



Integrated Business Management at DuPont

Optimize Sales and Operations Planning with In-Memory Computing

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Integrated Business Management at DuPont (DIBM)

- This is DuPont
- What is DIBM?
- Evolution of “S&OP” in DuPont
- Enabling DIBM
- Enabling Integration



Our Purpose

DuPont is a science company. We work collaboratively to find sustainable, innovative, market-driven solutions to solve some of the world's biggest challenges, making lives better, safer, and healthier for people everywhere.



We are applying our science to find solutions to some really BIG challenges...



FOOD

FEEDING THE
WORLD



ENERGY

REDUCING OUR
DEPENDENCE ON
FOSSIL FUELS



PROTECTION

KEEPING PEOPLE &
THE ENVIRONMENT
SAFE

DuPont's 12 Businesses



- Pioneer Hi-Bred
- Crop Protection
- Nutrition & Health



- Protection Technologies
- Building Innovations
- Sustainable Solutions



- Electronics & Communications



- Performance Polymers
- Packaging & Industrial Polymers



- Titanium Technologies
- Chemicals & Fluoroproducts



- Industrial Bio Sciences

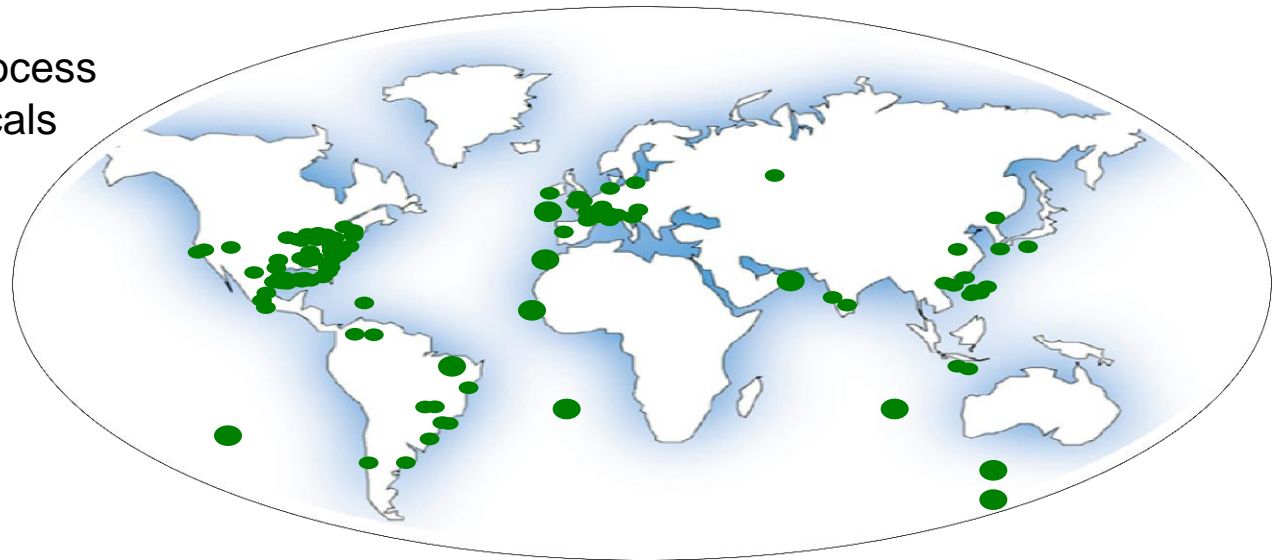
DuPont Global Integrated Operations – At a glance

Diverse Operations

- Seeds
- Discrete Parts
- Food Additives
- Industrial Biotech
- Film production
- Polymer Production
- Fiber production
- Consumer goods
- Electronic materials
- Continuous chemical process
- Fine and custom chemicals
- Fluorine Chemicals

DuPont Integrated Operations Worldwide

Global Supply Chains	70 of 98
Plant sites	207 Sites
Warehouses	740+
Shipping	Major Container user
Employees (approx.)	34,000+
Countries	45
Contract operations	~1000 Sites



