

Increasing supply chain resilience with agile manufacturing



IFS brings more visibility and flexibility into the supply chain using one, integrated solution

A trend towards nationalization, geopolitical tensions, trade tariffs, and global disruptor events are causing manufacturers to increase their focus on supply chain resilience, rather than simply prioritizing cost optimization.



Unpredictable 'black swan' events frequently cause significant supply chain disruption



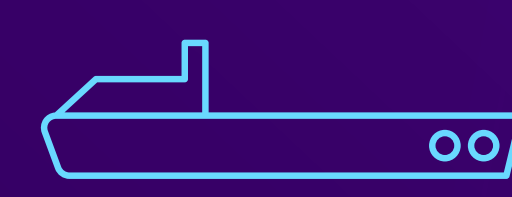
In 2010, the Eyjafjallajökull eruption resulted in Samsung and LG being unable to air-freight more than 20% of their daily electronics exports.

www.news.bbc.co.uk/1/hi/business/8631576



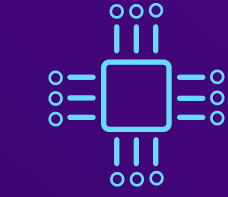
More than 1,000 gas stations in the US suffered a supply shortage due to a ransomware attack affecting the Colonial fuel pipeline, which had knock-on effects for goods haulage.

S&P's Oil Price Information Service: www.theguardian.com/business/oil



When the Ever Given container ship blocked the Suez Canal, goods with an approximate value of \$9.7 billion were delayed, every single day.

www.ecommerceinsights.com/the-impact-of-the-suez-canal-blockage-on-e-commerce



In 2021, widespread disruption affecting the silicon chip supply chain is predicted to cost the global automotive industry \$110bn.

www.allpartners.com/media-center/press-releases/2021-automotive-industry-semiconductor-shortage-forecast

Recently, the pandemic has underscored the need for greater supply chain resilience

47%

of US manufacturers felt that the pandemic made "developing additional, alternate sourcing options" an urgent issue.

[PwC US CFO Pulse Survey, US findings – June 15, 2020](http://www.pwc.com/us/cfo/pulse-survey-us-findings)

57%

of organizations report Covid-19 as the main motivator for investing in new technology for supply chain management.

www.thebci.org/uploads/assets/e02a3e5f-82e5-4ff1-b8bc01de9657e9c8/BCI-0007h-Supply-Chain-Resilience-ReportLow-Singles.pdf

60%

Nearly 60% of UK manufacturers believe optimizing demand forecasting should be the top priority in 2021.

[MakeUK/PwC Survey, November 2020](http://www.makeuk.com/press-releases/2021-uk-manufacturing-demand-forecast)



Manufacturers are increasingly shifting from just-in-time to just-in-case, and intelligent business systems are the key to making this work.



21%

In 2020, only 21% of supply chain leaders believed they had a resilient network

www.gartner.com/en/supply-chain/trends/weathering-the-storm-supply-chain-resilience-in-an-age-of-disruption



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More than half expect to be highly resilient within the next 2 to 3 years

Reshoring, or near-shoring, manufacturing is gaining traction as a means of improving resilience and lowering costs.



25%

of global supply chain leaders have localized manufacturing to be closer to demand

www.gartner.com/en/supply-chain/trends/weathering-the-storm-supply-chain-resilience-in-an-age-of-disruption



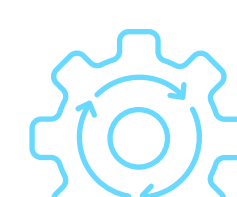
33%

have moved sourcing and manufacturing activities out of China or plan to do so by 2023

Diversifying manufacturing networks improves resilience and can lower costs, but requires an enhanced management solution.



How can agile manufacturing keep up with supply chain volatility?



The IFS solution has best in class embedded capabilities for engineer-to-order (ETO), order-to-order (OTO), make-to-order (MTO), make-to-stock (MTS), make-to-forecast (MTF), mixed mode, custom or short product lifecycle manufacturing.



IFS Applications provide real-time data and insights to support supply chain resilience and operational collaboration—helping to find rapid solutions to bottlenecks, or joint sourcing of materials in short supply, such as personal protective equipment.

Enhancing traceability in the supply chain using IFS

Another crucial advantage that IFS software-managed supply chains can bring to global manufacturers is enhanced traceability.



In 1992, Perrier famously had to recall 160 Million bottles from 120 countries at a cost of over \$250m, due to benzene contamination



In 2021, there is mounting international pressure to boycott products containing cotton produced by Uighur detainees in Xinjiang, which accounts for 20% of the world's supply

www.bbc.co.uk/news/world-asia-china-56535822

With IFS Applications manufacturers can trace materials and products through the supply chain, the production process, distribution channels, and straight to retail. What's more, traceability goes hand-in-hand with demonstrating sustainability.



71%

of consumers consider traceability to be very important and are willing to pay a premium for brands that provide it.

"Climate change and corporates: Past the tipping point with customers and stockmarkets," Deutsche Bank Research, 2019



77%

of consumers say it's important that brands are sustainable and environmentally responsible.

Simply adapt to global markets

IFS Applications use one, integrated platform enabling manufacturers to streamline back-office processes and break down data siloes across the entire organization, revealing far-reaching insight and building more flexible, visible supply chains.

Learn more about how our enterprise software solutions can help your business agility at ifs.com

About IFS

IFS develops and delivers cloud enterprise software for companies around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations.

Within our single platform, our industry specific products are innately connected to a single data Model and Use embedded digital innovation so that our customers can be their best when it really matters to their customers—at the Moment of Service.

The industry expertise of our people and of our growing ecosystem, together with a commitment to deliver value at every single step, has made IFS a recognized leader and the most recommended supplier in our sector.

Our team of 4,000 employees every day live our values of agility, trustworthiness and collaboration in how we support our 10,000+ customers. Learn more about how our enterprise software solutions can help your business today at ifs.com.

#MomentOfService

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