

SCA Introduces Decision Support Framework to Optimize Supply Chain for Large Electronics Manufacturer

About Eaton

Eaton Corporation is a diversified power management company with 2010 sales of \$13.7 billion. Celebrating its 100th anniversary in 2011, **Eaton** is a global technology leader in electrical components and systems for power quality, distribution and control; hydraulics components, systems and services for industrial and mobile equipment; aerospace fuel, hydraulics and pneumatic systems for commercial and military use; and truck and automotive drivetrain and powertrain systems for performance, fuel economy and safety. **Eaton** has approximately 73,000 employees and sells products to customers in more than 150 countries. For more information, visit www.eaton.com.

Challenge

A large electronic equipment manufacturer faced the challenge of transforming its planning and decision making capability. The company needed a more structured and fact-based approach that facilitated the best possible decisions in a variety of common situations for each of its functional entities (sourcing, manufacturing, distribution, logistics and service organizations.) Individual business entities were using different Excel-based frameworks for performing cost/benefit analysis of key initiatives and for assessing business strategies for success during changing market conditions.

Instead of evaluating multiple strategic options and making informed, fact-based decisions, the manufacturer was losing critical managerial time on ensuring reliability and integrity of its data and assumptions.

“SCAplanner™ enabled the electronic equipment manufacturer the ability to identify the optimal supply chain configuration.”

About SCA Technologies

Since 1999, our predictive cost modeling, optimization and cost management capabilities have **helped our clients reduce their delivered cost of goods sold (COGS) by 3% - 5%, saving over \$250 million each year. Our clients include Fortune 500 companies such as McDonald's, NCR, Church's Chicken, Bama Companies, Baldinger Bakery and H. J. Heinz.** Led by a management team of highly experienced professionals from prominent companies like Xerox, Mobil, JD Edwards, PWC, Heinz and Cartesis, SCA is the only company that combines an integrative and collaborative approach with a powerful *"total cost-to-serve"* methodology. SCA Technologies is headquartered in Pittsburgh, PA with offices in Chicago, IL and Delhi, India.

Solution

SCAplanner™, SCA's predictive, cost-modeling software suite, provided the electronic equipment manufacturer with a single web-based platform that had decision support tools to evaluate various strategies that addressed the needs across different functional entities. This platform had a built-in structure to address:

- Global supply chain scope from source, to manufacture, to warehouse, to international logistics for every stage of product movement
- Financial rigor using activity based costing methods for reliable, optimized decisions that could be applied quickly to any situation

Key Benefits

SCAplanner™ enabled the electronic equipment manufacturer the ability to identify the optimal supply chain configuration and to make decisions considering the following:

- Volume/capacity planning and changes in costs/prices for production factors
- Movement of products/assets between suppliers, plants and customers
- Production approaches such as BTO, BTS or inventory holding such as VMI, DOH
- Changes introduced by suppliers or customers such as lead times and order sizes
- Profitability by products and customer-based on landed costs

For more information on SCA products and solutions contact: sales@scatech.com, or visit our website at www.scatech.com.

© Copyright SCA Technologies LLC 2011. All Rights Reserved.

SCA Technologies
Intelligent Cost Management Solutions

Call us today at **412.937.0600** or visit us at **www.scatech.com**