

Bayer's Digital Logistics Transformation Improves Operational Efficiency, Asset Utilization, and Customer Service

The Company

Bayer Crop Science (Bayer) delivers agricultural solutions to customers in over 70 countries. Its products include a broad portfolio of high-value seeds, innovative pest management solutions, and digital farming tools while also providing extensive customer service for sustainable agriculture. The company works with a large global network of suppliers and logistics service providers (LSPs) to provide the ingredients required to make its finished products.

The Business Challenge

Bayer could not respond quickly to market changes due to growing volatility in supply chains, transportation challenges, and disparate internal tools and processes across regions. But the seasonal nature of the company's business meant there was little room for error. To better meet time-sensitive customer demands, Bayer needed to standardize its end-to-end transportation processes across 70+ countries and increase visibility into its global network of LSPs and suppliers.

The Solution

With Blue Yonder Transportation Management solutions, Bayer ensured its employees across 50 facilities in 70 countries share consistent transportation practices and business rules. This resulted in more efficient operations with a 4% reduction in logistics cost and a 7% increase in optimized asset utilization.

With the addition of One Network Enterprises, now a Blue Yonder company, Bayer can use the Control Tower to gain end-to-end visibility and be able to make even better data-driven decisions across its network. Together, the two technologies will help Bayer execute a complete digital overhaul of its supply chain.

"We have great expectations that this new platform will support us to improve our customer experience and our logistics operations throughout the entire global supply chain network."

– Johnny Ivanyi, Global Head of Logistics Operational Excellence



How Bayer Is Modernizing Its End-to-End, Global Logistics Operations

In recent years, Bayer Crop Science witnessed increasing volatility on both the supply side and demand side of its business. Everything from extreme weather, material shortage, and transportation disruptions to its own internal processes and systems hindered the company's growth. The seasonality of the agriculture business further complicated matters. But being in the food business, Bayer had to ensure the delivery of the right product to the right place at exactly the right time, no matter what stood in its way.

Enter Blue Yonder

The company's first step was to optimize its transportation and logistics processes across 50 facilities in over 70 countries that were using disparate tools, outdated legacy systems, and manual processes to manage an incredibly complex logistics network.

Blue Yonder is helping Bayer ensure that all its employees share consistent transportation practices and business rules while efficiently supporting the company's growth. "No matter where they are based and what markets they are serving, our employees need to share consistent practices and the same set of analytical tools and fact-based decision-making processes. Our supply chain strategy empowers our employees around the world to act with speed and agility in making logistics and transportation decisions while also guaranteeing that everyone is acting in the best financial interests of our company, based on a shared set of values and priorities," says Ivanyi.

Improved Cost Optimization and Delivery Performance

Using Blue Yonder's digital platform, Bayer modernized its end-to-end logistics operations including route consolidation, load optimization, transportation analytics, and procurement automation. As part of this initiative, Bayer also streamlined routine carrier bidding events, reduced time to conduct bid

analysis, and enabled complex scenario modeling to ensure the most cost-effective strategy is selected for all new contracts. The result was a 4% reduction in logistics cost and a 3% improvement in on-time delivery and carrier performance tracking metrics.

Improved Asset Utilization and Customer Experience

The modernization enabled Bayer's planners to leverage Blue Yonder's advanced technologies in mobility, data tracking, and geo-mapping, increasing their ability to make real-time decisions that maximize responsiveness.

The best part is the impact on customer service. Integrations with track and trace platforms have provided real-time delivery information so customer service teams can answer questions in a single phone call, or even be proactive if unexpected changes occur to a delivery.

Supply Chain Control Tower With One Network Enterprises

One Network Enterprises' Control Tower will provide Bayer global supply and logistics visibility, monitoring, predicted shipment ETAs, issue detection, and issue resolution across a complex mix of suppliers, LSPs, and Bayer factories linked by a global multi-modal logistics network. The goal is to unlock value for its entire ecosystem of trading partners and carriers together to achieve common market objectives.

As supply chain volatility continues to increase, Bayer intends to increase its investments in logistics digitalization including robotic process automation (RPA) to redefine non-touch logistics planning, as well as moving from a decentralized planning to a centralized approach that spans its global operations. Blue Yonder is proud to partner with Bayer as it continues to power the global food network.