Driving Automotive Resilience

The new auto supply chain is fueled by AI and built to withstand shocks

Business context and challenge

The global automotive industry has been shifting gears for the last few years, with some difficulty. The slow, uneven transition from internal combustion engines (ICEs) to electric vehicles (EVs) and hybrids makes it hard to accurately match supply with demand, as well as profitably manage production and inventory. Amid demand twists and turns, original equipment manufacturers (OEMs) struggle to pivot effectively across their supply chains—which span thousands of miles and involve dozens of partners.

Compounding this challenge are tariffs and trade regulations, materials shortages, rising operating costs, and consumers' increasing expectations for connectivity, autonomous driving functionality and vehicle personalization. Increasing competition and new, direct-to-consumer sales models are further shaking up automotive supply chains.

The problem is complex, but the answer is surprisingly simple: Automakers and their partners need to transform their supply chains for today's transformed world. They need to replace slow, error-prone manual analysis with the power of artificial intelligence (AI), real-time connectivity and decision automation. They need to analyze real-time, end-to-end data from across the network and respond in real time—in an orchestrated, intelligent manner.

In short, they need to drive resilience and future-proof their supply chains for whatever comes next.

Metrics

As the #1 provider of supply chain planning solutions for automotive, Blue Yonder is proven to deliver:

- Forecast accuracy by **93%**
- Lower freight costs by **75%**
- Inventory reductions by **30%**

Key benefits

- A more accurate, more dynamic match between demand and supply
- Real-time connectivity, visibility and collaboration across multiple supplier tiers
- Faster, smarter, more orchestrated responses to disruption
- Lower inventories and less working capital
- Improved revenues and margins
- Decreased risk exposure

The Blue Yonder solution

How can automotive supply chains navigate today's turbulent terrain—and leave competitors in the dust? The solution is Blue Yonder.

Blue Yonder uses AI, data science, real-time connectivity and multi-enterprise collaboration to drive more resilient,

constraint-aware and opportunity-aware supply chains. Because multiple n-tier enterprises share the same real-time data, all participants can make smart decisions that are informed by facts—and executed across the network in a synchronized manner.

The result is a more agile, adaptable approach to end-to-end planning and execution—from sourcing and production through storage, transportation and the aftermarket. Planning and scheduling are optimized not only for the OEMs who make finished vehicles, but also for the suppliers of individual parts, raw materials, assembled components and aftermarket accessories.

With a holistic view of the entire supply chain, from raw material extraction to final product delivery, partners can collaborate to ensure a reliable product supply, master disruptions, and precisely meet market demand across products, models and regions.

Orchestrating the flow of thousands of parts from multiple supplier tiers, to satisfy diverse global demand, can be a

logistical nightmare. But Blue Yonder turns it into a dream scenario—and a significant advantage—for those OEMs and their partners who are bold enough, and innovative enough, to master this challenge.

Capability offerings

Responsive, dynamic transportation and distribution are key to driving increased supply chain resilience. Blue Yonder helps you improve your collaboration with logistics providers, as well as profitably bring logistics in-house. You'll gain greater control over your logistics operations, reduce freight costs and lower CO_2 emissions, while still serving demand.

Making configure-to-order a reality

Traditional automotive supply chains rely on a make-to-stock, push-based model that requires holding 60 days of inventory to hedge bets against upward demand shifts. The downside? Aging vehicles and high capital investments. Blue Yonder enables a hybrid model that considers both the push of production and the pull of demand. This configure-to-order model covers all elements of ICE, EV and hybrid vehicle production.

Next-gen sales and operations planning

By directly connecting sales and operations planning with execution, Blue Yonder enables a connected and responsive supply chain where the sales team drives orders—but those orders are rationalized with real-world execution costs and constraints. Production decisions are more profitable, synchronized with real-time orders across volume planning, mix planning, slotting, sequencing and detailed scheduling.

AI and agile supply chains

Given today's industry volatility and complexity, AI is the only way to enable agile auto supply chains that respond rapidly to change. Blue Yonder's solutions are AI-powered

to enhance operational efficiency and enable quick adjustments to disruptions and surprises. You can use AI to drive agility as your supply chain autonomously adapts to demand fluctuations, logistics roadblocks, inventory imbalances and other events.

Sustainably abundant supply chains

Blue Yonder solutions support waste reduction, lower emissions and resource optimization, promoting environmentally responsible operations. You can seamlessly integrate sustainability into every aspect of your supply chain, from planning to execution, to optimize resource use, minimize environmental impacts, and ensure compliance with regulations and corporate objectives.

Key solutions

- Network Design and Utilization
- Integrated Business Planning
- Demand and Supply Planning
- Advanced Planning and Scheduling
- Order Promising and Optimization
- Allocation and Replenishment
- Order Management and Commerce
- Supply Chain Command Center
- Sustainable Supply Chain Manager
- Transportation Management (TMS)
- Warehouse Management (WMS)
- Warehouse Labor Management (WLM)
- Order Management (OMS)
- Returns Management (RMS)
- Blue Yonder Network
- Blue Yonder Platform

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