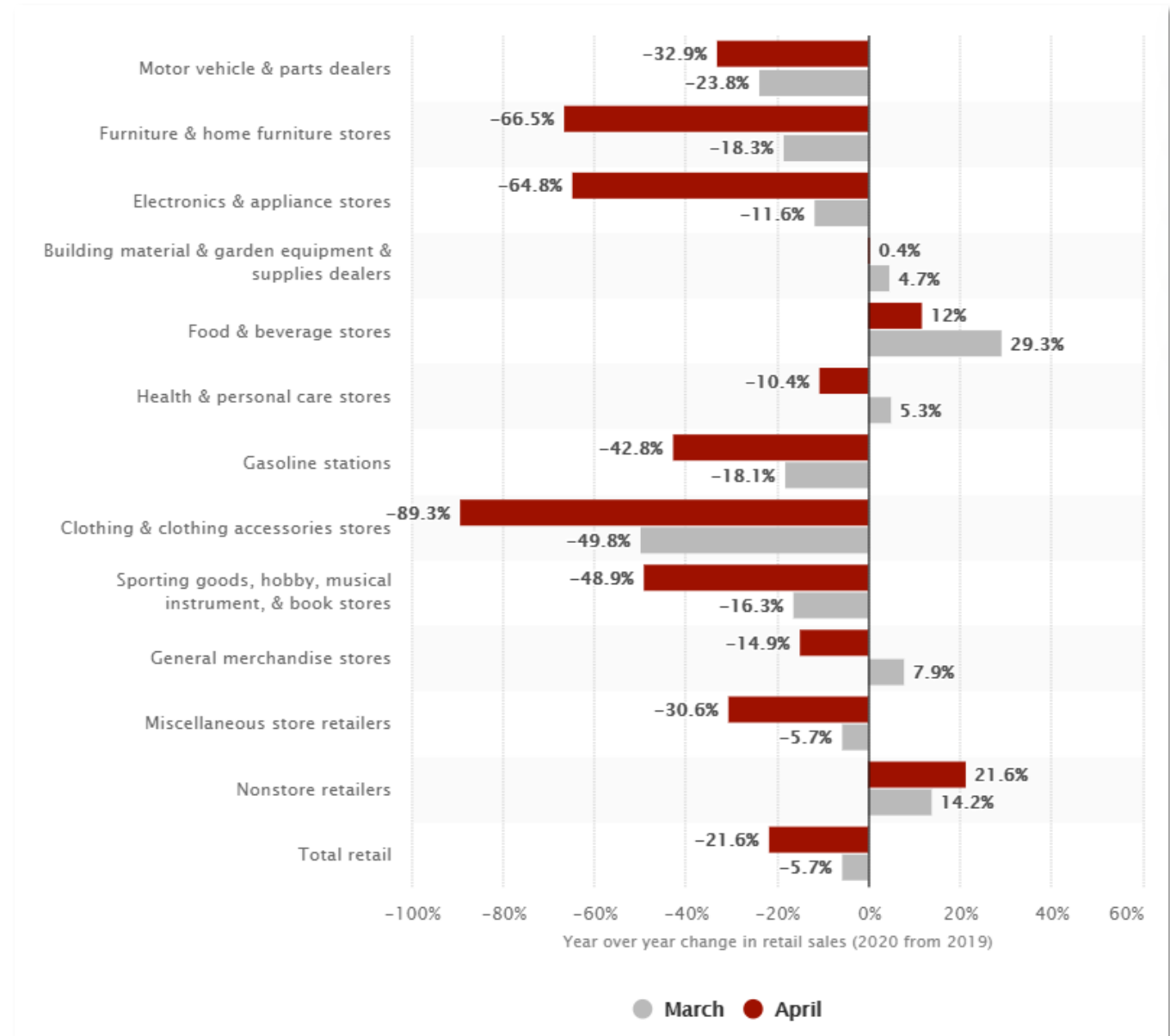
Projected Coronavirus (COVID-19) Impact Index by Industry and Dimension 2020

Minor (1) - Severe (5)



Monthly Retail Sales Comparison of the Impact of Coronavirus in the US from 2019-2020

In April 2020, total retail sales in the US fell by 21.6% when compared to the same period in 2019



What Got Us Here?

