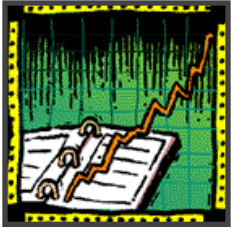


GE Information Services



**Marketing &
Sales**



**Purchasing/
Supplier**



**Logistics
Management**

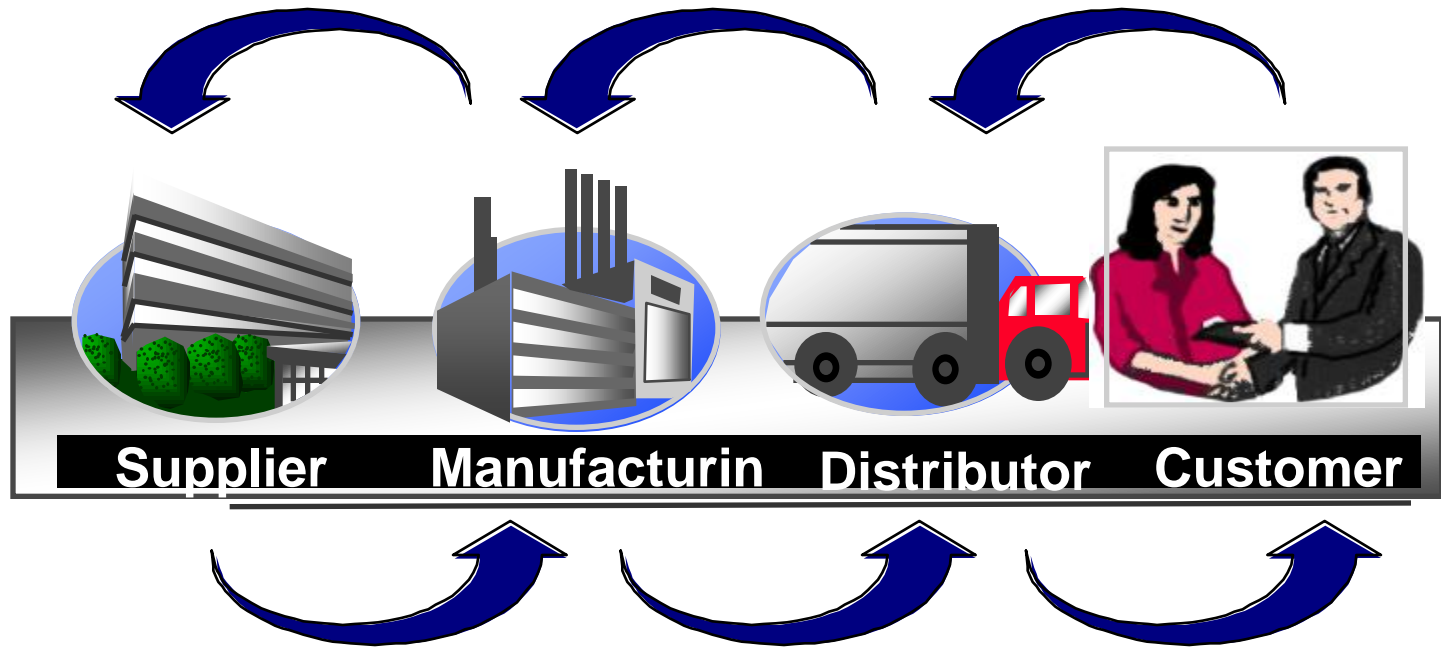


**Financial
Services**



Supply Chain





Supply Chain Management

What Is A Supply Chain?



- **SCM is the active control of the flow of goods from the acquisition (source) to consumption (POS or final disposition).**
- **It comprises the monitoring of all activities including:**
 - Planning
 - Sourcing
 - Ordering
 - Storage
 - Distribution
 - Payment
 - Related information

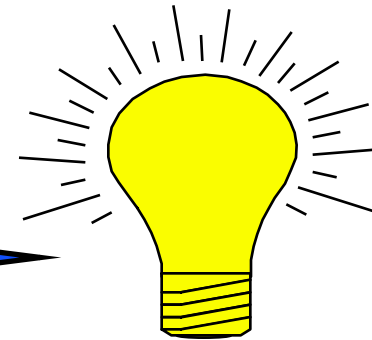
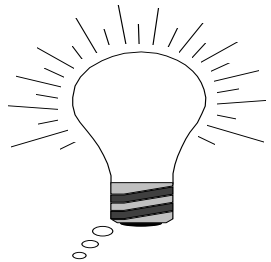
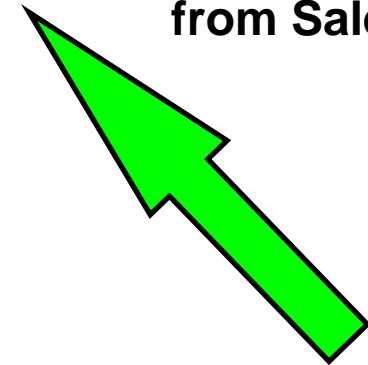
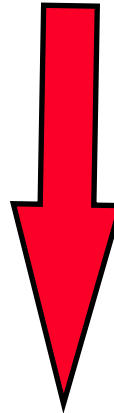
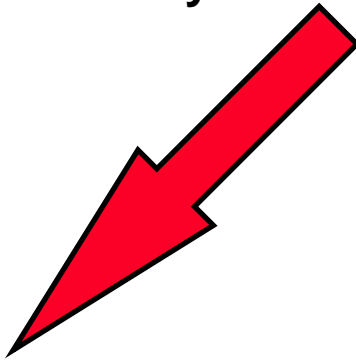




