Quality and Security of Supply: Go for Configurable Products...

Olivier YULZARI – Director SCM Fluid Management Technology (FMT)
AGENDA
1. Why to go to configurable products?
2. Marketing Strategy & definition
3. SOS within SSB plants
4. SOS Approach with our FMT Suppliers
5. Quote to Ship Process
6. Conclusion & Outlook
Why to go for Configurable Products?

As other industries, Automotive, Aeronautic, Whites goods, ... our business follows this trend to accelerate our flows from Quotation to Deliver.

This Marketing / R&D / Engineering approach helps to anticipate all requirements in our business like:

- defining components and functions to be added in the configurator
- validating components and assemblies to provide better Quality
- creating progressive dedicated lines to provide higher Reactivity
- using validated Suppliers to ensure Security of Supply
2 – Marketing Strategy and Definition
Marketing Strategy:
Quality by «configurated» design

Offer a wide range of **Configurable** Single Use Solutions based on **validated** components & proven & robust functionalities.

Use **Most commonly used components** and solutions in the market **FOR**

- Compatibility with end user process requirements
- Faster design turn around times & delivery times
- Cost effective solutions
- Quality by Design & Enhanced Service
- Robust proven solutions

**Enhanced QUALITY & SECURITY OF SUPPLY**
A configurable Product is a product designed by Mktg & R&D which includes several options.

The product could be configured by sales in front of the Customer via the Product Configurator (Encoway software tool)

This product is manufactured on demand, on standard production lines and available for all customers
<table>
<thead>
<tr>
<th>Standard Flexel®</th>
<th>Top Line</th>
<th>Bottom Line</th>
<th>Volumes</th>
<th>Standard Palletank®</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Flexel® for Palletank®</strong></td>
<td><strong>Top Line 1</strong>&lt;br&gt;Sil. $\frac{3}{8}$ &quot; x 11/16&quot; 0.5m/1.5m MPX&lt;br&gt;Sil.+TPE $\frac{3}{8}$ &quot; x 3/4&quot; 1.5m MPX&lt;br&gt;Sil.+TPE $\frac{3}{8}$ &quot; x 3/4&quot; 1.5m 0.2mm filter&lt;br&gt;Sil.+TPE $\frac{3}{8}$ &quot; x 3/4&quot; 1.5m 0.1mm filter&lt;br&gt;<strong>Top Line 2</strong>&lt;br&gt;Sil. $\frac{3}{8}$ &quot; x 11/16&quot; 0.5m/1.5m MPX&lt;br&gt;Sil.+TPE $\frac{3}{8}$ &quot; x 3/4&quot; 1.5m TC1.5&quot;&lt;br&gt;Sil. 3/4&quot; x 1.1/8&quot; 1.5m TC1.5&quot;&lt;br&gt;<strong>Top Line 3</strong>&lt;br&gt;Sil.+TPE 1/8&quot;x1/4&quot; 1.1m Needleless port</td>
<td><strong>Bottom Line 1</strong>&lt;br&gt;Sil. $\frac{3}{8}$ &quot; x 11/16&quot; 0.5m/1m MPX&lt;br&gt;Sil.+TPE $\frac{3}{8}$ &quot; x 3/4&quot; 1.5m TC1.5&quot;&lt;br&gt;Sil. 3/4&quot; x 1.1/8&quot; 1.5m TC1.5&quot;&lt;br&gt;<strong>Bottom Line 2 (1000L)</strong>&lt;br&gt;Sil. $\frac{3}{8}$ &quot; x 11/16&quot; 1m MPX</td>
<td>100 L 200 L 500 L 1000 L</td>
<td>Palletanks® for storage (100-500L)&lt;br&gt;Palletanks® for in-process fluid handling (100L-3000L)&lt;br&gt;Palletanks® for shipping (100-500L)</td>
</tr>
</tbody>
</table>
3 - Security of Supply within SSB plants
SSB FMT Facilities

AUB: 3000sqm CR - 350 emp

TUN: 900sqm CR - 100 emp

CRD: 900sqm CR - 100 emp

LDS: 80sqm CR - 25 emp
### SOS between FMT plant

<table>
<thead>
<tr>
<th></th>
<th>Extrusion EVA</th>
<th>Bag EVA ...</th>
<th>DDS Assembly</th>
<th>FLEXBOY Assy</th>
<th>FLEXEL Assy</th>
<th>ATS Bag Assy</th>
<th>STR Bioreactor</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUB</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>CRD</td>
<td></td>
<td></td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MHA</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>LDS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✔</td>
</tr>
</tbody>
</table>

*Note: The diagram shows the SOS connections between different components of the FMT plant.*
4 - Security of Supply with our FMT suppliers
In SSB, we had separated Purchasing and SCM:

- **Purchasing**: (Extract of purchasing mission within SSB)
  
  - to select Suppliers and guarantee that purchases are consistently made with best conditions of cost, lead time, quality and security for the customer’s benefit.
  
  - to contractualize of these basics: Notification of change process / material / discontinuation, Warranty of supply up to 2 years continuity of supply

- **Supply Chain**: to procure raw materials and develop Collaborative planning for shorter lead time and batch size.
### Progressive implementation
SOS Contracts policy

<table>
<thead>
<tr>
<th>Year</th>
<th>Nb Contracts</th>
<th>% of standard component</th>
<th>% of volume used in our products</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>5</td>
<td>25%</td>
<td>50%</td>
</tr>
<tr>
<td>2010</td>
<td>18</td>
<td>55%</td>
<td>75%</td>
</tr>
<tr>
<td>2011</td>
<td>30</td>
<td>73%</td>
<td>&gt;90%</td>
</tr>
<tr>
<td>2012</td>
<td>50</td>
<td>90%</td>
<td>&gt;99%</td>
</tr>
</tbody>
</table>

**Short term**: Collaborative Planning with these major suppliers for shared stock strategy

**Long term**: Core base suppliers helps all of us for a better SOS
5 - Quote to Ship Process
Quote-To-Ship Process:

Instant configuration & quotation in just one face-to-face meeting with our Sales Rep

Use functions & application questions to select the best solution.

Save sourcing & production preparation times

Generate all information for order processing, manufacturing and delivery.

- Technical Drawing (TD)
- Bill Of Materials (BOM)
- Order Reference Code (ORC) - Price
Example of Configure To Order Line FLEXBOY
Conclusions & Outlook

Go for Configurable products

for

more security of supply and higher quality speed, flexibility, price competitiveness,