

Leveraging the Power of an Integrated Supply Chain

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velocity

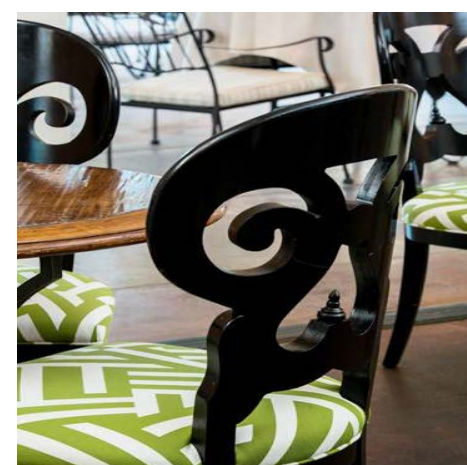
CONNECT + ACCELERATE + INNOVATE

Outline

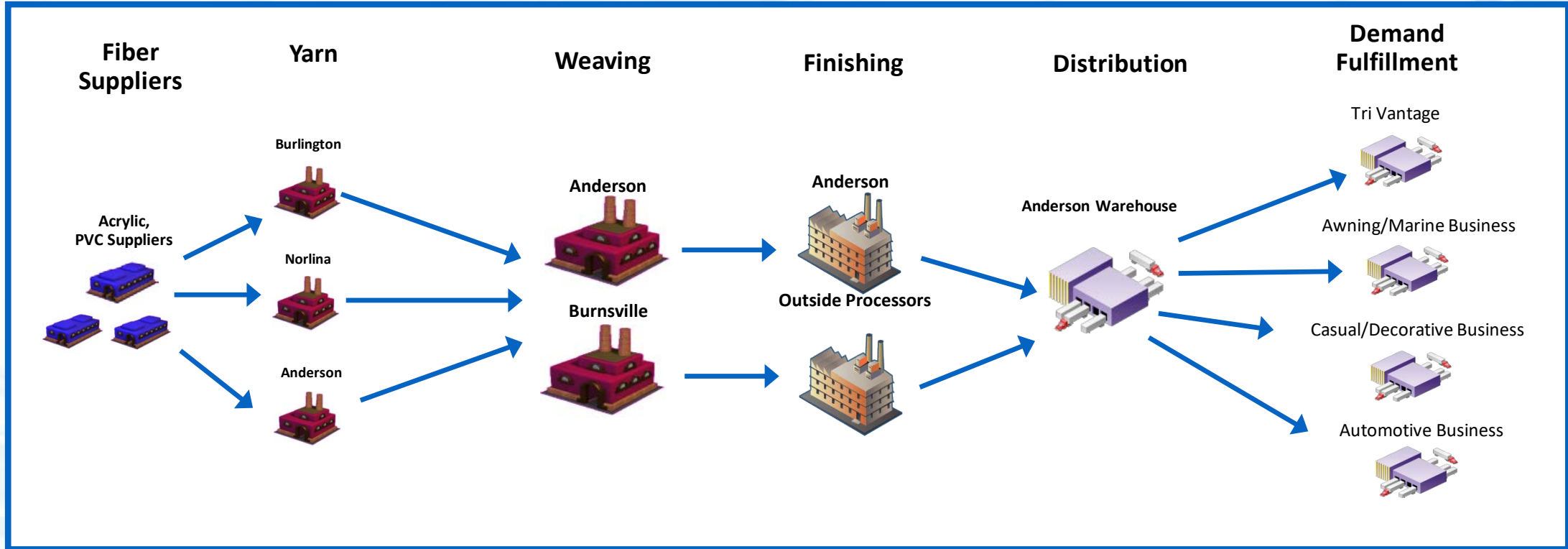
- ▶ Introduction: Glen Raven Custom Fabrics, LLC
- ▶ Making the business case for implementing Logility
- ▶ Leveraging an integrated supply chain planning system
- ▶ Results

About Glen Raven

- Privately held – founded in 1880
- Three business units
 - ▶ Custom Fabrics
 - ▶ Technical Fabrics
 - ▶ Trivantage
- Operations in U.S., France, China & India
- Applications
 - ▶ Awning
 - ▶ Automotive Convertible Top
 - ▶ Marine Canvas and Upholstery
 - ▶ Indoor/Outdoor Residential Furniture
 - ▶ Contract and Healthcare Furniture