\$5
to Buy

\$10
to Transform

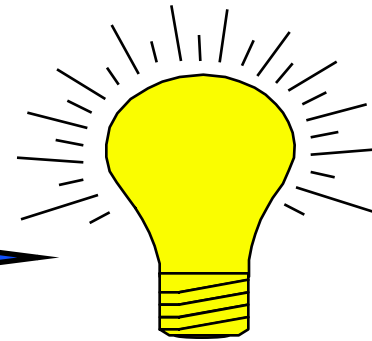
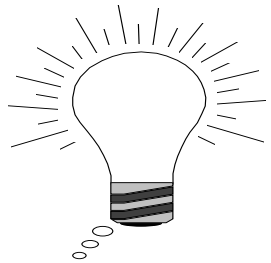
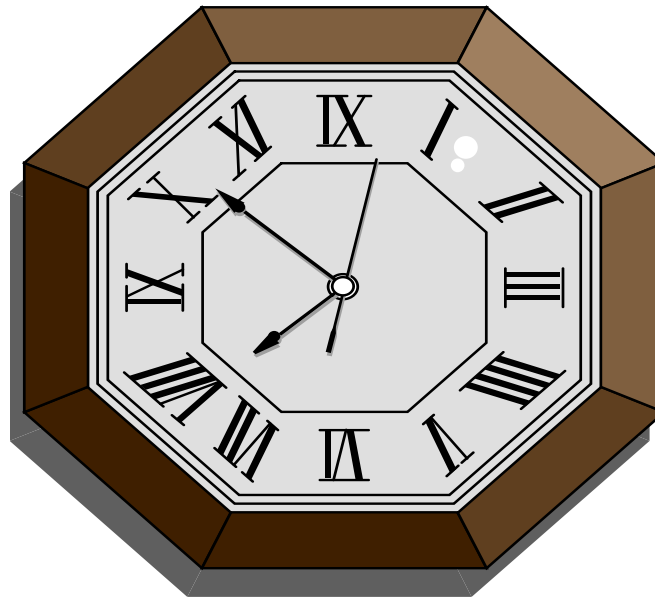
\$20
from Sales





\$5
to Buy

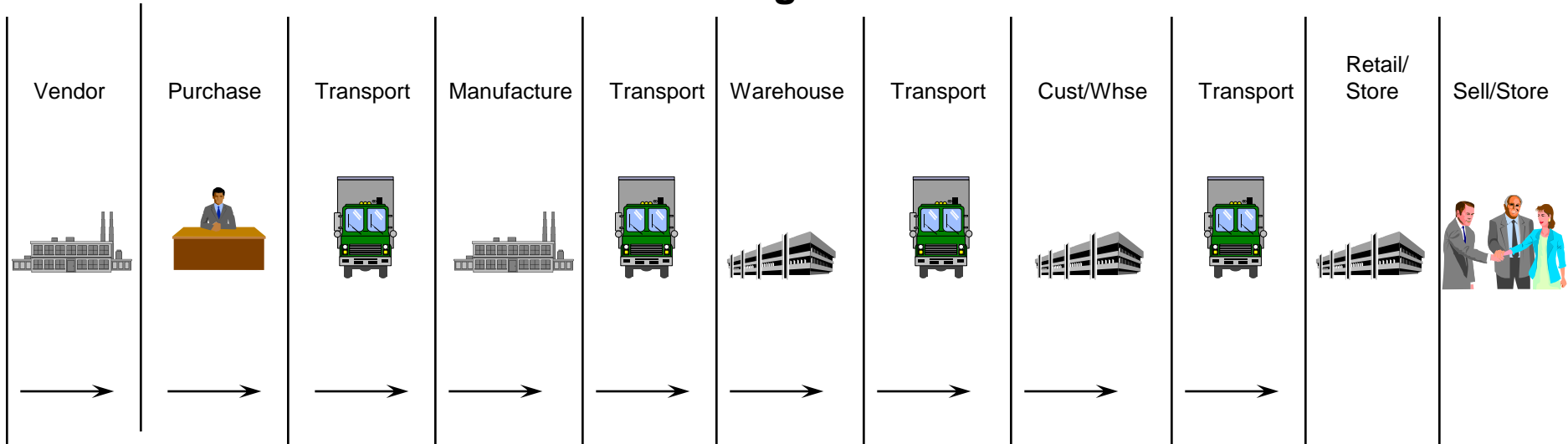
\$20
from Sales



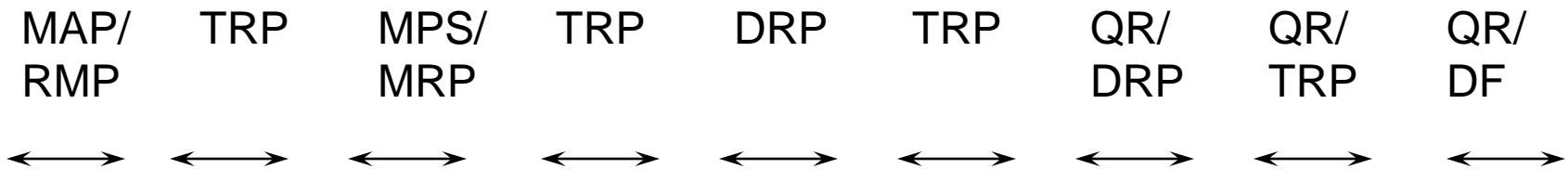
What about WHEN to get back money?

