



Meeting customer needs before they arise

Applied Materials is the world's leading supplier of semiconductors and display equipment. The highly specialized nature of its products means its lead time for customer delivery can be unsustainably long. The company's acquisition of Varian Semiconductor Equipment Associates brought with it a tool that helps the company be ready before orders are placed: Kinaxis[®] RapidResponse[®].



At the time of the acquisition, Varian had already made impressive strides in managing its supply chain, responding to questions faster and better meeting customer requests. This prompted a company-wide rollout of RapidResponse.

The Applied Materials challenge

The lead time for many of Applied Materials' products can be up to eight months. Thomas LeBlanc, Demand Management, Master Scheduling and Production Control Manager in the company's Varian Division, knows customers won't wait that long.

“Without RapidResponse, I’d be spending a lot more time with hat in hand asking IT for the next report, or taking a report I already had and trying to monkey around with it in Excel.”

THOMAS LEBLANC
DEMAND MANAGEMENT, MASTER SCHEDULING AND PRODUCTION CONTROL MANAGER,
APPLIED MATERIALS

“I try to figure out what our customers are going to need before they know they need it,” he says. For that, Applied Materials is beginning to engage outside its own four walls with suppliers to extend the analysis of customer requirements.

Before Applied Materials started using RapidResponse, planners and senior management had to rely on the IT team to set up complex inventory queries and produce reports, which could take months. Users could not afford to wait if they wanted to plan and respond with accuracy and confidence.

Applied Materials needed a platform that would provide advance notice if a supplier was over capacity and running behind schedule. That would give the company the chance to implement other options and make sure it could still meet its own deadlines. RapidResponse proved to be the solution Applied Materials needed.

The Kinaxis difference

Applied Materials can now get the information it needs in time to make a difference. The team can respond and course correct when long-range planning misses the mark.

Benefits of using Kinaxis



Advanced planning that reduces lead times



Rapid adjustments for new information



Complex what-next analyses



Easy access to information at all organizational levels



Faster response times



High confidence in overall supply chain responsiveness

It's also enabled them to get answers to unexpected questions with almost no lag time. LeBlanc recalls the company's response to the 2011 tsunami in Japan as an example.

"We didn't know until that day we'd ever need to answer the question: which of our components are coming from Japan?"