The Impact of the Lean Global Supply Chain



Why the Shortages? Lean Global Supply Chains

- Lean supply chains help reduce costs
- Efficient allocation of production to low-cost regions
- Just-in-time (JIT) methodologies in manufacturing
- Holding lower levels of inventory through the supply chain

**Lean supply chains might not perform as well
in stress scenarios**

Supply Chain Stress Testing?

Would a supply chain stress test have helped us overcome some of the challenges and shortages that have occurred during these last few months?

YES, according to the experts


- Time to Recover (TTR)
- Time to Survive (TTS)

GOVERNMENT

We Need a Stress Test for Critical Supply Chains

by David Simchi-Levi and Edith Simchi-Levi
April 28, 2020

Summary Save Share Comment Print \$8.95 Buy Copies



Abstract Aerial Art/Getty Images

We've made our coronavirus coverage free for all readers. To get all of HBR's content delivered to your inbox, sign up for the Daily Alert newsletter.

The global pandemic has exposed serious flaws in supply chains, including critical ones for industries such as pharma and medical supplies. Shortages of personal protective equipment for health workers and ventilators in hospitals are the most prominent ones. To prevent this problem from occurring again when the next disaster strikes, governments should consider establishing a stress test for companies that provide critical goods and services that's akin to the stress tests for banks that the U.S. government and European Union instituted after the 2008 financial crisis. This test should focus on the resilience of companies' supply chains.

Top 5 Improvements to Consider Now & Post Pandemic



#1 – Improve Visibility – It's Critical

- Business continuity is the goal during a crisis
- Develop your ability to see into your supply chain in real-time
- Understand your suppliers and create contingencies in your procurement plan
- A clear understanding of the suppliers' side of your orders provides actionable insight into your partners through changes, discrepancies, shipment delays...
- Will help manage your supply chain, anticipate, plan for and respond quickly to supply chain disruptions



Visibility is key during a black swan event

#2 – Understand Your Supply Chain

- Knowing your suppliers is paramount to your stability and success
- Understand their strengths & weaknesses
- Stay on top of their fulfillment of your orders, in real time
- Know your supplier's suppliers
- Know what levers you can pull if you need to shift priorities, scale up operations or relocate production during a crisis

Go beyond your Tier 1, dig into your Tier 2 and Tier 3

#3 – Collaborate Effectively

- Institution real-time information exchange with existing suppliers facilitates tighter collaboration with them
- Track orders through all the stages of fulfillment. See order changes, substitutions, backorders, and shipment delays and communicate with suppliers as they happen
- Coordinate delivery and receipt of goods –mitigate bottlenecks before they happen and know when the goods you've ordered are going to be on your shelves
- Prioritize partners who can collaborate most effectively: those with skills, tools, and knowledge that will enhance your company's capabilities and minimize your risk

Check your blind spots!

#4 – Be Prepared to Pivot

- Understand potential new suppliers you may need to add
- Identify the risks of making a change/or not making a change
- Know how long it will take to onboard a new supplier
- Consider suppliers who produce closer to the selling market
- Hold a larger inventory of sensitive items
- Double-source key products
- Simplifying the supply chain will allow you to focus on adapting to changing dynamics

Be prepared to make changes as you realign your business

#5 – Use Data to Identify your Risks & Exposures

- Use data to draw meaningful conclusions
- Create dashboards and visualizations to share with executives and other decision-makers
- Be prepared to answer basic questions:
 - Where are my Tier 1 suppliers located? What about Tier 2 and Tier 3?
 - Which suppliers could be affected by the next crisis?
 - Will they be financially threatened?
 - Do I have supply risks in critical categories?

Start planning now for the next black swan event



How EDI Can Help Your Business During COVID-19

Strong Sales Requires Great Relationships with your Business Partners

- Every retailer, manufacturer and distributor needs to offer the right product at the right time
- Retailers ensure stores are well-stocked to supply consumers when they visit
- Suppliers need to have warehouse inventory to deliver to customers on-time
- You can't do this if you aren't getting the goods from your suppliers when and where you expect them

Collaboration and communication are key

Bad News: Your ERP isn't the Source of Truth from your business partners

- In a global pandemic you need to analyze accurate information from your suppliers as quickly as possible
- Your ERP isn't going to give you this information
 - ERP data has gone through numerous systems and transformations
 - Details are lost
 - Extreme situations (like a global pandemic) make this situation worse

Good News: EDI is the source of truth!