Improving Performance Requires Transformational Approach

	From ...	To ...
<p>Improve Customer Experience</p>	<ul style="list-style-type: none"> ▪ Inconsistent delivery performance ▪ Difficulty meeting promises ▪ Significant churn and effort 	<ul style="list-style-type: none"> ▪ Reliable Supply ▪ Competitive Lead Times ▪ Differentiated service levels
+		
<p>Reduce Inventory</p>	<ul style="list-style-type: none"> ▪ High inventory ▪ Misaligned policies ▪ Non productive inventory 	<ul style="list-style-type: none"> ▪ Advantaged working capital productivity ▪ Aligned E2E performance ▪ Capital available to re-invest
+		
<p>Reduce Cost to Serve</p>	<ul style="list-style-type: none"> ▪ High complexity ▪ Manual interventions ▪ Numerous work around ▪ Significant expediting 	<ul style="list-style-type: none"> ▪ Automated, streamlined, rules based processes ▪ Reduced manufacturing costs ▪ Reduced expediting costs

5-Step Managing Process

DuPont Integrated Business Management's 5-Step model is a *formal process* led by a *business team*, on a *monthly* basis, which evaluates *aggregate plans* for *time-phased projections* for product, demand, supply, and the resulting financials for the next *24+ months*

It's a *decision-enabling* process that makes visible the alignment of the *DIBM functional plans in all geographies* and whether they are in *support* of the business' *strategy*

The DIBM process enables the key objective of reaching *consensus* on a *single operating plan* that allocates critical resources to most effectively and profitably meet *customers' needs*

Guiding Principles

- *Business management ownership*
- *Speak the truth*
- *Rolling monthly planning*
- *One set of operating numbers*
- *Simplification – focus on change*

