

ARKIEVA

CASE STUDY:

Nouryon Achieves a
One-Plan Harmonized
S&OP Process with Arkieva





Name: Nouryon
Location: Global Corporation
Industry: Chemical
Website: nouryon.com

Arkieva Products

- ▶ Demand Planner
- ▶ Inventory Planner
- ▶ Supply Planner
- ▶ Financial Planner
- ▶ S&OP Dashboards & Reporting

Implementation Highlights

- ▶ Integrated planning model for all business units
- ▶ Access to one platform for cross-functional collaboration
- ▶ Data integration from ERP systems for better visibility

Why Arkieva

- ▶ Long-standing existing client relationship with other business units within the Specialty Chemicals business division
- ▶ Demonstrated ability to deliver on our promise

Objectives

- ▶ Achieve a harmonized S&OP process with cross-functional team collaboration among Demand Planners, Business Managers, Financial Controllers, Supply Chain Managers, Supply Planners, Management/Executives.
- ▶ Create a common planning system for all business units - Ethylene and Sulfur Derivatives, Industrial Chemicals, Pulp & Performance Chemicals, Surface Chemistry.
- ▶ Create a collaborative demand planning process.



Existing Environment

- ▶ Non-integrated planning process
- ▶ Business units using a mix of different systems and spreadsheets

Third Party Integration

- ▶ Database: Microsoft SQL Server 2014
- ▶ ERP: SAP ERP System, SAP Business Warehouse, and COPA

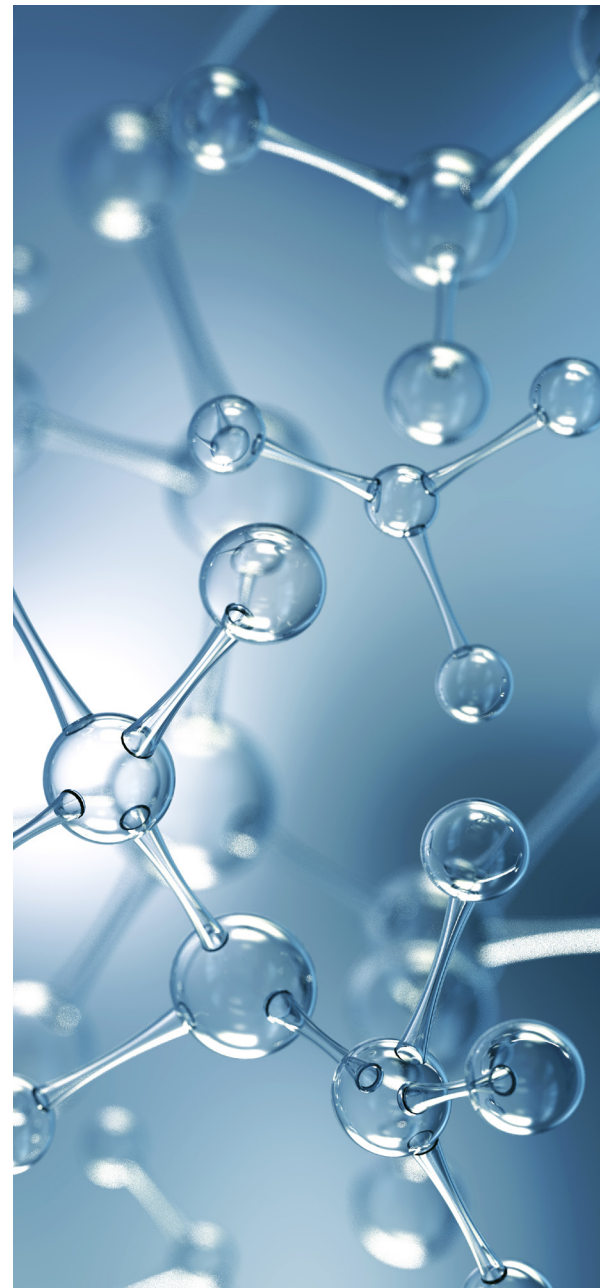
“ The Arkieva solutions together with the competencies of the Arkieva consultants have provided us the possibility to implement a strong toolset for our tactical planning without having our process definitions dictated by a system vendor. Arkieva has provided a good standard platform which we together have designed to fit our needs.”

Jo Shepherd
VP SUPPLY CHAIN SPECIALTY CHEMICALS, NOURYON

Benefits

The Nouryon (formerly AkzoNobel Specialty Chemicals) division now has a harmonized planning process using the Arkieva 'One-Plan' S&OP Software suite.