EDI is your Key

- EDI from your business partners is the first step in ensuring that goods are available when and where they're needed
- If your business partners are resistant, sell them on the benefits
 - Reduce manpower to process and fulfill orders
 - Gain access to data and insights to improve operations
- Even more benefits with tools so suppliers, customer service, and finance can solve order, shipment, and payment problems

“When we do EDI well, both sides win”

EDI is Overflowing with Untapped Value

- You want visibility into your business partners? You've already got it (without all the headaches of numerous API integrations and negotiations over data access and ownership)
- EDI provides direct data from your partners' systems, communicating **everything** about an order
- It provides the raw data to create meaningful reports and visualizations that enable deep insights at a glance
- The raw material is already there to analyze prices, lead-time, fill rates, back orders

And it doesn't have to be hard to work with

You Need a Tool to Exploit the Value of your EDI

- For EDI data to be useful, it has to be human-readable and accessible to everyone in the organization
- It's important to have an easy way to paint a picture for your entire business
 - Answer important business questions and gain insights from your data
 - Collaborate with your business partners to keep them in the loop and resolve issues before they turn into inventory headaches
 - Identify your problem business partners that are preventing you from planning effectively

How Can We Help?



Analytics is Critical

An effective analytics strategy brings the power of your data to bear on the biggest problems you face.

At right, is one example of analysis by CoEnterprise that assesses risks across tier 1, tier 2, and tier 3 suppliers.

A deep understanding of your supply chain is an invaluable asset for contingency planning, as it gives you the ability to model the impact from events around the world.



Use Case: Understanding the Impact of Coronavirus on your business

This use case is designed to show how data can be used to pivot quickly and smartly to meet changing demands while continuing to monitor your potential supply chain impact.

coenterprise

COVID Impact on Retail Supply Chain

Growth Factor impact on Essential Goods Supply

1. Identify High Risk Regions

States with a **high ratio** of new cases Today to Yesterday (Growth Factor) or suppliers that contribute large amount of products pose more risk

State	Latest Growth Factor	\$ Supplied
Nevada	~1.6	~\$20,000
Georgia	~1.3	~\$50,000
Florida	~1.2	~\$100,000
California	~1.1	~\$450,000

3. Identify Potential Suppliers

Utilize suppliers with high \$ from states with low growth rate

- High \$, Low GF
- Low \$, Low GF
- Low \$, High GF
- High \$, High GF

State	Latest GF
New Hampshire	0.94
Alabama	0.95
Ohio	0.96
Oregon	0.96
New York	0.97
Massachusetts	0.98
Wisconsin	0.98
Pennsylvania	0.99
Colorado	1.01
Missouri	1.02
Rhode Island	1.02
Iowa	1.06
Virginia	1.06
Washington	1.08
Arizona	1.09
New Mexico	1.11
Maine	1.13
Tennessee	1.13
Texas	1.14

2. Qualify Risk to Essential Products

High risk states could supply a disproportionate amount of an essential product. Select products that a state provides a large % of to find alternative suppliers