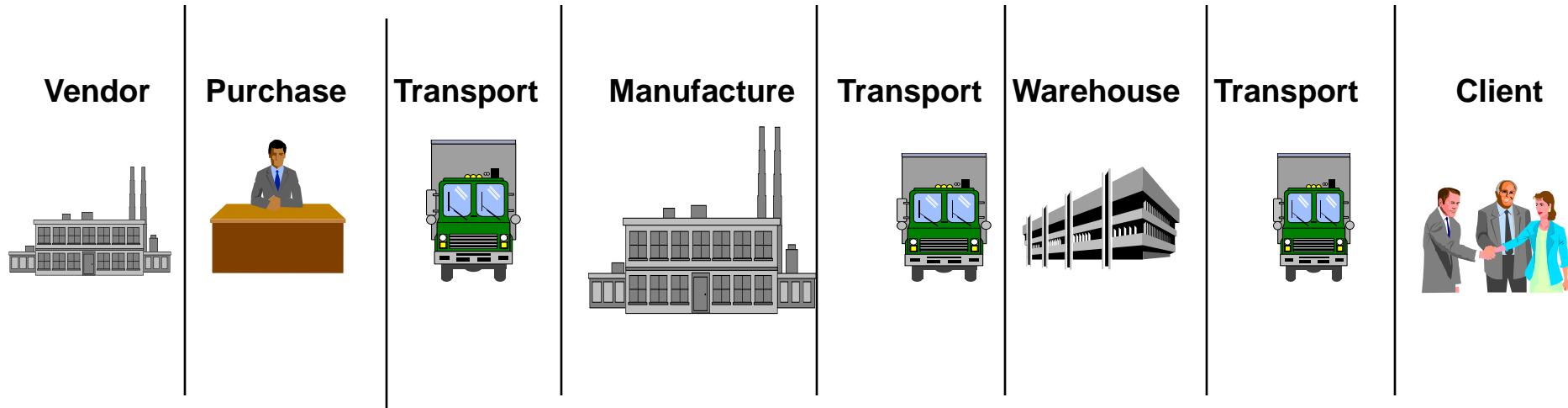


Manufacturing: Product Flow



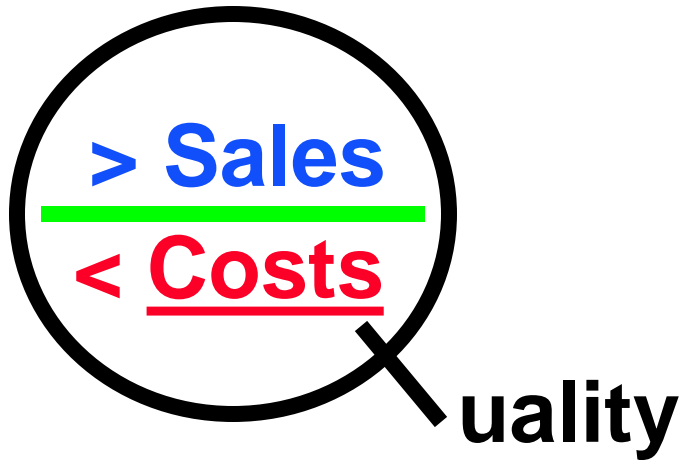
Planning: Information Flow





Supply Chain Flow

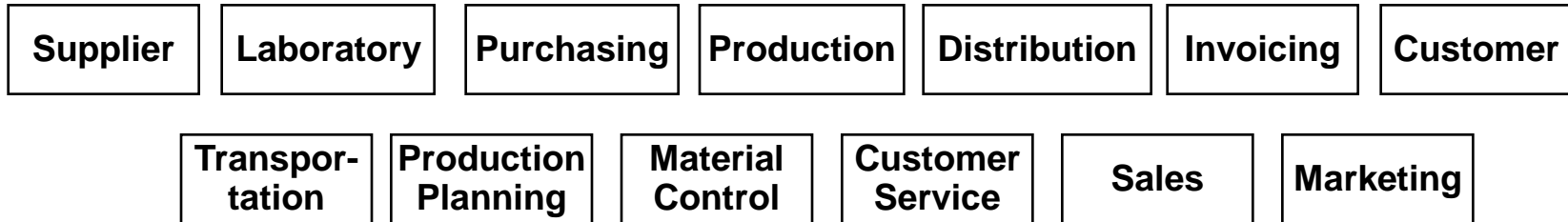




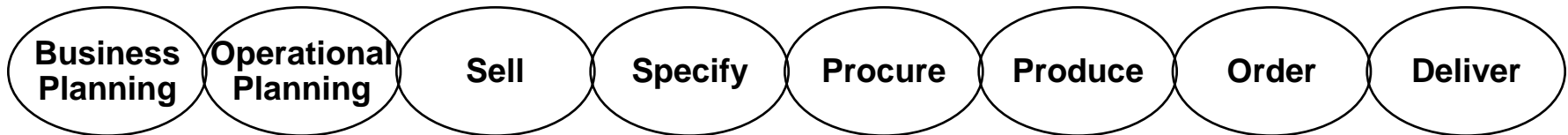
Cost Reduction
Shorter Pipeline Length
Improving Quality