Glen Raven Supply Chain



▶ Why Did We Implement Logility:
Making The Business Case

- ▶ Risk mitigation
- ▶ Scalability
 - Systems/technical
 - Human capital
- ▶ Efficient growth



Implementation Approach

- ▶ Business project – not an I.T. project
- ▶ Define the overall objective and keep the focus
- ▶ Sound project management methodologies:
 - Time management
 - Focus on critical path

Sum of Local Optima ≠ Global Optima

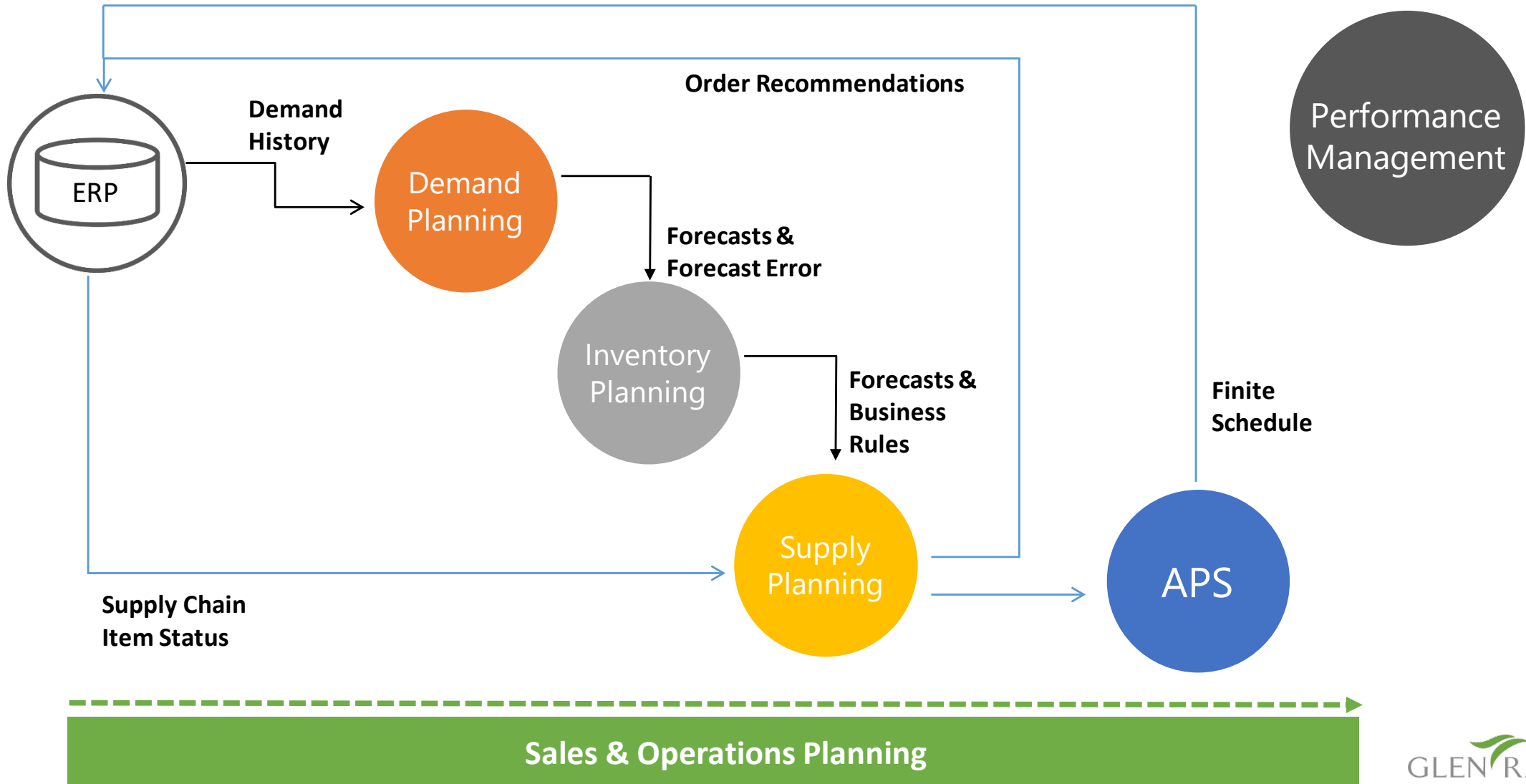
“The optimum performance of a system as a whole is not the same as the sum of all the local optima.”¹