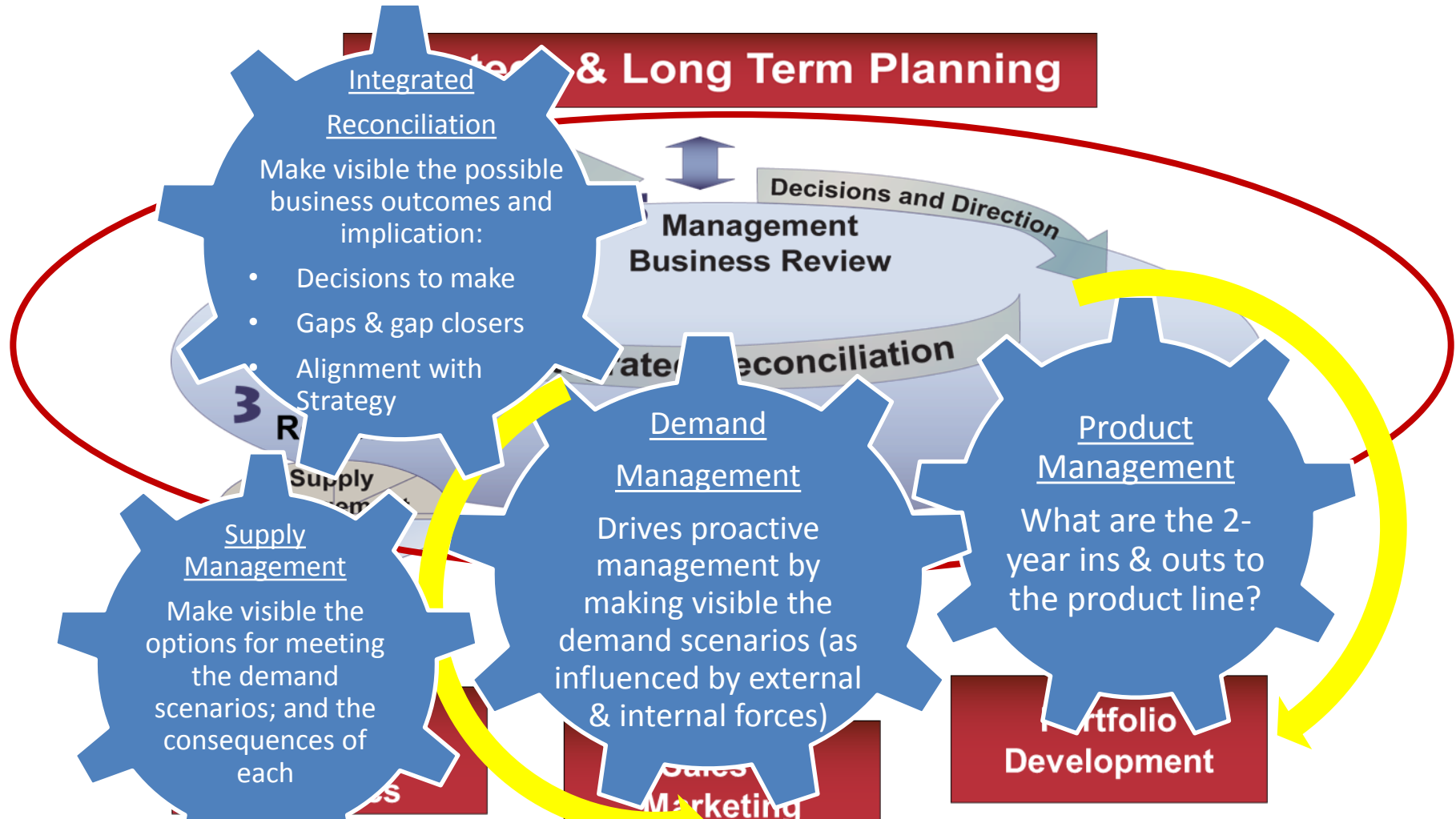
Keys to Success

- *Accountability and discipline*
- *Commitment and regular participation from executive staff*
- *Common goals across all participants*

Benefits

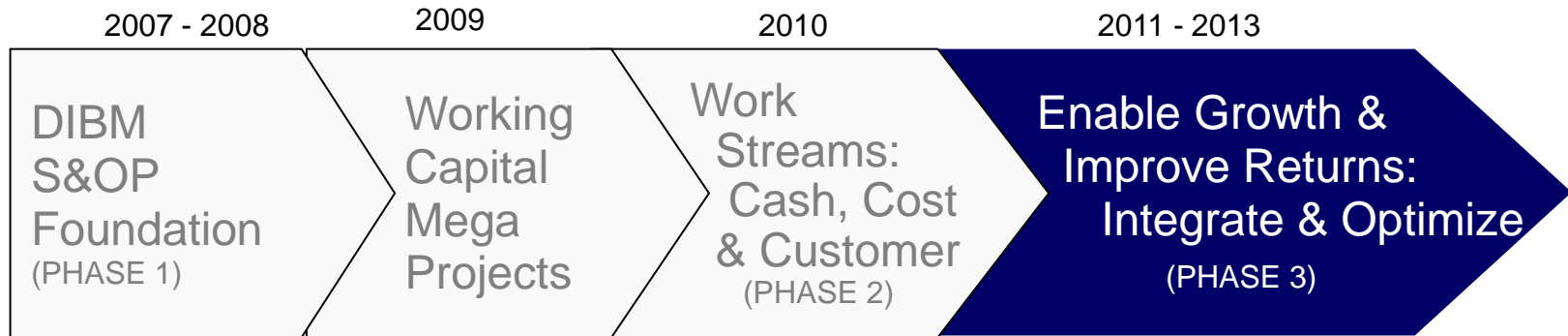
- *Streamlined performance*
- *Business process simplification*
- *Product plan execution*
- *Focus on the customer*
- *Planning vs. Firefighting*
- *Revenue, market share, margin, customer service & cash-flow*

DIBM: Integration and Visibility



DIBM IS A VISIBILITY MACHINE

DIBM Strategic Initiative – Evolution of Focus and Capability



- Strategy deployment via S&OP discipline
- Weekly/monthly cadence

- Acceleration – resources & development
- >\$1.5B WC productivity delivered

- Product, Demand & Supply Management
- Strong content, global and regional delivery