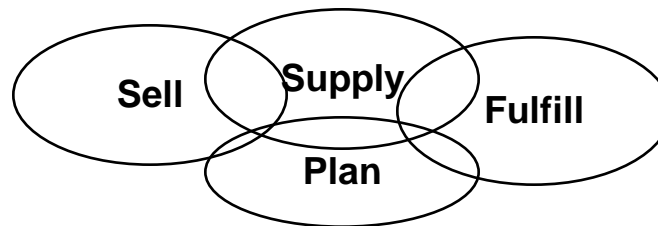
Stage 1: Functional Orientation (Present)



Stage 2: Process Orientation (Intermediate)



Stage 3: Process Integration (Goal)



Source:
Council of Logistics
Proceedings Annual
Conference
Proceedings, p. 279,
1993.



Why Re-Engineering?

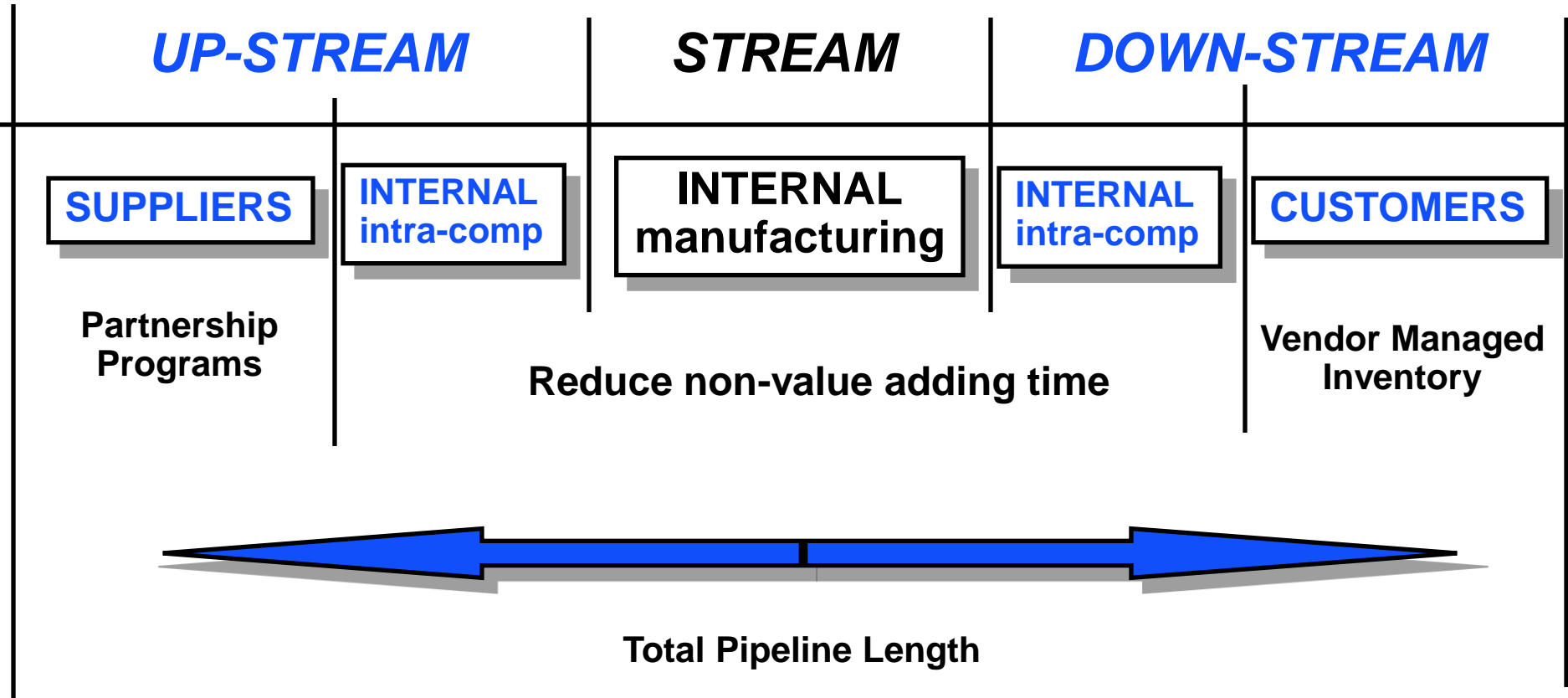
● Why is Re-Engineering/Design important now?

- Manufacturing of goods and delivery of services has changed, but business processes have not.
- Existing policies and practices are being questioned to see if they contribute to corporate objectives.
- The focus is on optimizing company's total results vs. unit/department goals.
- New enabling technologies facilitate the new processes.

Why Re-Design?