- ▶ **Harmonized S&OP process across all Nouryon Business** units.
- ▶ **Easy data aggregation and comparison of supply chain performance metrics** across business units.
- ▶ **Integrated financial planning system used by Controllers and Financial Analysts** to create and manage budgets.
- ▶ **Access to a more robust segmentation models that makes it easier to recognize demand patterns.**
- ▶ **Enhanced communication** among Sales, Customer Service Representatives, Manufacturing, Accounting and Product Development via the Arkieva Collaboration platform.
- ▶ **Macroeconomic forecasting and a reduction in manual forecasting** hours due to the embedded statistical forecasting.
- ▶ **Scenario-driven capacity optimization models** to improve overall asset and key raw material utilization.
- ▶ **The availability of sophisticated inventory optimization techniques** to help determine the optimal safety stock levels that reduce cost while maintaining increased customer satisfaction.
- ▶ **Inventory visibility and tracking for key inventory metrics** including, Days of Coverage, Excess and Slow-moving stock (age) analysis.
- ▶ **Event based triggers to alert planners and key stakeholders** of possible disruptions across the Supply Chain.
- ▶ **Streamlined bidirectional data Integration** with SAP ERP, SAP Business Warehouse, and COPA.



{ “Arkieva has provided a good standard platform which we together have designed to fit our needs.”

The harmonized planning system from Arkieva delivers a single-source planning process; providing Nouryon visibility across its Business Units.

Nouryon – a worldwide manufacturer of everyday products such as paper, plastics, building materials, and personal care items – has achieved a harmonized ‘One-plan’ Sales & Operations Planning (S&OP) process with the Arkieva S&OP Software Suite.

Industries worldwide rely on essential chemistry from Nouryon in the manufacture of everyday products such as paper, plastics, building materials, and personal care items. AkzoNobel has five Business Units – Ethylene and Sulfur Derivatives, Industrial Chemicals, Polymer Chemistry, Pulp and Performance Chemicals and Surface Chemistry. Achieving a harmonized S&OP process involved creating a common planning system for all Business Units with Arkieva.

Starting the Journey to Harmonized Planning

Beginning a Long-term partnership with AkzoNobel Surfactants Chemistry in 2000

The journey to achieving a harmonized planning process started in 2000 when the Chicago office of company’s Surfactants Chemistry business approached Arkieva (then Supply Chain Consultants) for consulting help while using their pre-existing solution. Arkieva was also awarded support in the company’s Sweden office in 2001.

“AkzoNobel Specialty Chemicals is one of Arkieva’s oldest clients. We started the S&OP improvement journey by providing consulting support for an existing planning solution. The company has transformed its S&OP processes over the years. It’s been a pleasure to have been with them all the way.”

-Edward Smith, Managing Director, Arkieva Europe

Arkieva Surface Chemistry Business Unit Implementation in 2004

In 2004, the Surface Chemistry business moved from its pre-existing planning solution to the Arkieva platform. After evaluating other supply chain planning tools, the company opted to use Arkieva to create a standardized S&OP process for the company’s Business Units across Europe and North America.

“We started off with a smaller implementation of the Arkieva Collaborative Demand Planner. This solution provided account managers with an easy, flexible tool for collaborative sales forecasting. The Arkieva solution enabled a more efficient process that eliminated manual planning processes. Once this benefit was evident, it was clear that it was time to implement the full Arkieva planning suite,” mentions **Smith**.

Full Suite Arkieva Implementation for Surface Chemistry Business Unit

In 2007, the Surface Chemistry business unit implemented the Arkieva Demand, Inventory, Financial and Supply Planning solutions. "The systemized process improved the forecasting process and productivity for monthly S&OP meetings by creating a more collaborative environment. The Arkieva Planning Solution fosters sharing of forecasting data across different areas of the company, leading to a more effective way to address uncertainties in demand. This improvement in S&OP processes has led to better forecast visibility and a dramatic reduction in inventory costs," adds Smith.

Two other business units, Polymer Chemistry and Ethylene and Sulfur Derivatives, followed suit by implementing the Arkieva Demand, Inventory, and Financial Planning solutions.

Rolling out a single system solution for Specialty Chemicals Business Division and underlying business units with Arkieva

"Arkieva has provided a good standard platform which we together have designed to fit our needs." Jo Shepherd VP Supply Chain Specialty Chemicals, Nouryon.

The Specialty Chemicals business units had previously used a variety of solutions to manage demand planning and inventory optimization, including both software and spreadsheets. With the Arkieva One-Plan implementation, the company now has a harmonized supply chain planning process – bringing everyone into a single system for planning and measuring metrics.

"The Arkieva solutions together with the competencies of the Arkieva consultants have provided us the possibility to implement a strong toolset for our tactical planning without having our process definitions dictated by a system vendor. Arkieva has provided a good standard platform which we together have designed to fit our needs."

-Jo Shepherd, VP Supply Chain Specialty Chemicals, Nouryon

Arkieva One-Planning for All Business Units Under AkzoNobel Specialty Chemicals

"Nouryon has achieved an enviable level of S&OP maturity with their supply chain that many businesses only dream of accomplishing."