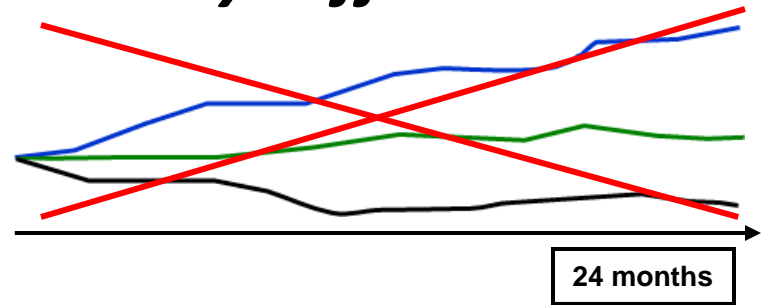
- Deeper projects: Product, Demand & Supply together, with key functions
- Connects Strategy, Execution and People Development
- Improve Fixed Asset Productivity, DTP, Cash

Before and After DIBM

Before DIBM	Characteristics	After DIBM
3 – 12 Months	Horizon	24-Month rolling
Next few months only	Focus	4+ Months
Weekly/quarterly	Frequency	Monthly, with weekly refresh when appropriate
SKU & detail (units only)	Language	Segment/markets, families, regions, units, \$
Production plan output	Outcomes	GAP closing strategies scenarios w/ action plans
Middle management	Involvement	Business leadership & middle management
Execution & short term	Decisions	Tactical & strategic
Meeting to review numbers	Process	Integrated business functions and plan with strategy

Scenario Planning: Needs *Qualitatively Different Cases*

Typical low-med-high variations on a single case (forecasts & D&RA)

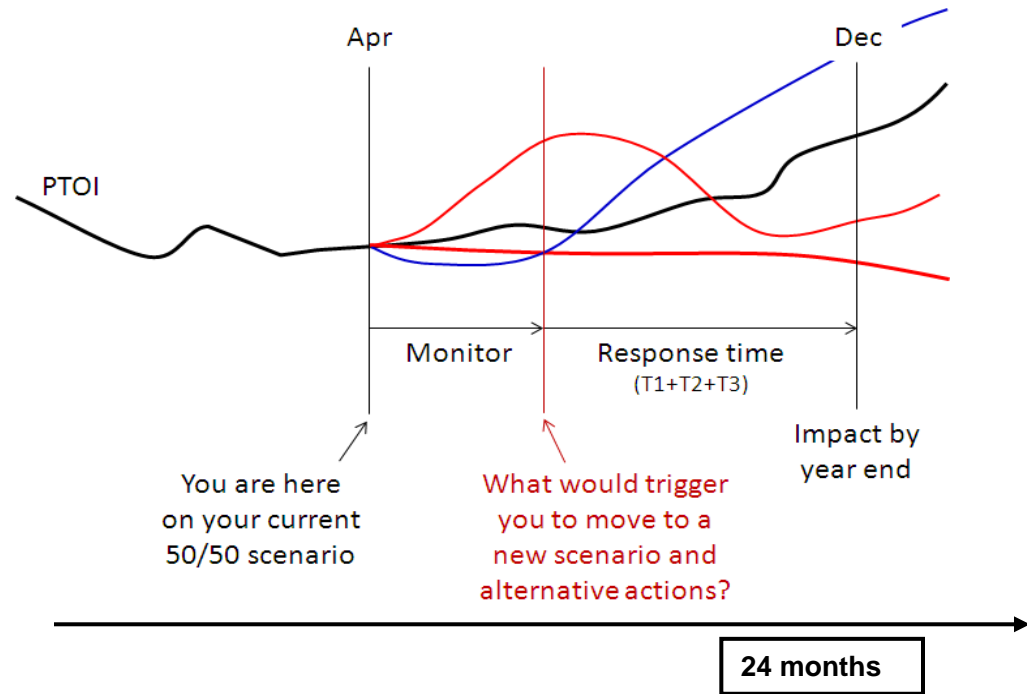


Scenarios Are Fundamentally Different Cases, Not Variations on a Single Case



More about sensitizing the business to possibilities enabling them to be more responsive to changing business conditions

