

Leading Organizations using Supply Chain as a Competitive advantage

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**A L C O T T
G L O B A L**

The supply and consumption base is not created equally between nations.



Top exporters and importers: 2012 vs 2022

	% Share in world exports	
	2012	2022
China	11.1	14.5
US	8.4	8.3
Germany	7.7	6.8
Netherlands	3.0	3.1
Japan	4.3	3.0
South Korea	3.0	2.8
Italy	2.7	2.7
Belgium	2.4	2.6
Hong Kong	2.7	2.5
France	3.0	2.5
Others	51.7	51.2

	% Share in world imports	
	2012	2022
US	12.6	13.3
China	9.8	10.7
Germany	6.3	6.2
Japan	4.8	3.6
UK	3.7	3.2
France	3.6	3.2
India	2.6	2.9
South Korea	2.8	2.8
Netherlands	2.7	2.7
Italy	2.6	2.6
Others	48.5	48.8

We are in a multipolar world

Regional trade agreements (RTAs) are 50 % of international trade today, operating alongside global multilateral agreements under the WTO

Asia-Pacific Economic Cooperation (APEC):

European Union (EU):

USMCA (replacing NAFTA)

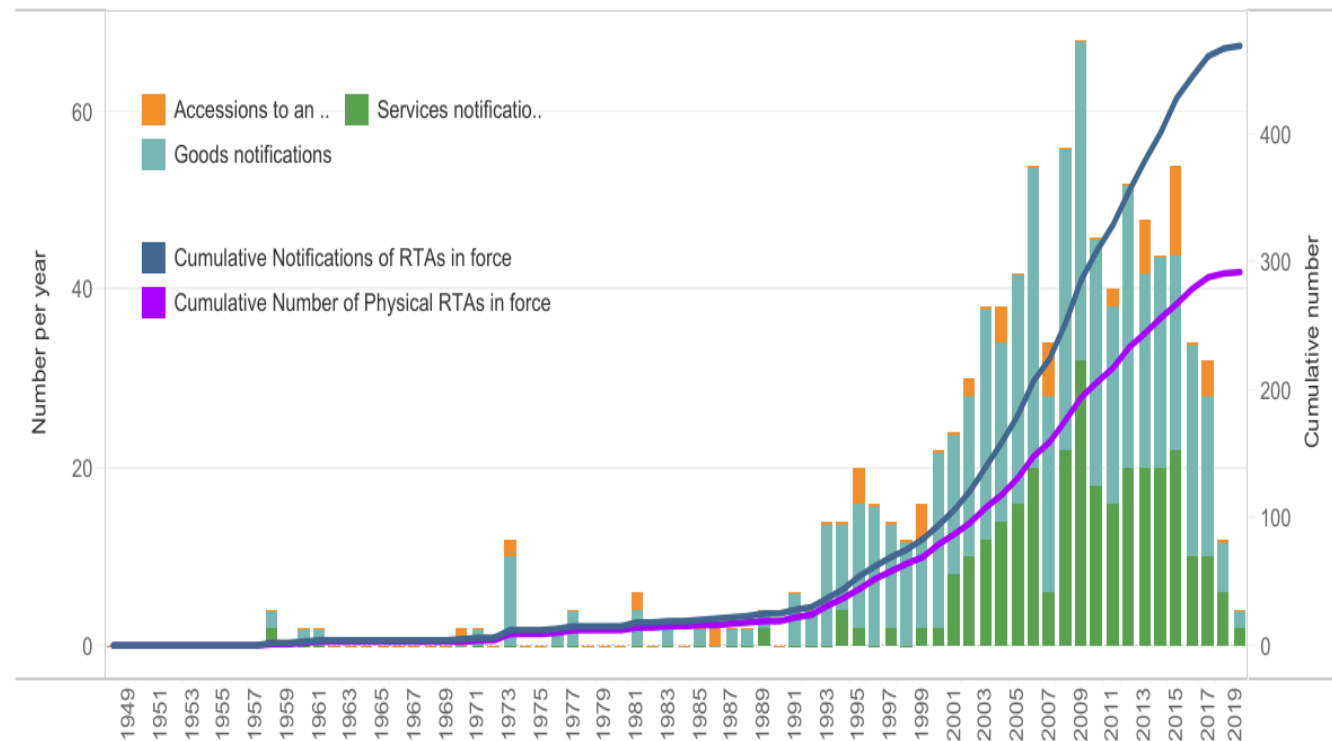
Association of Southeast Asian Nations (ASEAN):

