

accelerate

collaboration and effectiveness with supplier connect

Manufacturers can achieve new levels of effectiveness across their enterprise through better collaboration with their suppliers

Changes and trends affecting manufacturers are making it more important than ever to connect and collaborate with suppliers. Atos and Siemens' Supplier Connect portfolio accelerates this supplier connection, reduces costs and increases efficiency for manufacturing enterprises.

Key business trends are putting supplier collaboration high on manufacturers' list of priorities:

- ▶ Increased reliance on suppliers and complexity owing to increasing numbers of third parties
- ▶ The main cost of goods sold (COGS) is spent on direct materials
- ▶ Compliance must be traceable and auditable for OEMs and suppliers
- ▶ Supplier involvement in design change and quality processes
- ▶ Better integration between procurement and engineering
- ▶ More effective information and design data on suppliers to drive intelligent decision-making.

Increasing product complexity coupled with ease-of-use expectations from end customers means that more products than ever are being digitally designed and validated by globally-dispersed teams. More than two thirds of total product costs are coming from direct costs. In this context, suppliers are increasingly responsible for co-developing parts and components which can therefore have a more significant impact on Original Equipment Manufacturers' (OEMs) ability to deliver innovative, high quality products, accelerate design and launch cycles, cut costs and reduce product pricing.

This change impacts compliance - in that OEM compliance officers must increasingly collaborate with suppliers to gather declarations. It means a growing requirement for real integration between all departments - particularly procurement and engineering - so that best decisions on suppliers, qualification and management can be made. And it demands that the business as a whole must share information across the company in a structured, harmonized way, so that relevant data can be used to make decisions.

According to a 2012 Atos survey of key PLM stakeholders:

- ▶ Supplier collaboration is one of the top three business issues in product development
- ▶ The majority of respondents are dealing with huge volumes of suppliers (>1000), causing increasing complexity and harmonization needs
- ▶ Fewer than 30% declare to have a reliable technology to manage product design with suppliers; most of them are based on one single platform, often disconnected with the rest of the enterprise.

Supplier Connect: best practice in supplier collaboration

Supplier Connect leverages Atos' skill and expertise as a business technology integrator together with Siemens' global leadership in PLM software to enable global manufacturers to integrate insight, intelligence and operations more effectively and completely - at every phase - with their suppliers.

Using Supplier Connect, manufacturers can achieve true supplier integration best practice, through:

- ▶ Early supplier involvement in the design phase
 - Ensure fewer iterations with suppliers and an earlier understanding of cost implications on the product
- ▶ Real-time process and data management, including supply chain
 - Make product development measurable and predictable with closed loop processes at each step
- ▶ Harmonized and structured information share across the business
 - Ensure decision makers have the insight they need.

Supplier Connect: a complete answer to complex supplier collaboration challenges

The Atos and Siemens Supplier Connect portfolio of PLM solutions covers the entire solution design, implementation and management process, end to end. This portfolio includes:

- ▶ PLM consultancy, from initial maturity scan to architecture definition and roadmap for the future using the CMMI 1.3 methodology
- ▶ Core PLM services, from design and implementation, to system migration and integration with other core systems and processes (including ERP, MES and BPM)
- ▶ A collaborative platform to enable procurement and engineering to work jointly towards suppliers collaboration
- ▶ Siemens PLM Software's suite of Teamcenter® technology with specific extensions for Supplier Collaboration
- ▶ PLM web-based services, which include ground-breaking options for cloud delivery and scalable, pay-as-you-go provision of a supplier hub web service.

Supplier Connect enables rapid supplier onboarding and integrates Siemens' Supplier Relationship Management functionalities to provide a collaborative framework for suppliers collaboration in product development. The solution is efficiently implemented using best practice template libraries along with extensive business expertise and integration skills.

Supplier Connect enables manufacturers to achieve best practice easily, seamlessly and quickly:

- ▶ Simplified set-up, supported by customized consulting and service offerings
- ▶ Effective business process support, yielding ongoing efficiencies
- ▶ Secure usage and operations
- ▶ Technology framework includes leading software components.

Delivering tangible value and benefits through seamless, enterprise level common processes

Supplier Connect has been designed to provide an integrated environment for collaboration not only between client and suppliers, but also within different departments responsible for making decisions on supplier collaboration in the product design domain. This is enabled through a comprehensive PLM-driven portfolio, as well as the seamless integration of this portfolio into enterprise applications.