1. Goldratt, Eliyahu. Introduction to the Theory of Constraints.

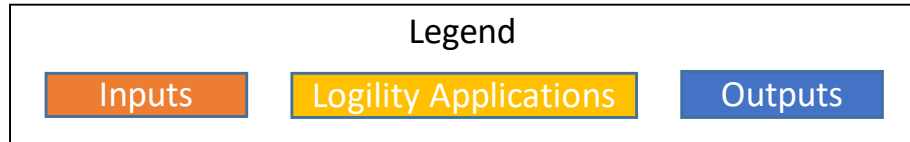
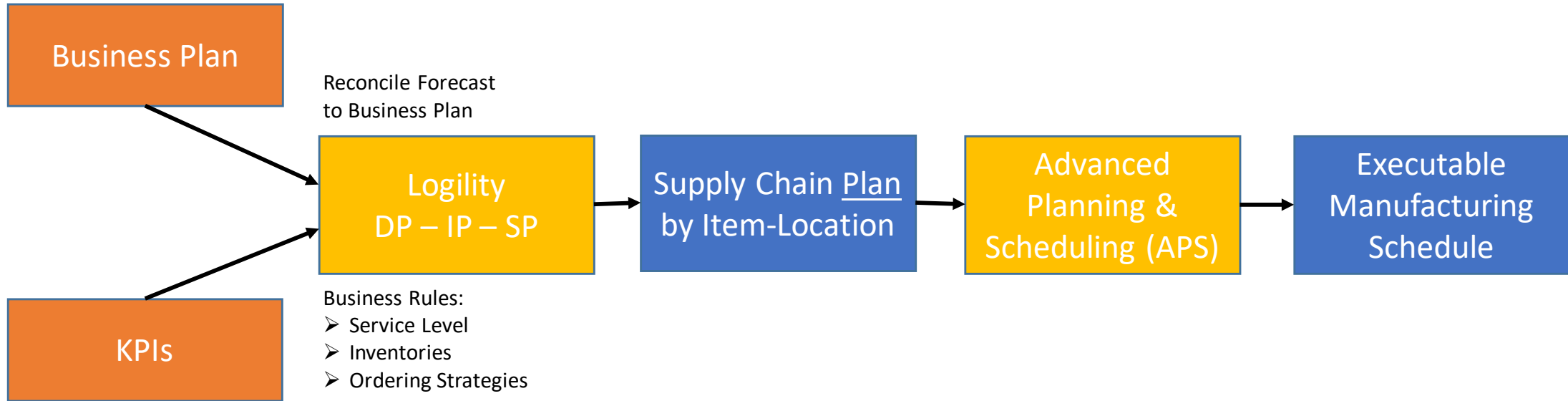
Leveraging the Power of Integration