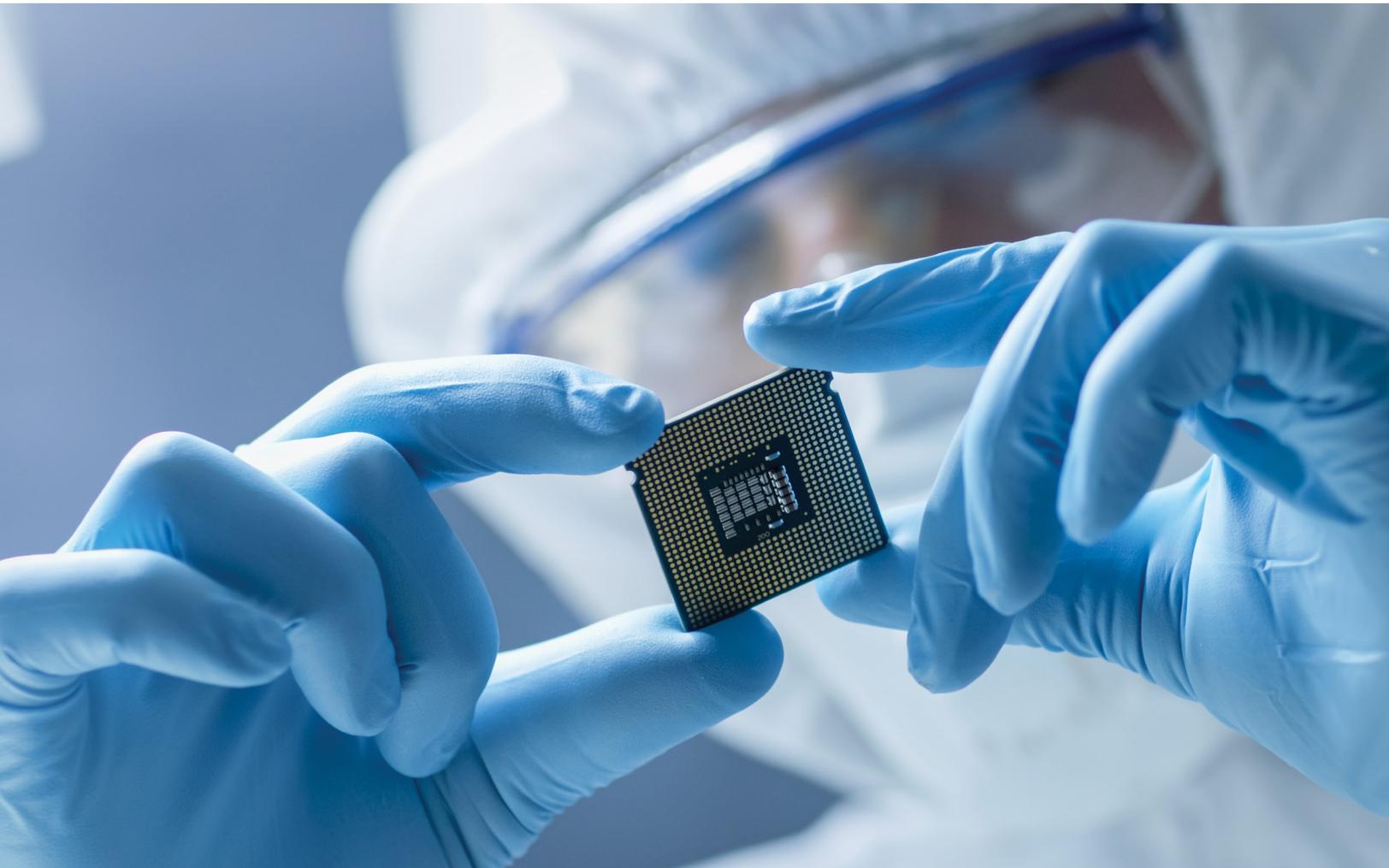
With RapidResponse, they were able to immediately identify where all parts were coming from – and therefore which shipments could be in jeopardy.

LeBlanc says RapidResponse gives the company more agility to deal with tariffs and other manufacturing costs that can affect the profitability of doing business in a given region.

Better information for better service

RapidResponse has also improved Applied Materials' customer experience. Instead of requiring customer care and production scheduling teams to exchange hundreds of emails to clarify whether a customer's request can be accommodated, LeBlanc has developed views inside RapidResponse that allow frontline staff to see the information they need to make the call on their own.

"Now the customer service team can get answers on the feasibility of fulfilling a customer's request directly out of the tool without having to involve master scheduling or supply chain," he says. "That improves their response time and makes for happier customers."





Kinaxis RapidResponse is a much better way to work. Planners are now more productive. They're not waiting to make decisions."

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Results that matter

Thanks to RapidResponse, Applied Materials is confident of its ability to meet customers' demands and timelines even when things don't go as planned.

Because the customer care and other teams can get the answers they need without involving production, everyone is more efficient. Customer service staff are empowered to respond to customer requests quickly. Users can make informed decisions based on performance data in easy-to-use dashboards. And the production team can spend more time getting orders out the door, and less time answering emails and questions. There is a new trust among Supply Chain, Demand Planning and Master Scheduling teams because they are all leveraging the same data.

The Varian Division's long-term use of RapidResponse has enabled it to optimize its alignment with customer requests and commitments.

LeBlanc believes RapidResponse gives Applied Materials a strategic advantage.

"Kinaxis makes all three of the areas I manage more efficient," he says. "I can get the data my employees need, or they can get it on their own directly out of the tool, so everybody's more productive."



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Kinaxis® gives people the confidence to know they're making the best planning decisions to maximize business performance in today's volatile world. Plan for any future. Monitor risks and opportunities. Respond at the pace of change. Our platform blends human and machine intelligence to solve complex planning problems in easy-to-understand ways.

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