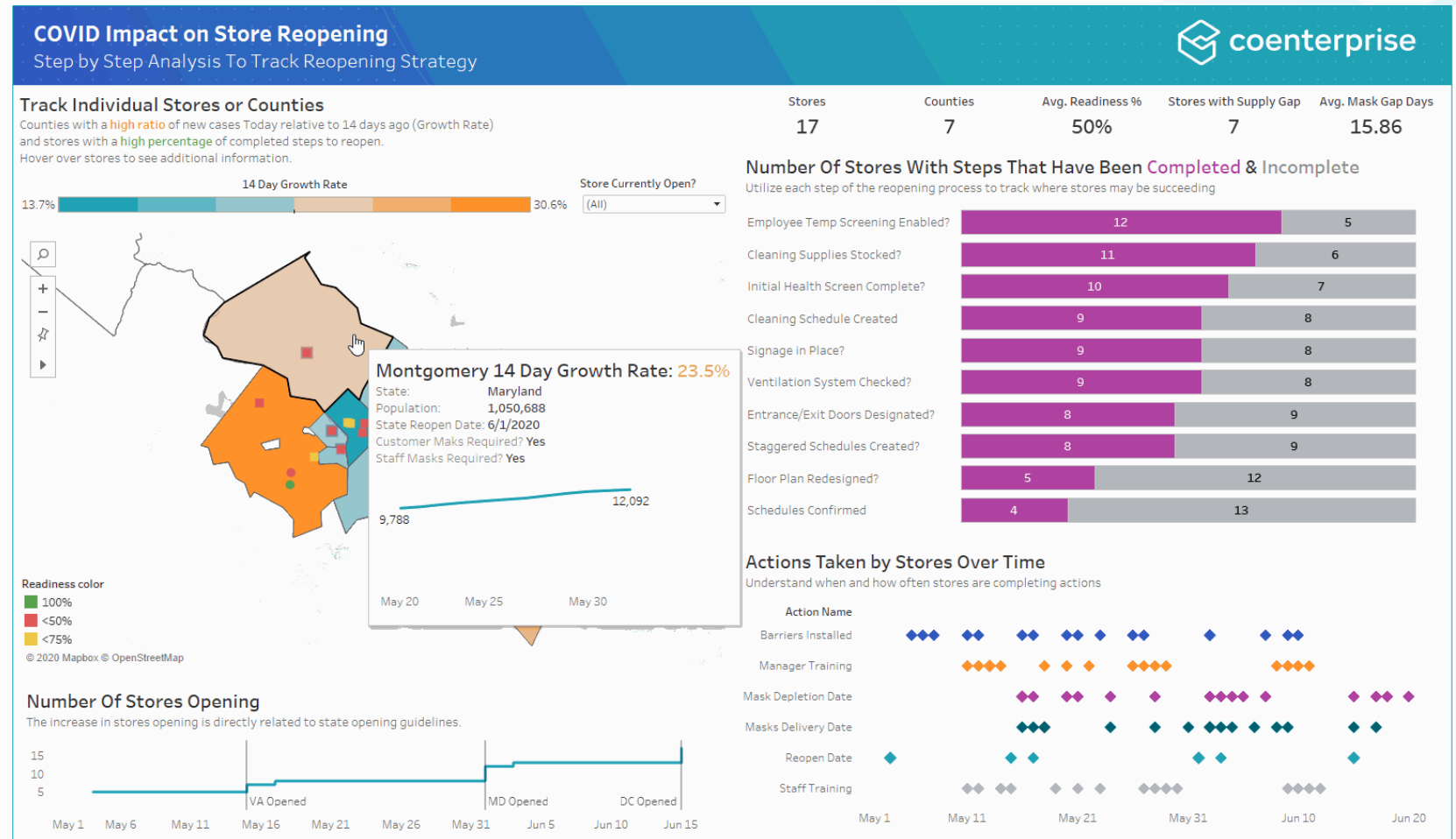
Demand Level	Product	State % of Stock	\$ Supplied
High Demand	Cleaning Products	~15%	~\$150,000
	Face Masks	~25%	~\$100,000
	Gloves	~15%	~\$100,000
Medium Demand	Face Shields	~15%	\$430,281
	Hand Sanitizer	~15%	~\$150,000
Low Demand	First Aid	4.3%	~\$100,000
	Pharmaceuticals	~15%	~\$150,000
	Toiletries	~15%	~\$150,000

COVID case data as of 5/13
Options

Use Case: Getting Back to Business

What retailers need to consider before opening their stores

This use case contemplates decisions facing a regional manager in the effort to reopen retail storefronts to the public, considering Federal, State, and Local guidelines, company policy, and employee and public safety.





A real-time visibility and self-service EDI solution that provides customizable reporting and makes your business data actionable

- No technical knowledge required
- No data scientists or DBAs needed
- No mapping of data
- No training an AI model
- No data cleaning into a specific structure
- No creation of a specialized data warehouse for reporting & analysis

“Syncrofy is the best kept secret”

CIO, large international retailer

Get access to the data gold mine sitting in your existing systems

- ✓ Resolve issues with orders, shipments and invoices
- ✓ Eliminate the black hole between a vendor ASN and the goods being logged in your WMS
- ✓ Uncover why your suppliers aren't getting, and accurately processing, your orders
- ✓ Be alerted when suppliers don't get your orders, or can't process them, rather than wondering why the order hasn't arrived
- ✓ Identify why your suppliers aren't shipping goods when and where you expect them
- ✓ See order changes before its too late and your supplier shipped goods you don't want or need
- ✓ Make sure you were billed for what you received. Easily reconcile your invoices with your shipments
- ✓ Refocus IT towards innovation, not data research
- ✓ Collaborate with internal teams and partners
- ✓ Stay on top of your chargebacks & penalty fees, and let suppliers research and understand the root causes, to prevent them in the future