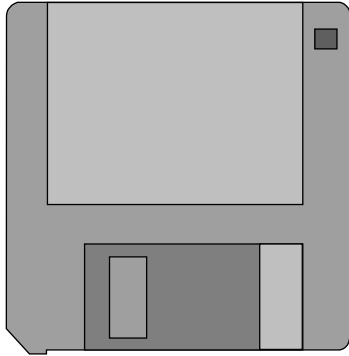
Opportunities for Pipeline Compression



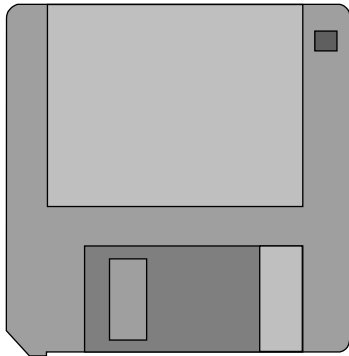
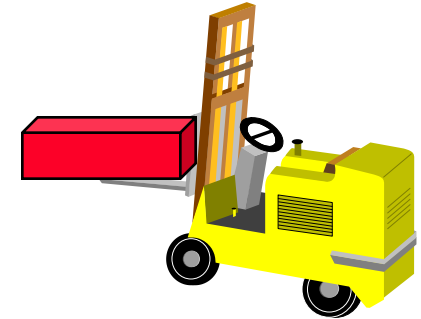
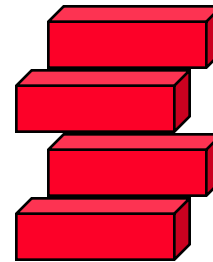
Major Trends Driving Focus on SCM



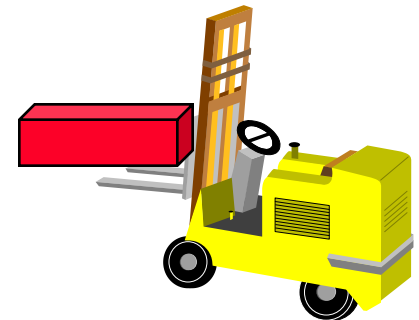
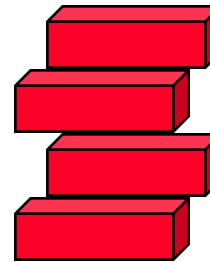
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Cost



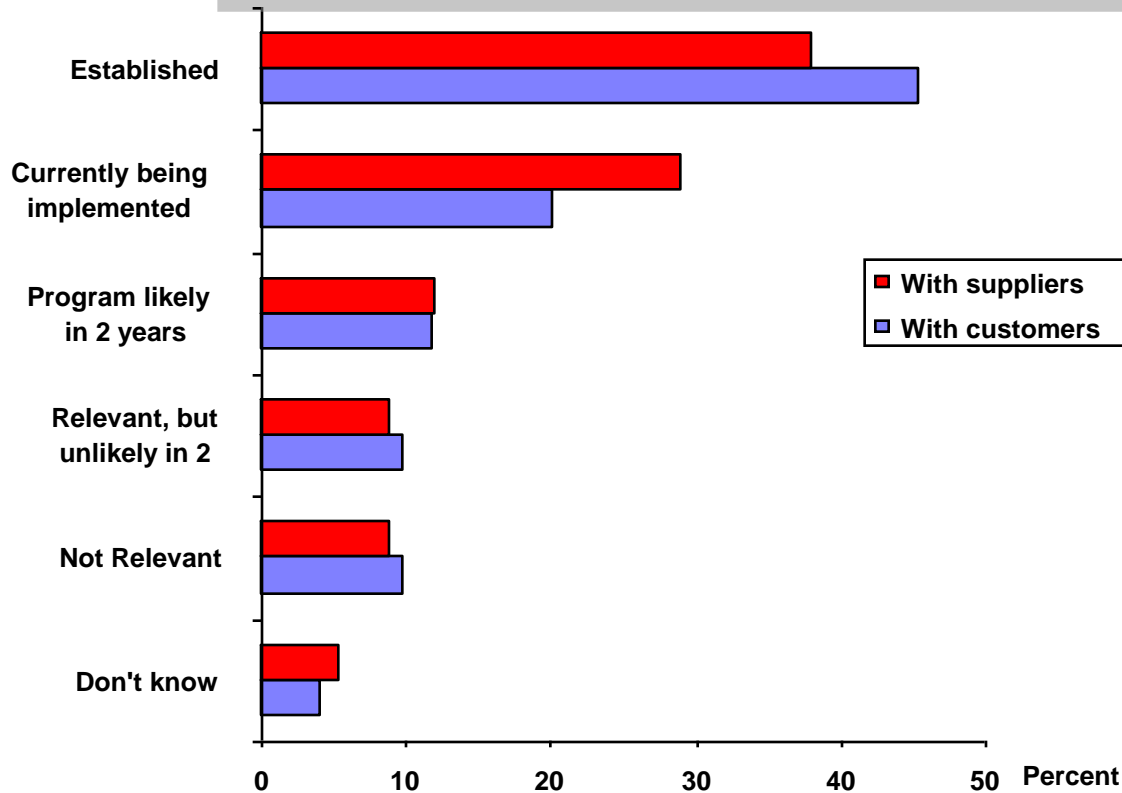
Value



Information Replaces Inventory



Presence of Partnerships



More partnerships with customers than suppliers

Less than 10% don't think it is important

Source: "UK Companies Look at Supply Chain Issues,"
Transportation & Distribution, February, 1995