Less about prediction



Strategy / Planning / Tactics / Execution

Overall business strategy
Annual financial goals
Long-term planning

BPC

DIBM

Mid-term planning

S&OP

Short-term tactics

APO/SCM7

Detailed execution



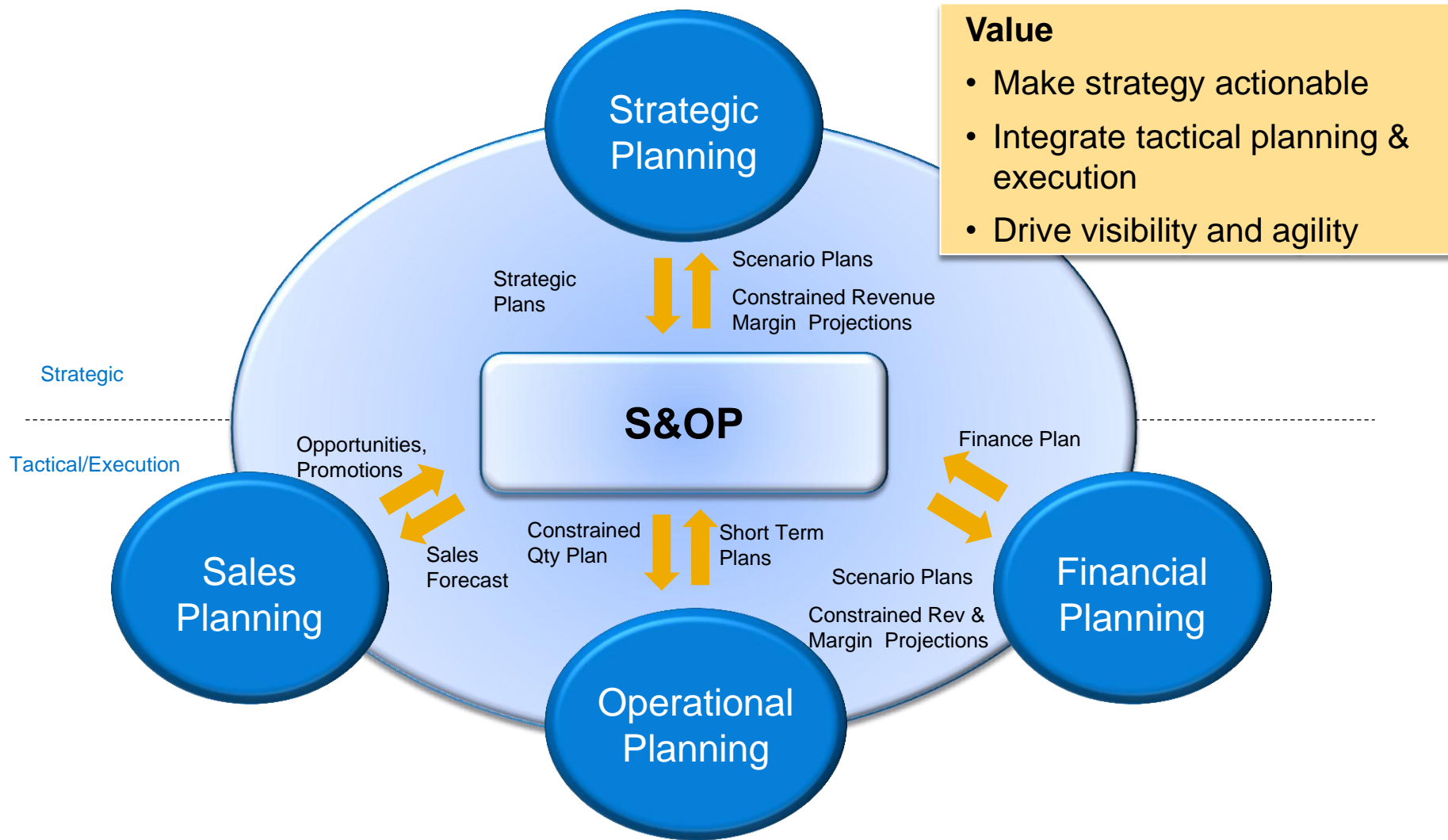
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OLIVER WIGHT