Integrated Planning Solution



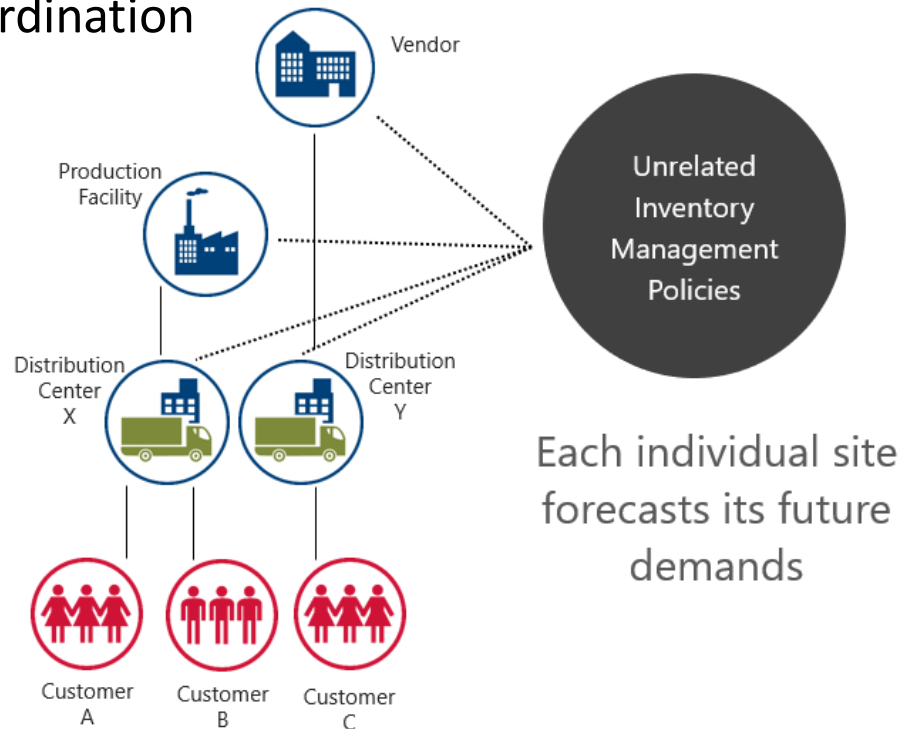
One Operating Plan



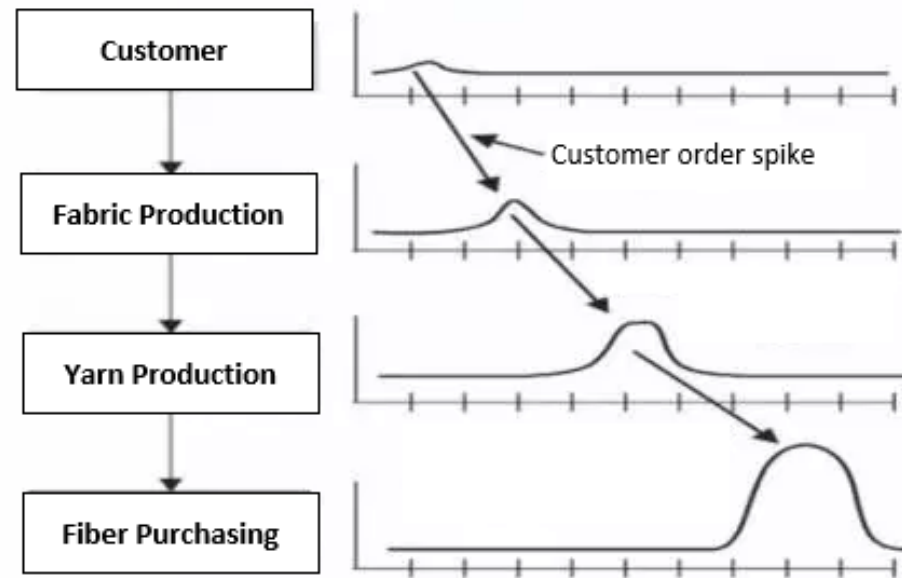
Legacy Planning Process (without Logility)

- ▶ Forecasting and planning not synchronized with business plan
 - Independent forecasts: business plan, operations plan, fabric plan, yarn plan
- ▶ No systematic way to incorporate market intelligence

- Inventory buffers lacked strategic coordination



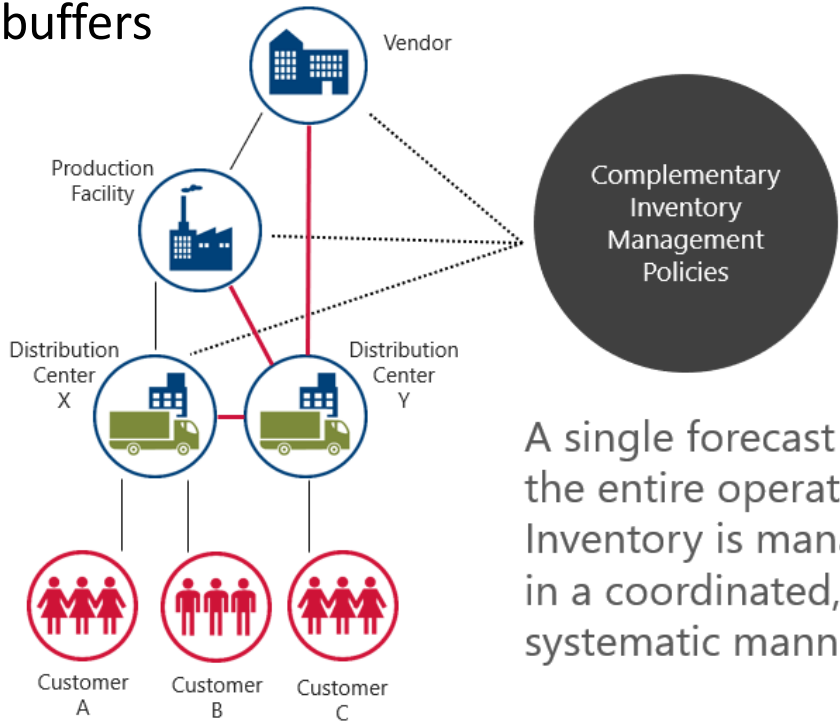
- Highly susceptible to “bull whip effect”
 - Vertical operation with long lead time