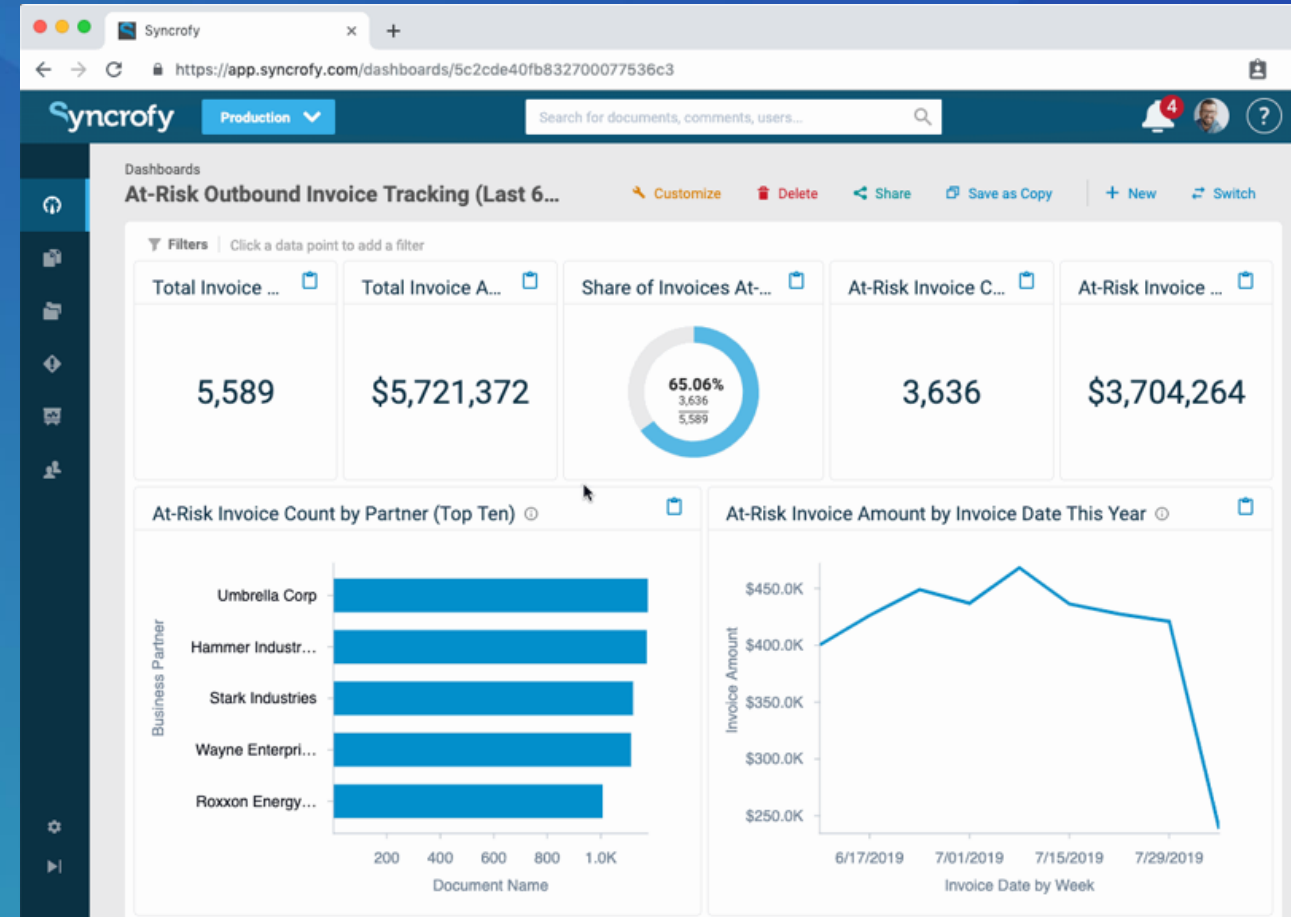
Relied upon by the largest global retailers

We Can Help You

We're offering free access to Syncrofy for distressed companies during the Coronavirus.

Please reach out to us for more information.

www.coenterprise.com/syncrofy



In Summary

- A time of change, remain agile
- Pivot and change direction quickly
- Review your supply chain visibility & technology
- Know your suppliers & your supplier's suppliers
- Collaborate efficiently with your suppliers & partners
- Know the risks and effectively measure them
- Plan now for the next black swan event
- Use data to support your decision-making

Q&A

Please submit your questions using the module on your screen





Thank you!

[Request a Syncrofy Demo](#)