Optimize Sales and Operations Planning with In-Memory Computing

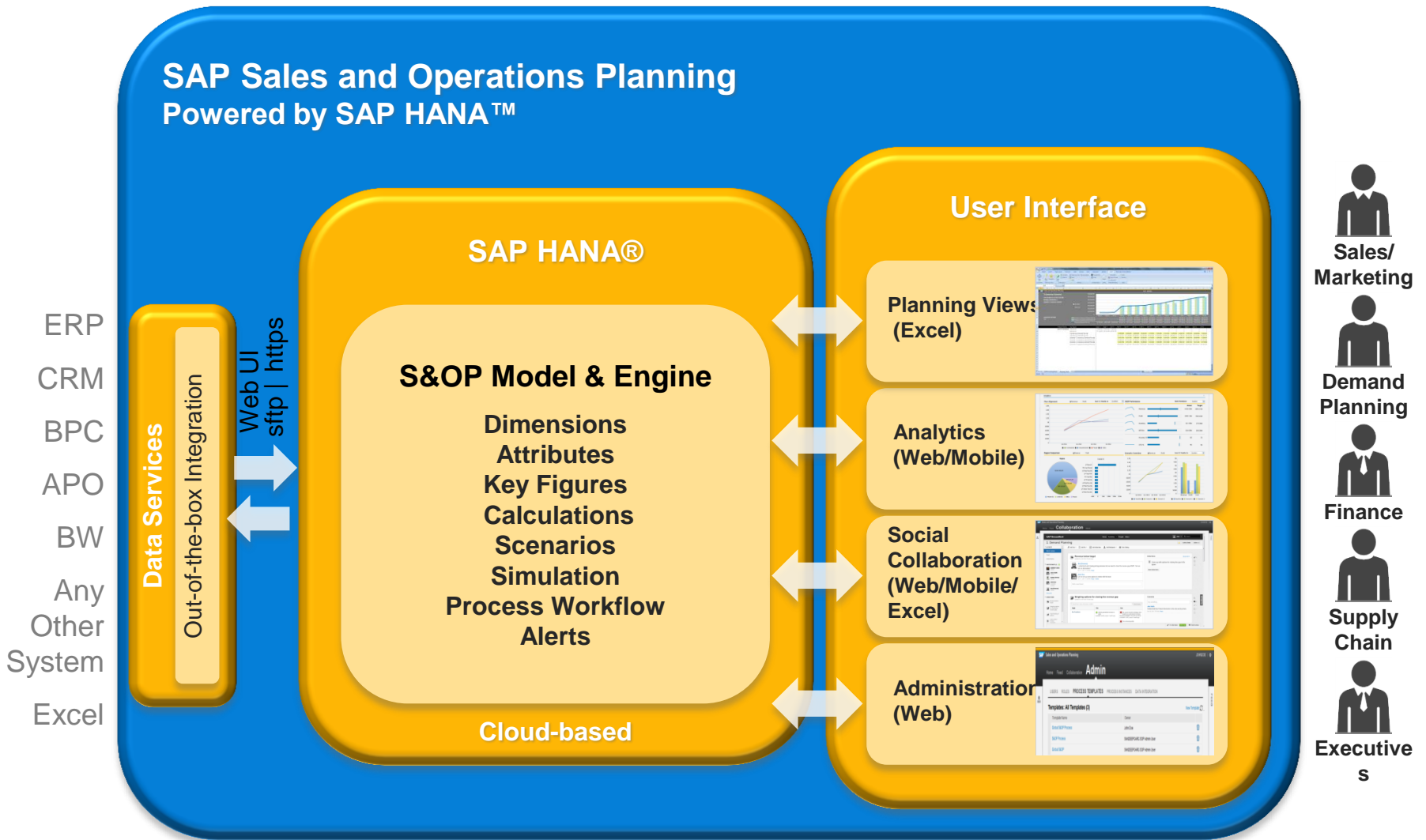
SAP Sales and Operations Planning
Powered by SAP HANA



