

One Network Solution Offerings for the Automotive and Manufacturing Industries

Optimize your supply chain, gain a competitive advantage, and unlock enormous value with a business network strategy

Today's economies are changing dramatically, driven by diverse consumer tastes, complex markets, innovative products and business models, and the accelerated rise of advanced technologies, such as machine learning (ML) and artificial intelligence (AI). Globally, the automotive and manufacturing segments has seen record-setting profits over the past decade—and also **transformative change**.

The pattern and source of revenues, costs and profits has been frequently and drastically shifting, meaning production and supply patterns are shifting too. Regulatory pressures continue to tighten, lowering margins and increasing uncertainty. Manufacturers scramble to meet emissions targets, investing in alternative powertrain technologies while waiting to see which will gain traction in the market.

EVOLVING SUPPLY CHAIN PRESSURES —AND SOLUTIONS

Changing consumer demand and the need for flexibility put enormous pressure on supply chains. The companies that win in this new economic reality will be those that align closely with suppliers to bolster local capacity and bring promising innovations to market quickly. Fortunately, the technologies and processes that support supply chains are also rapidly evolving, taking a more horizontal approach that breaks down silos, streamlines processes, and enables efficient, customer-driven collaboration across the entire system.

KEY FINANCIAL BENEFITS:

- Reduce inventory network-wide by 20 to 40%
- Improve service levels to over 95%
- Improve capacity throughput by 10%
- Reduce expedited freight cost by 30 to 50%
- Improve logistics utilization by 5%
- Improve resource efficiencies by 50%

KEY OPERATIONAL BENEFITS OF THE ONE NETWORK PLATFORM:

- Meet fluctuating supply needs and reduce transportation costs
- Automatically reallocate materials around the clock
- Seamlessly manage your aftermarket business
- Improve service levels, revenues and reduce inventories
- Predict and sense demand automatically
- Bring greater insight and alignment to business planning
- Follow the trail of each transaction, from beginning to end
- Delight customers with unified order fulfillment
- Orchestrate inbound supply and avoid disruptions
- Collaborate with logistics providers in real time

ONE NETWORK ENTERPRISES' MULTI-PARTY BUSINESS NETWORK

THE TRANSFORMATIVE EVOLUTION OF TRADITIONAL SUPPLY CHAIN MANAGEMENT

One Network's multi-party digital business network for Automotive and Manufacturing offers a revolutionary alternative to traditional supply chain management. Rather than requiring trading partners to integrate multiple times with multiple platforms, the **One Network Real Time Value Network™ (RTVN™)** platform turns each partner into a node (or a hub in a unique hub-to-hub architecture) on a much greater business network.

THE NETWORK EFFECT

The foremost technological advancement positively affecting supply chain performance is the sharing of applications and data on one common network. This produces "Network Effect" which is what allows the entire supply chain to be viewed,



managed and optimized as one unified system as opposed to many small systems. Network Effect is particularly acute in the automotive and manufacturing industries because of the massive numbers of parties involved in the collective group of OEMs, Tier-1s, Tier-2s, logistics providers, and contract providers. The total number of automotive parties in a network can be thousands. Having all members on one backbone lets information flow throughout the network seamlessly and quickly. Thus, a problem anywhere in the network is quickly recognized and can be dealt with in fractions of the time of former paradigms. This fact means the “bull whip” problem can be minimized -- where a small disruption in the supply chain gets amplified as it traverses and affects the rest of the supply chain. The longer the time for the original disruption to be felt elsewhere in the network, the greater the amplification. Squelching small problems before they become large problems requires quick notice and action which is one of the many benefits the Network Effect delivers.

NEO AUTONOMOUS AGENTS

Augmenting the benefits of the Network Effect are the NEO Autonomous Agents, One Network’s proprietary machine learning and intelligent agent technology, that continuously monitor the supply-chain wide network and can take quick proactive predefined action when disruptive events occur anywhere in the network. Being able to take nearly instantaneous action based on early problem detection is the most effective way to dampen supply chain problems such as the bull whip effect. Major automotive supply chain costs are reduced such as expediting, unplanned overtime, setups, and teardowns. NEO identifies patterns, trends, and anomalies, and extracts insights to inform execution decisions, make recommendations and execute them. With the latest version of NEO, global manufacturers gain an unprecedented level

of visibility, control, flexibility, efficiency, and the ability to coordinate multiple parties on a single, shared version of the truth.

