



Research In Motion: Enabling a Responsive, Demand-Driven Supply Chain

“The key is to have visibility in demand, and having the right data and the right tools to quickly and effectively respond. That’s what RapidResponse is giving us.”

— Dany Toniutti, Outsourcing Program Manager, Research In Motion

Research In Motion (RIM) Limited, maker of the BlackBerry®, is experiencing significant growth in volume output, staffing, and manufacturing infrastructure. The combined pressures of a rapidly expanding customer base and shortened product lifecycles have led the company to add more contract manufacturers to the supply chain, which means that more complex decisions need to be made in less time. Its existing software was not up to the challenge, so the implementation of a decision support tool was essential to ongoing success.

The RIM Challenge

The remarkable success RIM has experienced in recent years has created a unique set of challenges. “We’ve introduced seven new models in the last 18 months,” says Dany Toniutti, outsourcing program manager for RIM. “The average lifecycle of these products has gone from just over two years to less than a year, and in some cases, less than six months.” The company’s product portfolio has also become increasingly complex, from 18 possible end configurations in a few basic models to more than 100 possible combinations in seven different product lines. “We have to properly plan these introductions, since many of our higher-cost components are product-specific and could easily become excess inventory.”

Handheld manufacturing has soared 310 percent in just two years and continues to grow. Keeping up with such growth has been difficult. “Our supply chain has increased from a single fully integrated manufacturing site to six sites utilizing two contract manufacturers in six different countries,”

Toniutti says. Aggressive ramp rates, often executed from multiple manufacturing locations simultaneously are further complicated by more than 200 engineering changes each month. “With so many changes we need to be very careful about how we introduce them, especially with our contract manufacturers,” explains Toniutti.

Decision-making overall has become much more difficult. “Because of the increased complexity, it isn’t always obvious to any single individual what the implications of those decisions will be across the supply chain,” Toniutti points out. The company was also finding it harder to stay on top of the cumulative effect of its order commitments. Staff needed faster, more accurate answers to questions such as what would happen if one carrier’s order was pushed out before another’s or how to best handle order increases of 50 percent or more for multiple carriers in different geographies. The spreadsheet-based methods RIM had been using weren’t effective in this environment. Too much time was being spent firefighting.

Future Plans

RIM looks forward to using RapidResponse™ for demand and supply planning. “Right now this is a monthly cycle of consolidating demand and then building a supply plan to meet that forecast demand,” Toniutti says. “We anticipate that the ability to rapidly simulate supply options will help us select the best possible plan.”

Connectivity with customer data will also provide a more interactive understanding of customer demand. “This will

help us better collaborate with our customers and give us a much better picture of demand than we can expect to see now," he says.

The company also plans to use some of the more specialized RapidResponse options, including the constraints manager module and the engineering change order excess analysis.

The Kinaxis Advantage

RIM turned to response management and Kinaxis Rapid Response as the solution to these issues. Having only recently implemented the solution, RIM has already gained a wide range of valuable capabilities, and expects to realize more benefits in the months ahead.

So far, the system has been implemented for in-house manufacturing, with daily feeds of information going from SAP into RapidResponse. "We've established connectivity with one of our outsourcing partners, and our second one is imminent," Toniutti says. These connections provide a more comprehensive view of the supply side of RIM's supply chain.

"In RIM's case, this breadth of data is not available in any other formal system," Toniutti says. "We anticipate that our commodity managers, master schedulers, outsourcing supply specialists, and finance personnel will all be able to use this information to understand what's happening across the supply chain and make better decisions."

The decision-making process has also been accelerated. "We need to be able to investigate different ways to resolve issues very quickly and see what the impacts will be on materials, costs, and customer satisfaction," says Toniutti. Ease and speed of simulation encourages people to try out more possibilities. As well, RapidResponse's scorecarding capabilities provide a multidimensional assessment of any given alternative, ensuring that staff can make objective decisions as opposed to gut-feel reactions.

A significant byproduct of using RapidResponse has been report generation. Getting reports out easily and quickly has been a huge benefit for all parties, especially the corporate IT group. And reports are being created that offer unique insight and facilitate processes that weren't originally intended as an application for RapidResponse.

Also important, the Excel-like interface of Rapid Response is making training easier, improving retention and reducing resistance to using the new tools. User-friendly online procedures help RIM personnel remember how processes should be done while providing a mechanism to share best practices.

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ABOUT KINAXIS

Kinaxis delivers a comprehensive on-demand supply chain offering—RapidResponse—that enables manufacturers and brand owners to drive supply chain management (SCM) and sales and operations planning (S&OP) from a single system. Global leaders across a broad range of industries are using RapidResponse as a decision-making hub for the broader value chain and are realizing a competitive advantage as a result. Large manufacturing companies with complex supply chain networks and volatile business environments rely on RapidResponse for collaborative planning, continuous performance management, and coordinated response to plan variances. Learn more about the RapidResponse editions, or join the industry discussions on the Supply Chain Expert Community at: <https://community.kinaxis.com/>.

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