SCA technologies™
Orchestration. Resiliency. Results.

SCA Case Study
Electrical Controller Systems Supplier

SCA Restructures Controller Systems Supply Chain

Challenge

Our client needed to develop a manufacturing blueprint that would alleviate their challenges with global demand, integrated acquisitions, synergies and cost opportunities. With thousands of SKUs, operations and distribution centers located around the world, products with their own regulatory compliance requirements, and significant transportation modes, the blueprint had to ensure minimum capital investment to maximize P&L and balance sheet performance. Also, it needed to align the functional and business unit performances to focus on integrated impact, phase planning and change initiatives to enable faster impact and cascaded deployment of a unified picture of the restructured supply chain.

Overview

Our client, with sales of over $10 billion, manufactures and sells electrical distribution and control systems products. They are a leader and global player in this sector with many operations and distribution centers worldwide. As one of the largest manufacturers in this sector, our client has grown at a very rapid pace through innovations and acquisitions over the last decade. With their eye on improving the supply chain integration and realizing the resulting cost opportunity, our client has initiated a manufacturing blueprint initiative that will capture manufacturing efficiencies, reduce costs and increase capacity utilization, manufacturing/outsourcing from the lowest cost sources.

The supply chain currently has thousands of SKU's ranging from high volume made to stock items, to custom configured and order units. The manufacturing operations range from molding, and sheet metal operations, complex electrical component manufacturing, electrical components and module subassemblies, final product manufacturing covering module assembly, testing and configuration. Operations and distribution centers are located worldwide. Each market has its own product regulatory compliance requirements as well as industry standards. Markets are divided into zones that have their own sourcing, manufacturing and distribution activities. There are significant transportation activities that cover all modes: sea, air and land. The sourcing and distribution involves taxes, tariffs, trade barriers and other regulatory requirements that play a significant role in their supply chain architecture. Lead-time is a critical success driver in the industry for several of its segments.

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About SCA

For over a decade, SCA Technologies™ has provided category sourcing and cost management solutions that help industry leaders maximize profits by better managing market, supply and demand volatility. Supply chain, procurement, finance and corporate social responsibility professionals use the unique cross-functional approach of the SCA Planner™ suite to make better decisions for billions in category spend each year. With our patented technology, customers can finally address the tough challenges of volatile commodity prices, extended supply chain networks and corporate social responsibility tradeoffs in a coordinated manner. Our innovative, cloud-based solutions deliver increased visibility and quicker response, leading to an average 3-5% reduction in the cost of goods sold on an annual basis. Learn more at www.scatech.com

Solution

SCA Technologies' software suite, SCA Planner is one of the only software suites that can provide a holistic view of the supply chain, accurate insights into the cost and operational implications of strategic decisions made in every functional unit in an organization. The functionalities and business constraints provided by the software allow business managers to incorporate real life constraints such as contingency needs, ability to handle a range of future outcomes, and so on to ensure that the solutions are practical and implementation-ready.

Planner was used to model enterprise cost and activity flows. SCA was able to help uncover the effects that different variables in their supply chain like the freight costs, trade barriers, manufacturing exclusivity, different manufacturing strategies and technologies, various inventory and buying policies, etc. could have on their business decisions.