



NUCLEUS
RESEARCH

JOHN GALT LEADS IN RESILIENCE PLANNING

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THE BOTTOM LINE

John Galt's Atlas Platform offers a comprehensive end-to-end supply chain planning platform helping organizations modernize their sales & operations planning (S&OP) process. The single unified data platform provides a highly flexible modeling framework that can handle different channel, customer, and product variations. By connecting its customer's entire supply chain network, the vendor provides end-to-end visibility over their supply chains. John Galt is well-positioned to drive supply chain resiliency through automated machine learning and advanced analytical capabilities. Interviewed customers reported increased forecast accuracy by 20 percentage points, improved operational cost efficiency, and improved scalability.

OVERVIEW

While COVID-19 is one of the most significant disruptions to impact global supply chains, supply chain shocks and disruptions will continue to occur with frequency. As businesses manage their operations, they find it increasingly challenging to strategize due to a lack of confidence in their supply chain plans. For organizations to be competitive in this new normal, they must improve demand and supply planning capabilities and therefore need to prioritize leveraging data for analytics and machine learning. Companies hoping to access a greater amount of available information should focus on integrating their IT ecosystem to eliminate data silos, digitize business processes to generate data, and undergo cloud transformations to improve the connectivity between customers, suppliers, and various departments. The next step is sourcing technology to enable multiple data sources to generate value-add business insights and automate the decision-making process.

Companies that rely heavily on supply chain or manufacturing processes turn to Supply Chain Planning (SCP) solutions to inform demand and supply planning, channel shaping, and inventory optimization activities. If businesses do not optimize for these critical segments along the supply chain lifecycle, they increase their risk of disruption events, delays, and miscommunications that may halt operations and incur revenue losses from missed opportunities and crisis management. Speaking with SCP vendors and end-users, we have found that COVID-19 has exacerbated traditional supply chain challenges of stock shortages, overstocks, transportation delays, increased regulations, cost overruns, and contract penalties.

John Galt is an SCP solution expert that serves the mid-market and large global enterprises across virtually all industries and has a contingent of Fortune 500 customers. Focusing on alleviating the issues supply chain managers face, the vendor delivers an SCP platform that provides a continuous perpetual planning environment. By automatically integrating internal and external sources into the planning environment, businesses can implement a Sales and Operations Planning (S&OP) process that best matches their needs and priorities. With a heavy emphasis on advanced analytics to support its planning applications' functionality, John Galt is well-positioned to help its customers navigate turbulent markets and continue growing in times of uncertainty.

JOHN GALT ATLAS PLANNING PLATFORM

The Atlas Planning Platform is John Galt's flagship SCP product, a comprehensive end-to-end supply chain planning solution, streamlining the S&OP, supply, demand, inventory, production, sales, and financial management processes. Driving automation for both

planning activities and prescriptive actions is a central aspect of Atlas, and therefore the platform provides the analytics to support decision-making along the supply chain. This is supported by a wide range of internal and third-party data sources, such as weather, telemetry, customer order, point of sale, and historical data, that is carefully managed for quality and accuracy to inform machine learning algorithms. The Atlas platform is built upon a flexible architecture that is highly customizable to match specific use-cases since customers leverage it across a broad range of industries. Ease of integration with the IT ecosystem enables John Galt to incorporate necessary data accurately and in real-time. As customers can integrate and configure all the required data, they can optimize their operations to avoid delays, maximize manufacturing and transportation output, and lower inventory costs.

Since the supply chain is an invariably linked environment, both downstream and upstream events can affect all trading partners along the value chain. Leading SCP vendors onboard their customers' entire partner network to establish end-to-end visibility so that users can adjust to occurrences from the Nth tier of the supply chain. Consequently, Atlas differentiates itself through data management and process automation and visualization to provide a digital twin that guarantees the same record of data across all supply chain partners. This enables S&OP process alignment, forecast accuracy, collaborative planning, and fast planning simulations allowing companies to evaluate different "what-if" scenarios. Once a company is confident that all parties are working with the most up to date data, they can collaborate and synchronize their operations to drive efficiencies that are reflected on the bottom line. In today's high paced environment, where organizations must address disruptions in a matter of hours to remain competitive, this real-time end-to-end visibility to all partners is vital.

Multiple Atlas users report improved forecast accuracy by as much as 20 percentage points.

KEY BENEFITS

Nucleus interviewed John Galt's customers and users of the Atlas Planning Platform to determine the key benefits realized from their deployments, including increased service levels, reduced operational costs, and improved supply chain resilience.

- Improved service levels. As a result of their Atlas deployments, customers reported improved forecast accuracy, which leads to distribution and manufacturing plans that are less prone to exceptions that require human intervention. Automation along the planning process also decreases human error and the associated costs. Employees often experience productivity gains from reduced crisis management and streamlined workflows that free up internal resources that are then diverted to undertake higher value-add tasks.
- Reduced operational costs. Since a supply chain technology transformation is a complex and lengthy undertaking, many enterprises remain on legacy on-premises systems. Those that switch to a cloud deployment stand to benefit from substantial cost savings in retired hardware and server maintenance, upgrade, and IT management costs. For large enterprises, this often equates to hundreds of thousands and potentially millions in annual savings. As service levels improve, users save in avoided contract penalties and expedited shipping costs. More confidence in forecasts and supply chain visibility enables organizations to reduce safety stock levels and optimize inventory cycles to reduce working capital. Further, plans that match supply to demand best maximize transportation and manufacturing efficiency.
- Improved supply chain resilience. By connecting the data streams of all partners, users can be notified of disruptions from the Nth tier of the supply chain, allowing them to tackle issues as they occur instead of waiting for messages to propagate down to the relevant parties. With prescriptive analytics, decision-makers are given multiple AI-generated suggestions so they can address exceptions faster to avoid downstream disruption while still balancing cost and performance. Atlas also has multiple scenario planning and testing capabilities to help supply chain teams prepare for various eventualities and establish backup plans.

