



## Order promise efficiency and demand responsiveness



With a global manufacturing footprint and inherently complex supply chains, Celestica turned to RapidResponse to establish a global standard for available-to-promise and clear-to-build capabilities.

As a global enterprise, Celestica has operations in Asia, the Americas, and Europe. Likewise, Celestica customers also operate from various geographies. Often times, there will be different Celestica sites around the globe that ultimately serve the same customer, creating a complex network of interactions. In addition, Celestica's customers work in a highly dynamic environment, and, as such, Celestica needs to be able to respond quickly to changes in end-market demand.

In this volatile environment, there are obvious challenges to synchronizing supply chains so that all sites are coordinated in their processes, and can cleanly interface with each other. Celestica was looking for a solution that would allow them to establish one global standard for available-to-promise (ATP) and clear-to-build (CTB) capabilities.

Previous to leveraging Kinaxis<sup>®</sup> RapidResponse<sup>®</sup>, Celestica had a variety of ATP and CTB capabilities. However, there was a need for the company to improve its level of analytics and reduce planning latency. With a spirit of continuous improvement, increasing the speed with which information can be processed and shared will always be a highly valued initiative for the company.

Celestica is committed to responding to a customer request as quickly as possible. For example, if Celestica is asked to assess if they can absorb a short-term increase in requirements for a particular product, the answer can't just be to include a best available date for that product, it must be a comprehensive assessment of how that might affect other products that share the same material.

Kinaxis offered the necessary ATP and CTB capabilities, and with a superior level of speed, flexibility, and scalability, thus RapidResponse could better support the company's internal planning teams and their respective customer accounts.

## THE CUSTOMERS

Celestica has taken a strategic approach to rolling out RapidResponse, focusing on customer accounts that are larger, with characteristics that provide a more acute need and thus, could benefit the most.

Celestica will continue to deploy RapidResponse for additional customer accounts over the course of the rest of this year and into 2013.

### The goals

With a global manufacturing footprint and inherently complex supply chains, Celestica sought an opportunity to:

- ▶ **Standardize and optimize available-to-promise and clear-to-build capabilities across operations**
- ▶ **Facilitate the speed and effectiveness of how each site communicates with each other**
- ▶ **Improve responsiveness to the customers with clear and complete answers**

## The RapidResponse solution

The main users of RapidResponse at Celestica are from the supply chain community, specifically the planning teams involved in planning material for builds, as well as the community that assesses, from a material standpoint, commit dates to customers. Buying teams can also be involved in certain scenarios.

RapidResponse gives Celestica the ability to take a customer requirement and do a comprehensive assessment of

(a) can they meet that request

(b) and if they can meet that request, what impact would that have on other commitments that they have made that draw on shared material.

With deep “what-if” analysis capabilities, RapidResponse enables the company to answer these questions with the level of speed and accuracy that Celestica demands of itself and quite rightly, what their customers expect.

With previous tools, a typical turnaround time for a complicated clear-to-build assessment could often take six hours, and that might extend into one or two business days if there were more than one site involved and specific coordination needed to happen between each. Today, clear-to-build assessments with RapidResponse are happening in less than an hour. This has been an important value proposition for Celestica. RapidResponse can get the needed information in a fraction of the time, and at a level of detail that was difficult to achieve previously. Overall, the challenge of undertaking “what-if” scenario analysis to assess customer requests has been dramatically reduced.

## Results that speak for themselves

Since using RapidResponse, Celestica has seen positive performance results across a number of measures.

They have realized an approximate 15% gain in efficiency in its supply chain planning functions. Celestica operates Customer Focused Teams (CFT) – a group of staff across disciplines (planners, buyers, manufacturing engineers, etc.) that collectively serve a particular customer account. In its first account to go live with RapidResponse, the CFT’s supply chain planning function achieved a decrease of approximately 35 hours a week.

Another good example of time savings as a result of reducing daily, manual activities is shortage reporting. Previously, a shortage report took four hours a day to produce

## THE GAINS

- Realized a 15% gain in efficiency of supply chain planning functions. E.g.
  - Reduced clear-to-build assessments from up to 2 days to less than 1 hour
  - Eliminated the need for shortage reporting work, which averaged 4 hours a day
- Freed planners' time to do more value added activities
- Sustained or improved on-time delivery performance

A key success factor in the successful deployment was the readiness of Celestica's processes and systems. High data integrity on Celestica's end facilitated a clean integration and deployment of RapidResponse.

on average. Today, that entire activity has been eliminated as the report is a standard resource in RapidResponse that is automatically maintained. Planners simply log in and open the appropriate workbook.

And while the time savings itself is important, the real benefit comes from freeing up planners' time from doing data gathering and reporting, to do more value added planning and analysis. Leveraging the supply chain staff's skill sets to their fullest is a compelling proposition for the individual, the company and the customer.

The performance level of the company's on time delivery has been sustained, and in some cases increased slightly. This means that in addition to the efficiency benefits that Kinaxis has helped deliver, RapidResponse is providing high quality commit calculations that Celestica and its customers can count on.

Bottom line: Celestica is getting the right information much faster to the delight of the customer.



[www.kinaxis.com](http://www.kinaxis.com)

Kinaxis World Headquarters  
700 Silver Seven Road  
Ottawa, Ontario K2V 1C3  
Canada

tel: +1 613.592.5780  
toll free: +1 866.236.3249  
support: +1 866.463.7877  
fax: +1 613.592.0584  
email: [info@kinaxis.com](mailto:info@kinaxis.com)

## About Kinaxis Inc.

Offering the industry's only concurrent planning solution, Kinaxis helps organizations around the world revolutionize their supply chain planning. Kinaxis RapidResponse, our cloud-based supply chain management software, connects your data, processes and people into a single harmonious environment. With a consolidated view of the entire supply chain, you can plan expected performance, monitor progress and respond to disconnects when reality hits. RapidResponse lets you know sooner and act faster, leading to reduced decision latency, and improved operational and financial performance. We can prove it. From implementation to expansion, we're here to help our customers with every step of their supply chain journey.

This case study is accurate as of the date published and may be updated by Kinaxis from time to time at its discretion.

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