Supplier Connect harmonizes supplier-oriented engineering processes as well as providing the structured counterpart to procurement processes already standardized under the ERP domain.

In the same way that purchasing processes are strongly driven by service level agreement, deadlines and compliancy rules, Supplier Connect synchronizes internal processes and allows product design departments to provide the right set of information for efficient sourcing decisions. Supplier Connect ensures that these decisions are given this rich, relevant data in the right way at the right time, compliant with regulations, company best practices and ongoing project and quality management.

In addition, exchange of product data must happen in a secure and controlled environment, making sure that intellectual property rights are properly protected and data is shared only to those parties who are selected as the proper recipient to share.

A complete supplier collaboration strategy for our customers

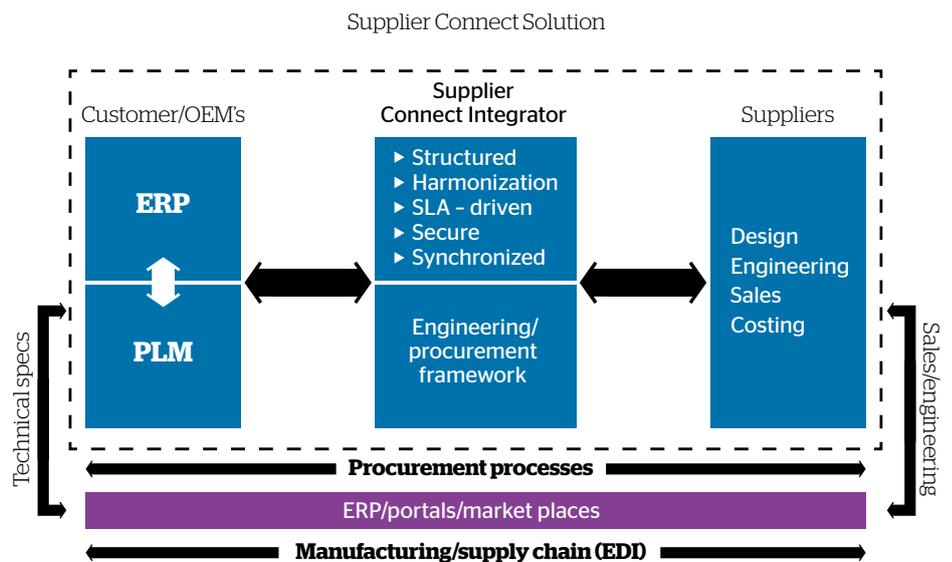
Siemens PLM, together with Atos integration expertise, supports our customers to accelerate supplier collaboration and decrease costs through best practice process integration enabled by leading technology. The following five business use cases best illustrate how Supplier Connect can address and resolve the biggest challenges in supplier collaboration - increasing operational speed, agility and responsiveness, ensuring compliance, developing innovation and reducing operational cost and complexity.

Direct Material Sourcing: automated sourcing and optimizing commercial value

Providing customers with integration between their product development and direct material sourcing optimizes commercial value, technological fit and the execution of suppliers' contributions to OEMs' product and business results. Automating sourcing processes shortens time to market, time to manufacture and increases buyer productivity through benchmarking capabilities.

Supplier Connect provides:

- ▶ A rich activity management platform for direct sourcing
- ▶ 'Round-trip' sourcing processes, integrated with product development processes (NPI, ECR etc.)
- ▶ Secure data sharing.



How Supplier Connect creates a complete, collaborative flow of information and a more efficient flow of materials and components between global manufacturers and their suppliers.

This ensures more efficient information exchange with suppliers; that understanding of cost drivers and supply chain impact can be gained early and risk management is more effective prior to PO execution.

Program Management: improve supplier communication and management

The Advanced Planning Quality Process (APQP) and/or relevant ISO9000x standards reduce development and warranty costs and help to avoid continuous iterations between clients and their suppliers.

Supplier Connect, through Teamcenter technology, enables our customers to:

- ▶ Rapidly improve communication with suppliers by leveraging APQP and other phase-gate processes
- ▶ Communicate early in the design phase (and more effectively with their supply base)
- ▶ Effectively manage supplier readiness and quality planning as program subsets
- ▶ Track deliverables assigned to suppliers, enabling proactive planning and complete process visibility
- ▶ Achieve better reporting and analytics through a complete dashboard approach.

