Collaborative supply chain

... from traditional plan breakdown to network planning....

- Ericsson & MINI-LINK
- Step 1, VMI
- Step 2, Dimensioning
- Next step, The Virtual Layer

Lasse Pettersson
Transmission and Transport Networks
Ericsson AB
Supply Unit Borås
Volume and variants
Step 1, VMI and Collaboration

- Insight in future demands and buffer levels
  - Capacity planning
  - Leveling in production
  - Reduce Bullwhip effect
- Possibility to integrate and automate
- Build on to own supplier and gain more advantages

Diagram:
- Supplier
- Customer
- Stock & Demand
- Measure Service Level
- Replenishment
Step 2, Dimensioning

Old process

Medium Range Forecast → BU S&OP → Plan Release → Supplier Feedback

New process

Medium Range Forecast

Quantitative Forecast → BU S&OP → Plan Release incl. CI

Supplier Capacity
Step 2, Dimensioning Building blocks

Set up

Identify Critical Supply Chains → Identify Key Suppliers and Components → Supplier Dimensioning & Logistic Agreement

Collect

Short Term Buffer and Capacity + Capacity Building Blocks + Temporary Constraints

Analyze

Plan / Limitations = CtP / AtP (and total plan limitations)
Step 2, Dimensioning Building blocks

XX Weekly Capacity

Capacity Building Blocks

Short term capability and limitations
Step 3, Virtual Network Planning

Supply Chain Planning Tool, Virtual layer, central break down

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<th>3rd Tier</th>
<th>2nd Tier</th>
<th>1st Tier</th>
<th>CDC</th>
<th>MU</th>
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Traditional sequential break down
Step 3, Virtual Network Planning

- The critical supply chain **set up**
  - Build the Bill of Critical Capacities and components

- The critical supply chain **plan visibility**
  - Give on line gross plan and order visibility
  - Adjust for major known events (i.e. summer vacation)

- The critical supply chain **capability monitoring**
  - Buffer levels
  - Flexibility
  - Capacity and capacity building blocks (incl. Lead time)

- The critical supply chain **Analyze**
  - Status
  - What if scenarios