

Business case

Defining the Optimal Value Chain to Develop a Range of New Products for a World Leader in Gas-Based Technologies

PRACTICE

Supply Chain

SECTOR

Energy

DURATION OF THE MISSION

2 months



Our client, a world leader in gas-based technologies, wants to define the optimal value chain to secure the development of its new products range at the European level.

KEPLER offers Activity-Based Cost Analysis to field audits and define target flows, ultimately optimizing the cost of provision and reducing risk.

Context

- Product line introduced to the market in 2010 with a centralized Supply Chain organization
- With 40,000 bottles produced to date, the organization is reaching its saturation point, resulting in a poor service rate for subsidiaries
- The total full cost of provision hampers the product competitiveness in Northern Europe
- The current organization cannot meet resellers demand. Assessed potential: 180,000 bottles in 2-year horizon

Objective(s)

Optimizing Full Costs

- Defining the European Supply Chain target network design



Methodology

1 **Field observations**
and capacity analysis

2 **Full cost**
mapping

3 **Construction of the AS-IS economic model** and "what-if" simulations

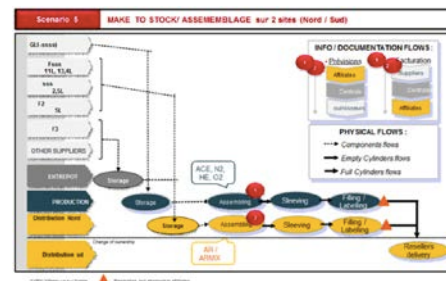
4 **Risk assessment workshop**
and flow accessibility

5 **Recommendations and target**
for information flow

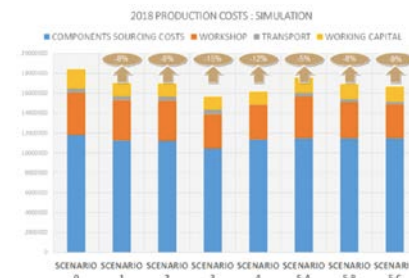
Levers and Tools

- **Make or Buy analysis**
- **Audit of industrial and logistics sites**
- **TCO modeling**

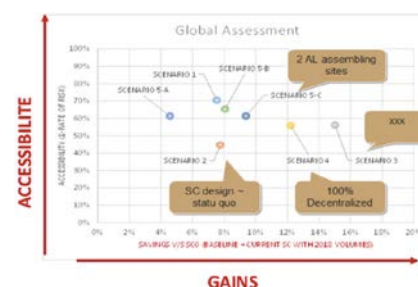
Flow scenario



TCO impact assessment



Scenarios assessment





15% Reduction of
TCO costs

20% **Optimized lead time** for southern subsidiaries

30% **Optimized lead time** for northern subsidiaries

“Defining the target value chain has integrated all the Supply Chain stakeholders, from components suppliers to customers by sales area of the subsidiaries.

The stakes analysis per area has highlighted the interest of a differentiated flow strategy between make-to-stocks and make-to-order.

The PIC / PDP processes have been reviewed accordingly.”

Lysiane Bessonnet

Director, Supply Chain Practice Leader



Our Offices



Visit Us | Kepler-consulting.com



■ USA

159 N. Sangamon Street, Suite 200
Chicago, IL 60607-2201 - USA

usa@kepler-consulting.com

Tél : +1 (312) 371 6198

■ EUROPE

32 boulevard Haussmann
75009 Paris – France

info@kepler-consulting.com

Tel.: + 33 (0)1 44 75 05 35

■ INDIA

#312, DBS Center, 31A, Cathedral Road
Nungambakkam, Chennai
600034 - India

india@kepler-consulting.com

Tel.: + 91 (0) 44 40 50 92 00

■ CHINA

Room 351, 3F, No.135 Yanping Road,
Jing'An District,
Shanghai, 200042, China

china@kepler-consulting.cn

Tel.: +86 (0)21 - 6117 0311



Contact the Author

Lysiane Bessonnet

lysiane.bessonnet@kepler-consulting.com