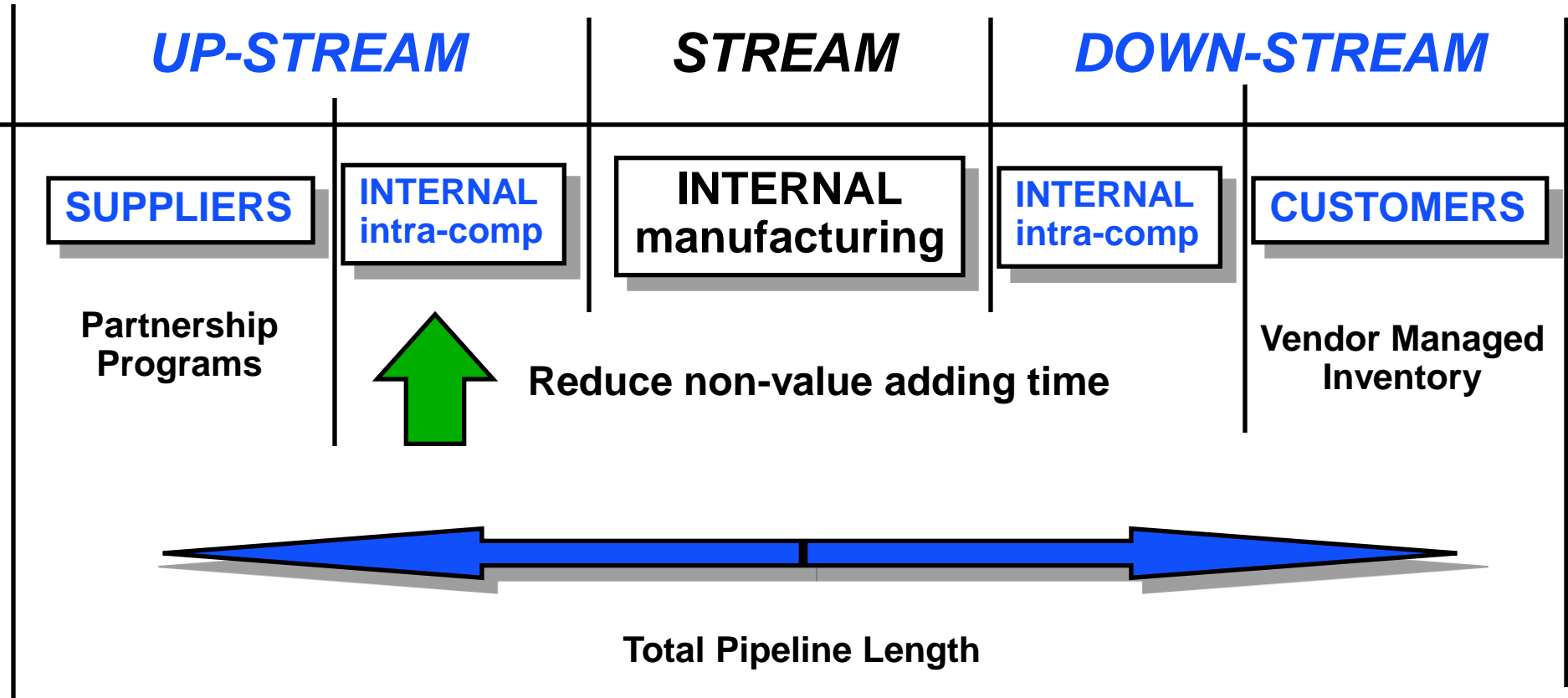
“Those companies making a conscious effort to improve the working relationship with their suppliers are the ones that are successfully regaining parity with their foreign competition.”