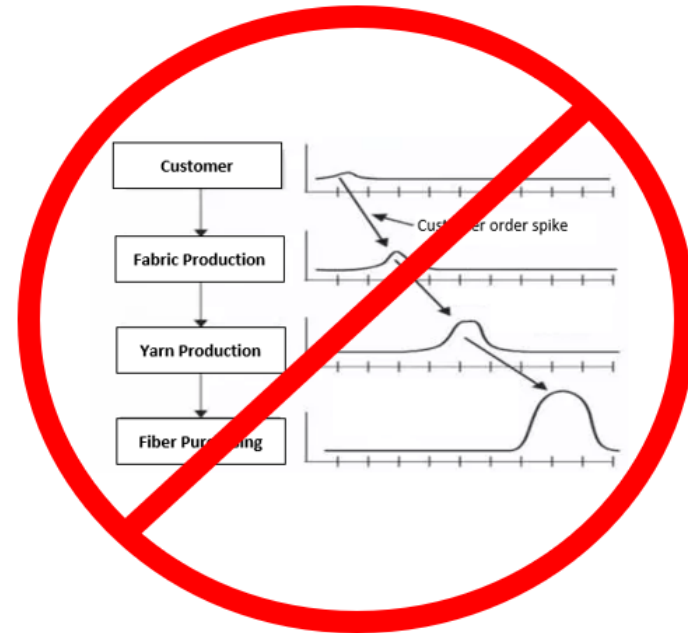
Current Planning Process with Logility

- ▶ Single plan: Reconcile business plan and demand plan into one operating plan
- ▶ Systematic workflow to incorporate market intelligence
- ▶ Consistent execution of business rules based on strategic KPIs

- Strategically coordinated inventory buffers



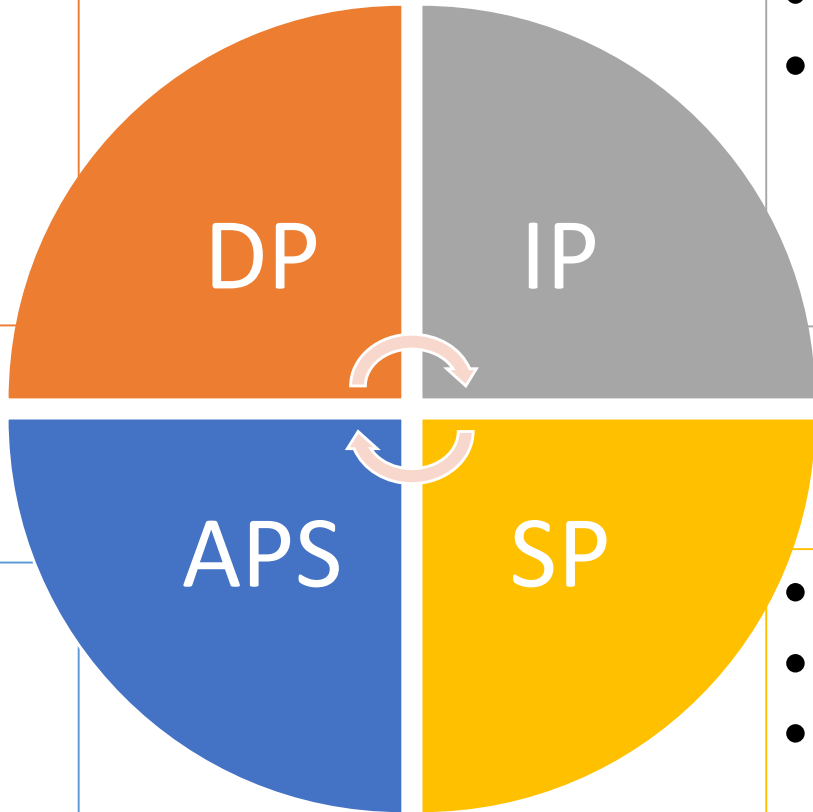
- Minimization of “bull whip effect”



Integrated Planning Platform

- Time phased forecast
 - Forecast error
 - ABC ranking
- Horizon: monthly for 12-18 months*

- Safety stock
 - Purchase/production order quantities
- Horizon: monthly for 12-18 months*



- Finite schedule at machine level
- Horizon: weeks/ days/ shifts*

- Demand prioritization
 - Forecast consumption
 - Manufacturing plan
- Horizon: weekly for 26 weeks*

Power of Integrated Platform

Demand Planning generates more accurate forecasts...

