<table>
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<tr>
<th><strong>Synopsis</strong></th>
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<tr>
<td><strong>Strategic planning</strong></td>
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<tr>
<td>• Maximize corporate financial objectives</td>
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<td>• Optimize the complete end-to-end Supply Chain</td>
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<td>• Design for minimum cost or maximum profitability</td>
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<tr>
<th><strong>The current situation</strong></th>
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<tr>
<td>• Operational groups cultivate independent silos</td>
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<td>• Planning and costs are not well-coordinated</td>
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<td>• Legacy merged operations</td>
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<td>• Modern Supply Chain issues include global outsourcing, vulnerability, and “green” considerations</td>
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<td>• 80% of the Supply Chain cost is set in the design phase</td>
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<th><strong>There is a better way</strong></th>
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<tr>
<td>• Supply Chain network design optimization</td>
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<td>• Transportation and Bid Analysis optimization</td>
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<td>• Production planning and scheduling</td>
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<th><strong>Integrated Supply Chain Strategy</strong></th>
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<tr>
<td>• Rigorous modeling software with sophisticated optimization and simulation engines</td>
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<td>• Experienced consulting services and training support</td>
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**INSIGHT: SAILS**

When you stop to think carefully about supply chain strategy, are you sometimes intimidated by the sheer complexity of the problem? How do you evaluate the myriad alternatives, fit together the pieces, and balance the competing objectives of many players both inside and outside the firm? Should you consider (or reconsider) outsourcing? New inventory deployment strategies? New consolidation strategies? Manufacturing postponement? Focused plants? Cross-docking in lieu of traditional distribution centers? New port and land bridge options? How should supply chain vulnerability and risk be assessed? What combination of facilities, missions, flows and service maximizes profit? Which markets, channels, and products are most profitable? How can supply chain and marketing strategies be unified so as to maximize corporate return to equity? What is the impact of sustainability issues such as energy consumption, carbon emissions, and manufacturing by-products?

For most firms today the most important driver of financial success is identifying and implementing a superior supply chain strategy. Cardinal Health, Clorox, Dell, IBM, Kellogg, Procter & Gamble, and Wal-Mart, among many others, are all fundamentally supply chain success stories. In turn, supply chain strategy depends critically on supply chain design. And once the macro design is in place, it must be implemented with complementary inventory and transportation strategies.

Even today, many executives equate supply chain strategy and design with the number, location, size and mission of distribution centers. Consider the possibilities when this outdated, myopic view is replaced with a contemporary list of issues:
I. Supply Chain Structure: Number, Size, & Location Of:
   A. Raw Material Suppliers
   B. Manufacturing Locations
   C. Distribution Centers
   D. Cross-Docks
   E. Ports

II. Facility Ownership Issues
   A. Owned
   B. Leased
   C. Outsourcing

III. Facility Mission Issues:
   A. Raw Material Suppliers
      1. Procurement Volumes
      2. Procurement Costs
      3. Procurement Limits
   B. Plant Locations
      1. Manufacturing Volumes
      2. Manufacturing Costs
      3. Manufacturing Capacities
      4. Inventory Requirements
   C. Distribution Centers
      1. Throughput & Storage Levels
      2. Operating Costs
      3. Throughput & Storage Capacities
      4. Inventory Requirements
   D. Ports and Cross-Docks
      1. Throughput Levels
      2. Operating Costs
      3. Throughput Limits

IV. Marketing Issues
   A. Campaign Selection
   B. Market, Channel, Product
   C. Selection (Max Profit)

V. Major Policy Issues
   A. Strategic Sourcing
   B. Target Market Expansion
   C. International Expansion
   D. Supply Chain Vulnerability
   E. Mergers and Acquisitions
   F. Capacity Planning
   G. Transportation Policy
   H. Seasonal Demand/Supply
   I. Long-Range Planning
   J. Inventory Strategy
   K. Customer/Channel/Product Profitability
   L. Product Intros & Deletions
   M. Sustainability Measurement & Objectives
   N. Energy & Carbon Usage Profiles
   O. Customer Profitability & Cost-to-Serve
INSIGHT software and consulting provides optimization-based planning and scheduling to solve the supply chain management issues of the world’s top companies. Clients rely on INSIGHT to gain the greatest competitive advantage.

INSIGHT clients include...
- Abbott Laboratories
- BASF
- Cadbury Schweppes
- Chiquita
- Circuit City
- Dick’s Sporting Goods
- ExxonMobil
- Footwork Express
- General Electric
- Hill’s Pet Nutrition
- Inst for Defense Analysis
- Johnson & Johnson
- Kellogg Co.
- Levi Strauss
- Michelin
- Nestle Purina
- Nordstrom, Inc.
- Ocean Spray
- PepsiCo International
- Pfizer
- Toro
- Toyota

Are you surprised by the scope? Does this remind you of the front page of the *Wall Street Journal*? You are not alone. Note especially that it covers the entire supply chain, from raw material supplier to final customer, and integrates traditional corporate silos such as procurement, manufacturing, and finished goods distribution. Perhaps the most important issue is profitability: identifying those markets, channels, and products that provide maximum margin. And for the first time it is now possible to go the final step: integrating the traditionally separate marketing and supply chain perspectives into a unified, coherent, corporate strategy that maximizes return to shareholder equity.

At INSIGHT, we offer products and services that have helped many world class companies realize this goal. Please contact us to hear more.