Pierre Landry, VP Xerox



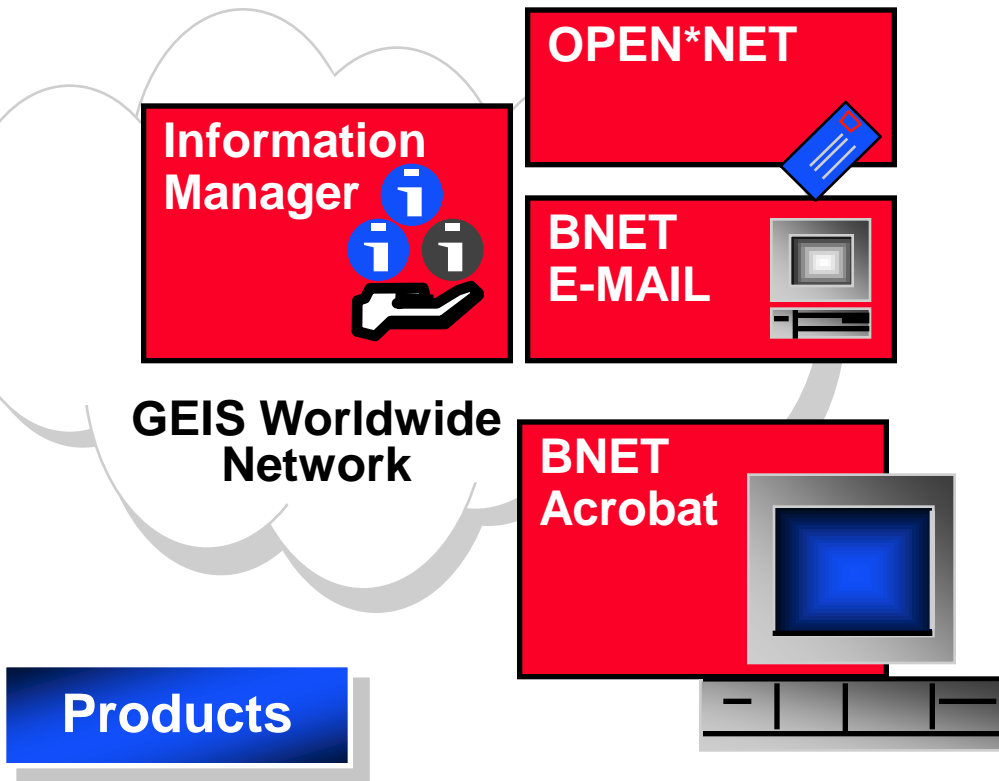


Opportunities for Pipeline Compression

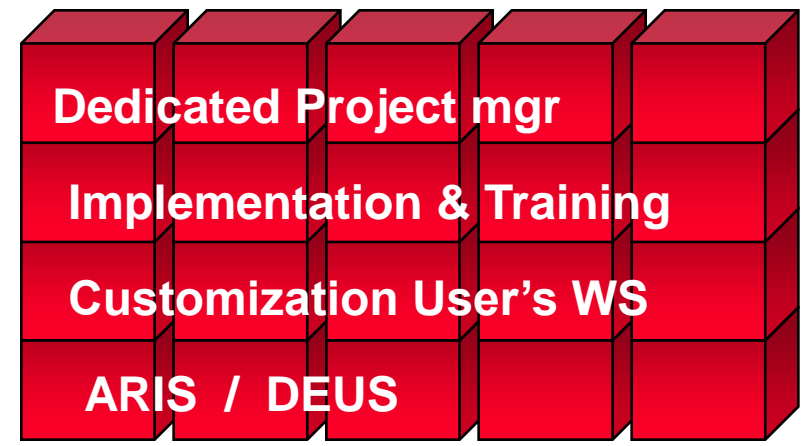


Centralizing Information

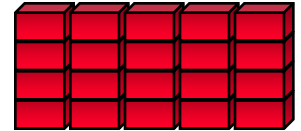




Services for Sponsor



Centralized Sourcing Information



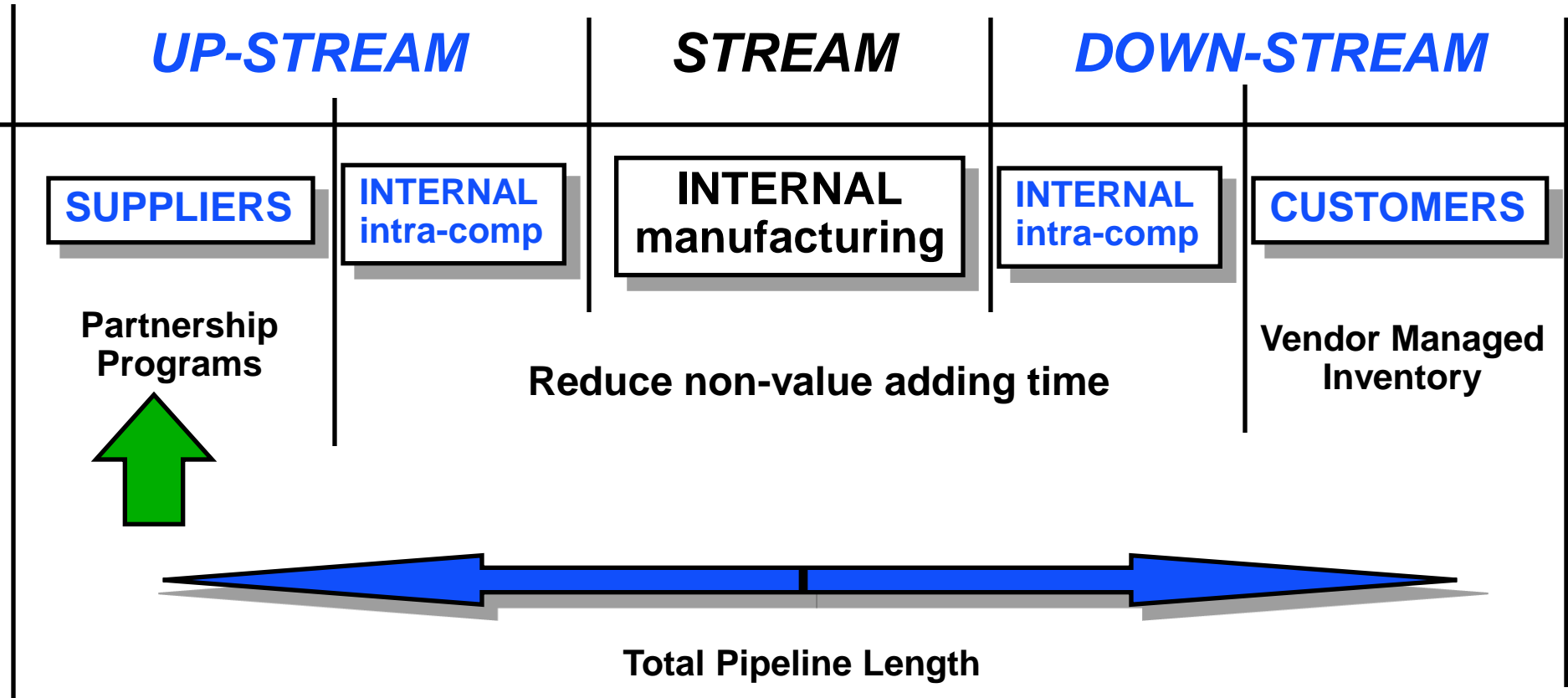
- **Electronic Product Catalog**
- **Current Specification Library**
- **Electronic Drawing Exchange**
- **Business Policies, Practices, Procedures**
- **Supplier Selection, Quality Information**
- **Supplier Scorecards**
-