The result is that manufacturers conform more easily to ISO9000x requirements, gain effective and consistent management of quality deliverables across the enterprise. Supplier Connect also:

- ▶ Enables effective and efficient risk and performance assessment
- ▶ Creates a foundation for supplier development
- ▶ Reduces production cycle time.

Supplier Management and Analytics

Supplier management during the early phases of product/solution engineering requires working collaboratively with existing suppliers, intensively exchanging information in both directions, identifying new sources of supply, and evaluating the supply base. Formal systematic SRM programs are associated with continuous improvement activities in various supplier performance categories, including price, on-time delivery and quantity as well as technology capabilities and service levels.

This Supplier Connect Module contains the following features:

- ▶ View up-to-date profiles of all your suppliers
- ▶ Effectively exchange engineering data and information
- ▶ Monitor and manage supplier performance
- ▶ Assess compliance and manage supply risk
- ▶ Quickly identify and assess new sources of supply
- ▶ Easily on-board new suppliers.

A supplier data analysis, quality and risk management dashboard summarizes all relevant supplier performance information including all relevant sourcing history details relevant to the product/solution engineering process.

Engineering Data Exchange: ensure effective and efficient synchronization of suppliers into the engineering and manufacturing process

Secure information exchange and synchronization between OEMs and their supply base is critical as many manufacturers have multiple supplier partners in their extended enterprise, and data exchange approaches are often ad hoc and inefficient.

This results in out-of-sync supplier data and high administrative overheads for onboarding suppliers.

Supplier Connect allows the information access and exchange necessary to provide development context to suppliers and deliver suppliers' work product back to the OEM. This is achieved through:

- ▶ A rich platform for collaborative engineering processes - based on common core technology and engagement models
- ▶ Access control and secure data sharing to minimize errors and drive synchronized working
- ▶ Automated data sharing triggers to ensure suppliers are synchronized correctly into the manufacturing process.

Using Supplier Connect produces a more efficient, secure and scalable engineering data exchange solution, more effective and transparent process execution and monitoring, greater operational clarity and better data for suppliers, and reduced administrative burden, (and cost).

Design for the Environment (DfE): minimizing the risk of non-compliance

Tight regulation - through local, state, country and regional directives - governs the way thousands of materials are used in product development. To stay compliant, OEMs and suppliers must report the quantities and concentration levels of every substance used in their products, manage supplier data and all declarations and processes, and provide efficient Life Cycle Assessment capabilities to prove compliance evidence.

Supplier Connect Teamcenter technology enables customers to:

- ▶ Proactively report on and assess the impact of product material choices
- ▶ Stay compliant with REACH, RoHS and other regulations
- ▶ Provide full compliance evidence
- ▶ Manage information exchange
- ▶ Minimize error/reworking costs through automating/integrating data exchange of material and substance declarations with suppliers.

The result is a more compliant supplier relationship, better management and proof of evidence for environmental compliance and the ability to anticipate future compliance concerns.

Supplier Connect leverages Atos and Siemens expertise to:

- ▶ Drive business value
- ▶ Enable end-to-end PLM process integration with suppliers
- ▶ Create best practice implementation framework
- ▶ Simplify implementation and operation
- ▶ Deliver a proven technology framework
- ▶ Provide clarity in reporting and synchronization.

About Atos

Atos SE (Societas Europaea) is an international information technology services company with annual 2012 revenue of EUR 8.8 billion and 76,400 employees in 47 countries. Serving a global client base, it delivers Hi-Tech Transactional Services, Consulting & Technology Services, Systems Integration and Managed Services. With its deep technology expertise and industry knowledge, it works with clients across the following market sectors: Manufacturing, Retail & Services; Public sector, Healthcare & Transports; Financial Services; Telecoms, Media & Technology; Energy & Utilities.

Atos is focused on business technology that powers progress and helps organizations to create their firm of the future. It is the Worldwide Information Technology Partner for the Olympic and Paralympic Games and is quoted on the NYSE Euronext Paris market. Atos operates under the brands Atos, Atos Consulting & Technology Services, Atos Worldline and Atos Worldgrid.

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About Siemens PLM Software

Siemens PLM Software, a business unit of the Siemens Industry Automation Division, is a leading global provider of product lifecycle management (PLM) software and services with 7 million licensed seats and more than 71,000 customers worldwide. Headquartered in Plano, Texas, Siemens PLM Software works collaboratively with companies to deliver open solutions that help them turn more ideas into successful products. For more information on Siemens PLM Software products and services, see www.siemens.com/plm

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