USER PROFILES

INDUSTRIAL TOOLS SUPPLIER

This company manufactures power tools and accessories and distributes its products through its online e-commerce portal, third-party retailers, and its own brick and mortar locations. As a longtime John Galt customer, the tools supplier started leveraging solutions for demand planning and expanded its adoption of the Atlas platform through the years. Part of this increased investment with John Galt was establishing an S&OP process. Since the company was not previously utilizing forecasts, it was essentially managing

manufacturing and inventory activities in a blind approach, reacting to demand changes and supply chain events only after they become issues.

Once the supplier consolidated all its SCP activities onto the Atlas platform, it could stabilize its operations by adhering to standardized workflows and inventory schedules supported by more accurate forecasts. As the company reduced the amount of crisis management, confidence in operational resilience grew, and it could pursue growth opportunities. For example, the company formulated plans to maintain its operations with Atlas, including its stateside distribution center, while it transitioned production to China and continuously adds new SKUs to its product line.

Today, the company continues investing in the Atlas Planning Platform, innovating new ways to leverage the platform and address different business segments, such as adding inventory optimization and scenario planning functions. The company's IT team and administrators work with one another to manage the Atlas platform entirely in-house; tasks like adjusting workflows and adding products do not require third-party developers or consultants. Since adopting John Galt, the tools company has grown its business over the past decade, improving forecast accuracy by 20 percentage points, expanding its SKU portfolio by 20 percent, and increasing annual revenue from \$450M to over \$4B. Every few years, the company goes through a vendor evaluation process and has repeatedly confirmed that Atlas Planning is the ideal platform to manage its rapidly growing supply chain. Furthermore, when transitioning to a new ERP system two years ago, the company based its final ERP selection on its compatibility with the John Galt Atlas Planning Platform.

FOOD MANUFACTURER

This international food company generates over \$35B annual revenue and has a wide range of customers and suppliers to support its multiple business lines, including grocery, confectionery, pet supplies, among others. While the company had a supply chain management (SCM) solution to manage its larger market segment, its mid-market divisions were never digitized, meaning supply chain teams handled daily operations through Excel and pen and paper processes. This led to inefficiencies along its smaller markets that were accruing high costs when aggregated. The food company launched a demand planning software adoption initiative for the business lines not covered by its primary solution. Conducting an evaluation process with multiple vendors, the company selected John Galt and went live with the Atlas Platform a few months later. John Galt's selection boiled down to the vendor's expertise in the mid-market and because it could easily integrate within an enterprise-grade organization with multiple international offices. The Atlas Platform could easily manage geographical segments to tackle divisional gaps within the supply chain.

One of the immediate benefits of transitioning off Excel and onto a dedicated SCP solution was standardizing business processes, which led to cost savings from improved operational

efficiency. Improved demand, supply, and inventory planning led to more efficient inventory cycles and increased fill rates. Onboarding to a cloud solution enables continuous automatic updates to avoid repetitive channel upgrade processes, which frees up internal IT and supply chain team resources. Having all SCM processes managed through a single platform gave the food company the ability to synchronize dynamic global demand with variable supply, improve support for promotional demand, and gain a global view of KPIs. Additionally, the company found Atlas scalable to their global operations because it extended John Galt's reusable components to address other business lines, increasing deployment speed and accelerating time-to-value. With the organizational agility to capitalize on new market segments faster than its competitors, the company is driving revenue across over 60 countries due to its Atlas deployment.

OIL AND GAS COMPANY

This oil and gas company is a longtime player in the energy industry and relied on a patchwork of homegrown solutions to deliver natural gas to its customers. Its legacy solutions were outdated as forecasts were inaccurate; it would over forecast demand in the summer and under forecast in the winter. The company prioritized data centralization and integration for its solution selection, recognizing the need to transition off its disjointed solution environment. Therefore, the gas company knew it needed a comprehensive platform to consolidate its SCP activities to breakdown data silos because planning for a single route on its legacy system often took a full day incorporating information from multiple sources. Logility and John Galt were the two remaining RFP candidates remaining on the shortlist. Ultimately, the company's decision to select John Galt was because the Atlas Platform presented information from a detailed customer view instead of an individual SKU-based approach that matched their business model best.

Once the gas provider went live with its Atlas deployment, it centralized and integrated data across its various departments, business lines, and enterprise applications to improve its forecasting capabilities. The company developed demand forecasts with more granularity across different geographical segments and customer types. In total, forecast accuracies have increased from between 65 to 75 percent to between 85 to 95 percent. The improved accuracy has enabled the company to optimize its gas distribution process for recurring cost savings and employee productivity gains. Furthermore, Atlas has enabled the company to automatically feed distribution plans underpinned by forecasts to the routing system for additional operational performance improvements. Upper management has also expressed satisfaction with Atlas's business intelligence tools to support decision making. It now plans to expand the platform to other business divisions, given how easy it is to customize and extend the technology.