

CASE STUDY

BLOCKCHAIN FOR SUPPLY CHAIN COLLABORATION

An Autonomous Digital Supply Chain ecosystem that connects the manufacturer and its multi-tier supplier from order tracking, delivery, inspection results comparison and Production part usage (which is also known as Digital Twins) perspective.

VALUE ➤ **Estimated 1 to 5% reduction in CoPQ* and CoCS** due to enhanced part traceability.**



BUSINESS NEEDS

- ❑ Complex part traceability in multi-tier supplier network
- ❑ Increased CoPQ (Cost of Poor Quality) due to frequent part failures
- ❑ Lack of Digital Twin of a finished product leading to supplier identification issues
- ❑ Disparate siloes business systems with limited information exchange leading to collaboration issues
- ❑ High cost of mass product recalls & reputation



STRATEGY & SOLUTIONS

- ❑ The solution establishes part traceability in a complex multi-tier supplier network by establishing proof of delivery, part origin and production part usage between manufacturer and suppliers
- ❑ It leverages Blockchain technology & Smart Contract.
- ❑ It seamlessly integrates with major ERP systems like SAP
- ❑ Tier 2/3/4 suppliers can perform SCM transactions / data upload to establish part traceability



BENEFITS

- Simplified parts trackability in a multi-tier supplier network
- Reduced CoPQ due to increased visibility order, Inspection information availability and its failure rates.
- Targeted recalls due to part / supplier traceability
- Permanent audit trail of a part and its origin there by reducing opportunities for fraud
- Digital Data Trust between parties due to Blockchain technology

*CoPQ: Cost of Poor Quality
**CoCS: Cost of Continuous Services