Inventory Planning facilitates better safety stock policies and order quantities...

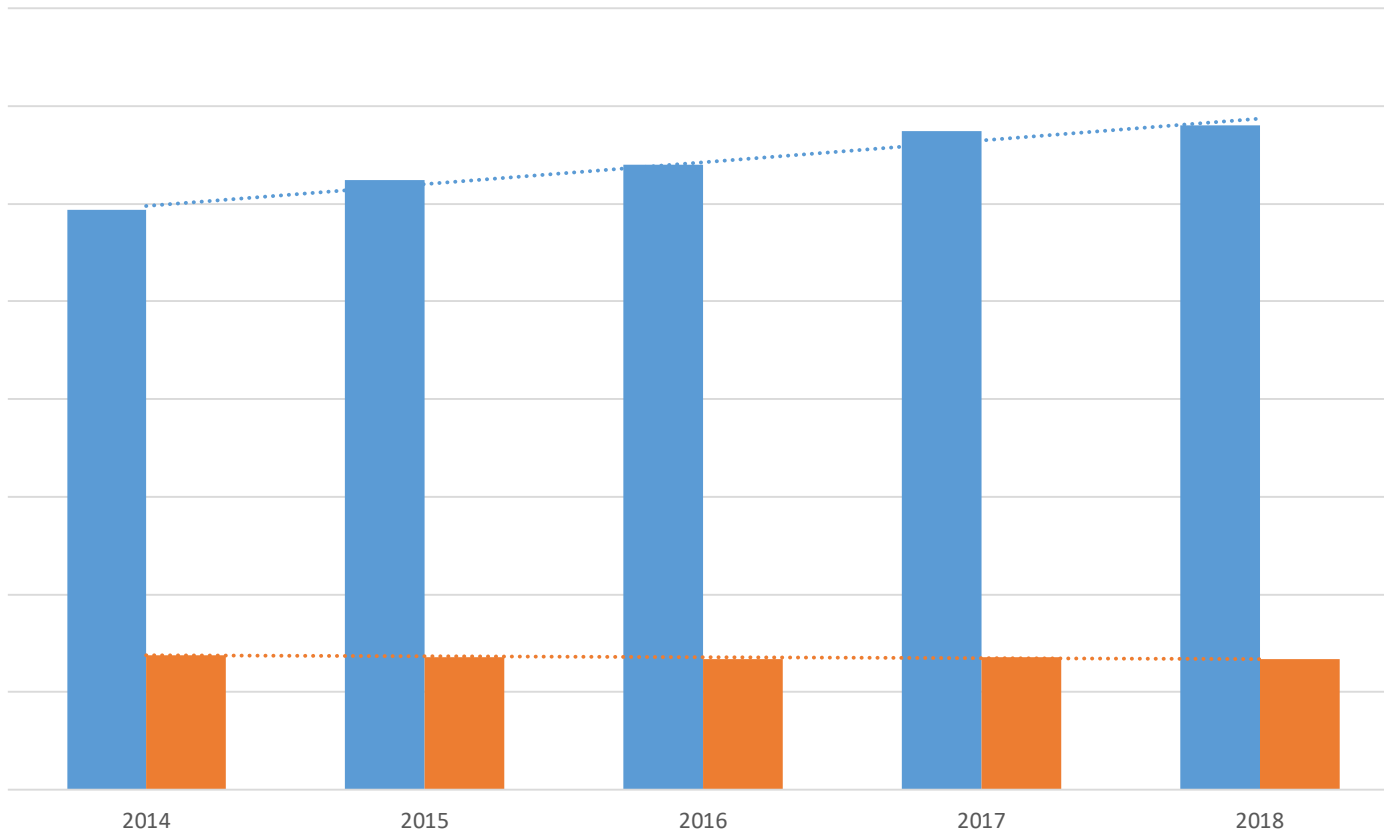
Supply Planning results in better constraint management...

***The whole is greater than the
sum of the parts.***



Results

Sales vs Inventory



- Live with Logility in Sept 2014
- Sales up by 17%
- Inventory flat
- Service level up 1% to 96.6%
- Increasing complexity
 - Finished Goods SKUs up 16% over 3 yrs.
 - Intermediate Goods (Yarn) SKUs up 5% over 3 yrs.
- Forecast error cut in half



QUESTIONS?

THANK YOU

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