UP-STREAM PARTNERSHIP PROGRAMS

GE Information Services

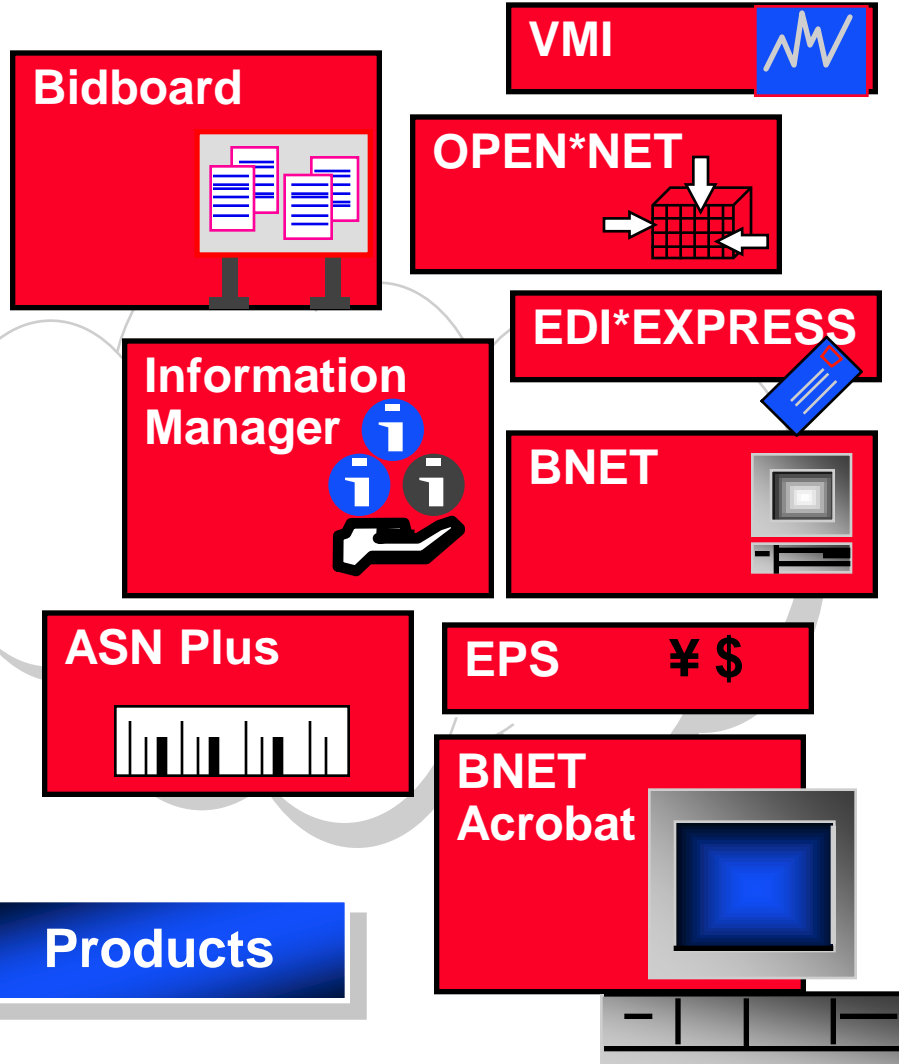
Opportunities for Pipeline Compression



Inter-Company Network



GE Information Services

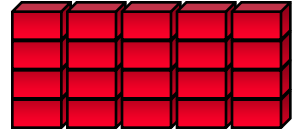


Services for Sponsor



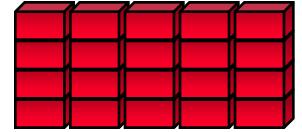
Building Blocks Solution





- **Bidboard** for posting RFQs & reviewing bids entered by suppliers
- **OPEN*NET/UFTU** for sending detailed specifications to suppliers & receipt of engineering designs from suppliers
- **EDI*EXPRESS** for posting RFQs to the Bidboard, sending POs, receiving acknowledgments, receiving invoices, sending catalog updates
- **BNET BULLETIN BOARDS** for selecting suppliers & maintaining RFQs
 - RFQ database / Electronic product catalog / Supplier information
- **BNET E-MAIL** for informal communications with suppliers





- **VMI** for sending point-of-sale information to suppliers
- **Network** connection to in-house applications
- **Acrobat** for posting & viewing graphics to suppliers via IM board
- **EPS** for paying suppliers electronically
- **ASN Plus** for generating accurate ASNs



Thank you!