BRINGING THE POWER OF GLOBAL NETWORKS TO GLOBAL BUSINESS

On this common real-time platform, more than **75,000 companies and 16,000** carriers connect once to gain immediate access to data from every partner across the Network. This way, dealers, customers, distributors, suppliers, and logistics providers can synchronize and optimize their entire supply and demand network in real time based on a single shared version of the truth.

The network also includes more than 950 public APIs and powerful multi-party development tools that allow third parties to tailor existing applications and build new ones. Together, the network and this growing library of sophisticated applications are transforming industries around the world, while using the expanding trove of network data to train NEO to make and execute fast, precise, and automated decisions.

PROVEN SOLUTIONS AND RECOGNIZED LEADERSHIP FROM ONE NETWORK

Industry analysts have praised One Network’s innovative vision for supply chain visibility, collaboration, and automation. In 2018, *Gartner recognized One Network Enterprises as a Leader* in its “Magic Quadrant for Multi-enterprise Supply Chain Business Networks” report. The company also ranked highest for the third consecutive year in Nucleus Research’s “Control Tower Value Matrix for 2018.”

One Network designed its network services and modules on industry cores. The Automotive and Manufacturing industry

core embraces the nuances of industry workflows, algorithms, machine learning, planning, transaction flows, data models, alerting, KPIs, and reports. Thousands of companies, including automotive and industrial suppliers, OEMs, carriers and freight forwarders are already on the platform, providing a global network that grows stronger and more efficient with each new addition.

ONE NETWORK PLATFORM CAPABILITIES:

- Autonomous supply chain management
- Integrated business planning (S&OP)
- Control Towers for inbound, outbound, e2e
- Global multi-site supply demand/supply match
- Aftermarket parts distribution
- Composite forecasting with demand sensing
- Order-to-Cash improvement
- Multi-Echelon Inventory Optimization
- Source (Procure)-to-Pay management
- Supplier capacity management
- Integrated inbound with embedded domestic and global logistics

BRING GREATER INSIGHT AND ALIGNMENT TO BUSINESS PLANNING

Real-time data, taken directly from planning and execution systems, shortens business planning cycles and brings insight and alignment to the process. Using the network to conduct simulations and impact analyses makes it simple to compute directional profit and loss statements. **Model and store multiple scenarios at each business level**, encompassing the demand plan, finished goods plan, production plan, raw materials plan, and logistics.

SEAMLESSLY MANAGE YOUR AFTERMARKET BUSINESS

The One Network aftermarket parts solution includes parts catalogs and workflows for OEM, aftermarket, refurbished, rebuilt, and spare parts. The Supply Chain Control Tower aggregates demand from your network of dealers and customers and optimally sources parts. The system concurrently optimizes material and transportation with:

- Forecasting, autonomous forecasting, order, replenishment, inventory optimization, and returns management to ensure network-wide visibility for all part issues and supply-demand match

- An integral transportation suite (including parcel management) to ensure rapid execution
- Transactional APIs to connect to required dealer/customer sales order management systems to enable a collaborative ordering process
- Cost-based resolutions of disruptions that use autonomous workflows to resolve issues.

PREDICT AND SENSE DEMAND AUTOMATICALLY

Artificial intelligence and statistical forecasting are changing the way manufacturers predict and keep up with consumer demands for unique features, styles, and performance options. Demand-driven forecasts are immediately propagated and translated across the network to all relevant trading partners. **NEO intelligent agents compute dependent and independent demand for manufacturing processes and aftermarket parts**, embracing not just history, but all order forecasts by channel to provide a seamless demand sensing and consumption service for OEMs.

ENSURE CUSTOMER SERVICE LEVELS WHILE OPTIMIZING INVENTORY INVESTMENTS

The objective of One Network's Multi-Echelon Inventory Optimization (MEIO) is to maintain the desired customer service level at the service locations while optimizing the service levels and inventory across the whole value chain.