-Shankara Gurusurthy, Supply Chain Optimization Practice Director, Arkieva

In 2016, the team at Nouryon (formerly AkzoNobel Specialty Chemicals) embarked on a journey to build a harmonized system across all Business Units, starting with Demand Forecasting, with a primary objective to allow users to collaborate in real-time, plan, and create reports from one single environment. This project eliminated the need for manual Excel spreadsheets.

"We are impressed by the company's commitment to providing improved collaboration and visibility even as you move higher up within the organization. The partnership with Arkieva shows the dedication of Nouryon to delivering innovative products in the chemical manufacturing space while having streamlined processes that allow for better service levels. Simply put – we are extremely honored to be part of this journey. Nouryon has achieved an enviable level of S&OP maturity with their supply chain that many businesses only dream of accomplishing. The progression and results have been amazing to see," says Shankara Gurusurthy, Supply Chain Optimization Practice Director, Arkieva.

Nouryon Achieves Harmonized Planning across all business units with Arkieva.



With Arkieva Achieving One Plan is Possible

AkzoNobel Specialty Chemicals One-Plan Process

“The collaborative work between AkzoNobel teams and Arkieva have resulted in a toolset that our businesses use in their daily lives,”

-Jo Shepherd, VP Supply Chain Specialty Chemicals, Nouryon

The Nouryon Specialty Chemicals division now has a harmonized planning process using the Arkieva Supply Chain Planning Suite. The one-plan S&OP process begins with an integrated model that carries out demand, inventory, supply, financial planning and S&OP reporting for the entire business. The multi-user collaborative features of Arkieva allow 1500+ global users including on-the-road sales managers access in the Asia Pacific, Europe, and North America at different security levels while providing offline Excel integration and collaboration.

The harmonized S&OP process now includes cross-functional collaboration with teams from different Business Units including Demand Planners, Business Managers, Financial Controllers, Supply Chain Managers, Supply Planners as well as management and executives.

“The collaborative work between AkzoNobel teams and Arkieva have resulted in a toolset where our businesses can recognize themselves, which has supported the buy-in to use the tools in their daily lives,” noted Jo Shepherd.



Arkieva One-Plan Benefits

- ▶ **Harmonized S&OP process across all Nouryon Specialty Chemicals** Business units including, Surface Chemistry, Polymer Chemistry, Ethylene and Sulfur Derivatives, Pulp and Performance Chemicals, and Industrial Chemicals.
- ▶ **Easy data aggregation and comparison** of supply chain performance metrics across business units.
- ▶ **Integrated financial planning** system used by Controllers and Financial Analysts to create an annual budget and latest views (LV) using Arkieva.
- ▶ **Access to a more robust demand segmentation system** that makes it easier to recognize demand patterns and create plans accordingly.
- ▶ **Enhanced communication** among Sales, Customer Service Representatives, Manufacturing, Material Planning, Accounting and Product Development via the Arkieva Collaboration platform.
- ▶ **Macroeconomic forecasting capabilities** and a reduction in manual forecasting hours due to the embedded statistical forecasting.
- ▶ **Scenario-driven capacity optimization models** to improve overall asset and key raw material utilization.
- ▶ **The availability of sophisticated inventory optimization techniques** to help determine the optimal safety stock levels that reduce cost while maintaining increased customer satisfaction.
- ▶ **Inventory visibility and tracking for key inventory metrics** including, Days of Coverage, Excess and Slow-moving stock (age) analysis.
- ▶ **Streamlined bidirectional data Integration** with the Nouryon SAP ERP System, SAP Business Warehouse, and COPA.

Future Outlook

The team at Nouryon employs a continuous improvement strategy that allows for ongoing enhancements to existing processes. Nouryon Specialty Chemicals is looking to use Arkieva's web-based dashboards to enhance visibility and decision-making in the near future.

Plan Better with Arkieva

Driving business transformation through better supply chain planning processes.

For nearly 30 years, Arkieva has worked with leading companies across a wide range of industries with a laser-like focus on business performance. We have analyzed, developed, pivoted, tested, and retested the best solutions for the greatest of challenges. This is one of many reasons that Arkieva is so well regarded in the analyst community and has such strong client retention rates and referral business.

We are change agents at our core and always pushing ourselves to create solutions that not only solve today's challenges, but the ones of tomorrow. In the simplest and most intuitive way possible.

Ultimately, Arkieva's software and competence today mirrors both our experience and desire to innovate, create and be on the forefront of supply chain planning. We look forward to every new challenge. It's in our DNA.

Arkieva. No fluff. Just real solutions.



ARKIEVA

5460 Fairmont Drive
Wilmington, DE 19808, USA

Phone: +1 877 722 7627
Email: sales@arkieva.com