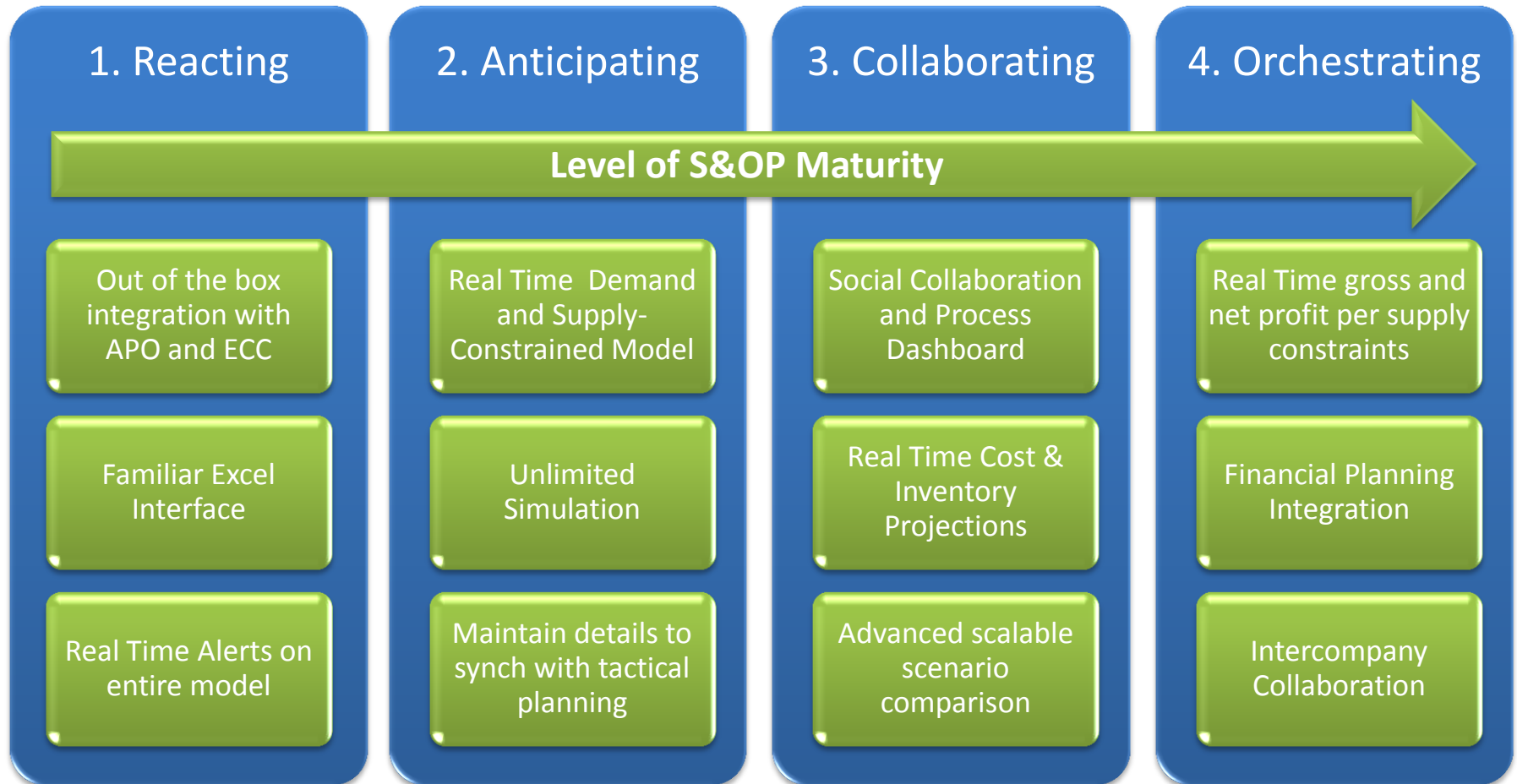
Where S&OP Fits Across Enterprise Planning



Solution Architecture



How S&OP on SAP HANA Drives Process Maturity



Stage 4 is sometimes referred to as "IBP"



Thank You

Any Questions?

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