IMPROVE FILL RATES AND REVENUE BY SECURING RELIABLE SUPPLY

Gain visibility into short- and long-term supplier capacity by automatically propagating actual scheduled demand through the supply chain and matching it to supplier commitments—either as unit volume or as line capacity. **Manufacturers can secure supplier commitment as demand levels fluctuate, to maintain stable production.** As you introduce new products or features, the system supports network-based capacity planning and impact analysis to help prepare for a broad range of what-if scenarios.

DELIGHT CUSTOMERS WITH UNIFIED ORDER FULFILLMENT

Dramatically simplify and improve outbound service levels by using the Network to create a unified customer order fulfillment solution as part of your global supply chain management

platform. This includes **order-to-cash capability and business workflows for receiving, processing, delivering, and invoicing customer orders.**

FOLLOW THE TRAIL OF EACH TRANSACTION, FROM BEGINNING TO END

Gain control and visibility over the entire life cycle of each transaction with full insight into cash flow and financial commitments. One Network offers **Source (Procure)-to-Pay services that integrate purchasing, logistics, and financial operations into a single environment**, so you can track each order from beginning to end. Services include supply management, requisition, sourcing, order management, logistics tracking, invoice management, and data feeds to payables (external payment systems).

ORCHESTRATE INBOUND SUPPLY

One Network's Platform, together with its Intelligent Control Tower solutions, offers a comprehensive platform for **managing the flow of parts and components from supply to assembly.** Take advantage of robust workflows for forecasting, planning, collaborating, executing, and delivering material orders. NEO offers early detection alerts for material and logistics issues, as well as ways to identify, resolve, and automate issue resolution.

MEET FLUCTUATING SUPPLY NEEDS AND REDUCE TRANSPORTATION COSTS

Make sure material supply meets fluctuating demand, and reduce transportation costs by maximizing container and shipment use. One Network aggregates demand, source materials, and transportation requirements across the supply chain, offering an **integrated view of supply, demand, production capacity, and transportation** across both internal manufacturing operations and the operations at suppliers and service providers.

CONTINUOUSLY AND AUTOMATICALLY REALLOCATES MATERIALS

Dynamically plan and execute "milk runs"—where consumed material is replenished on a regular basis—according to real-time data. **NEO intelligent agents reduce the risk of part shortages by autonomously matching demand and supply around the clock.** As demand across each facility changes, NEO automatically reallocates materials in transit accordingly.

WORK WITH LOGISTICS PROVIDERS IN REAL TIME, NO INTEGRATIONS REQUIRED

One Network's industry-leading transportation management solutions offers unparalleled visibility for material and logistics planners. The platform **integrates materials management and logistics for inbound, outbound, international, domestic, and cross-border transportation**, offering consolidated views that eliminate the need to manually track shipments via email and phone. Logistics features include global trade document and milestone management, multi-modal and multi-leg shipment visibility, global milestone management, alerting, and third- or fourth-party logistics integration services.

THE PATH FORWARD WITH A DUAL PLATFORM STRATEGY


One Network's platform is a unique "Tunable System of Control" for business planning and execution across multiple parties and systems, leveraging new network technology while empowering legacy systems, to deliver optimal results fast. This enables your team to assign system-of-record responsibility to each state and action in the Network process — either to the ONE business network platform or a legacy application. It's your choice, and the ONE platform enables you to manage end-to-end processes, even as designated steps are still processed by your legacy systems.

We call this a "Dual Platform Strategy", where your business network platform actually becomes the primary platform for planning and operations, and the old ERP monoliths become bolt-ons to the Network for financial processing.


Whether you are working to eliminate technology silos or collaborate more closely with suppliers, the Dual Platform approach ensures that your daily, weekly, and monthly effort is focused on your organization's most important execution objectives, and is done in the most efficient way. In summary, a dual platform strategy enables you to leverage legacy systems without wasting prior investments — while dramatically advancing your capabilities and decision-making with a business network platform.

Transform and lead your industry with One Network

Learn more about One Network for Automotive and Industrial manufacturers:

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