Common Market for Eastern and Southern Africa (COMESA):

Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

Economic Community of West African States (ECOWAS)

Evolution of regional trade agreements over time



WTO, Regional Trade Agreements Information System (RTA-IS), Extracted on 28/01/2019, Evolution of physical RTAs

Dollar dominance in Global Trade

Forex turnover by currency: % share

	2002	2005	2008	2011	2014	2017	2020	2023
USD	90	88	86	85	87	88	88	88
EUR	38	37	37	39	33	31	32	31
JPY	24	21	17	19	23	22	17	17
GBP	13	16	15	13	12	13	13	13
CNY	0	0	0	1	2	4	4	7
AUD	4	6	7	8	9	7	7	6
CAD	4	4	4	5	5	5	5	6
CHF	6	6	7	6	5	5	5	5
HKD	2	2	3	2	1	2	4	3
SGD	1	1	1	1	1	2	2	2

Fundamentals supporting Dollar's dominance in global FX markets

A. International role of the US dollar¹



B. US dollar share of official foreign exchange reserves



- Use as a **vehicle currency for FX transactions**: non-US dollar currency pairs are not exchanged directly but via the dollar.
- **USD dominates offshore funding markets**, where entities raise foreign currency debt. Around half of all international debt securities and cross-border loans in these markets are USD-denominated.
- Popularity in **international trade**

**A supply chain
is the backbone
of your
business
system.**



Is supply chain a
Cost Centre or a
**Revenue
enabler**?

Your answer will
decide where it
reports into!



**Is your supply chain
global, regional or
local?**

**What are your
assumptions?**



CEO Variables to judge a Supply Chain

- **Cost to serve**
- **Service**
- **Quality**
- **Safety**
- **Speed**
- **Scale**
- **Resilience**



Data silos hurt supply chain effectiveness.

Single accepted data point

**Creative Interpretations
between departments**

**A collaborative , honest
company**

Multiple accepted data points

Department SILO fights

Strong arm leadership

Many versions of the Truth

One Version of the Truth



Many companies do not have an honest S&OP in place

Variables for a S&OP

- **Optimism in Sales**
- **Variating in Marketing**
- **Inventory in Finance**
- **Receivables for the partner**
- **Responsiveness of ecosystem**
- **Faith in new launches**
- **Inventory in the chain**
- **Incentives to buyers**
- **Capacity utilization cost /non utilization cost**



The team that drove S&OP in PepsiCo India – Brand Freshness

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Inventory is a bad word in any chain irrespective of margin.

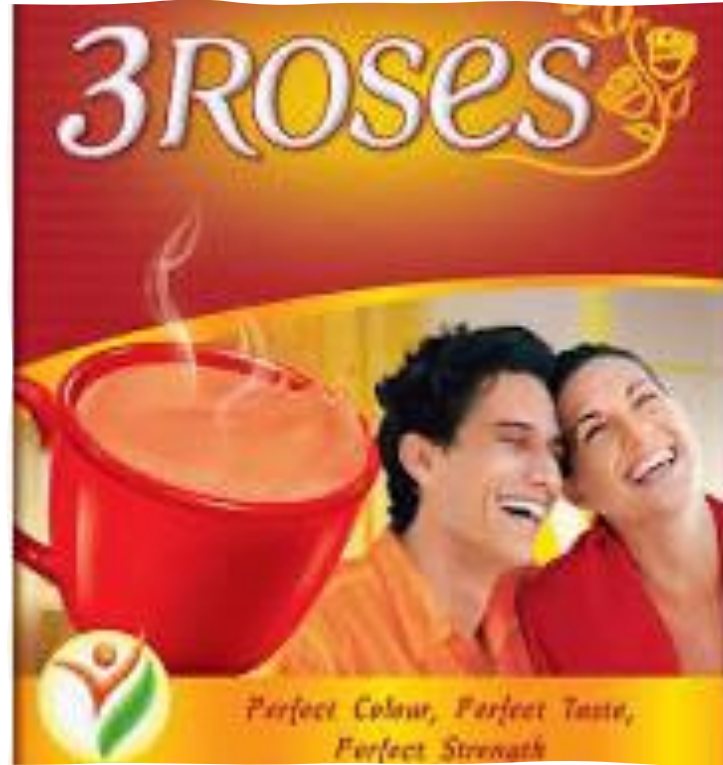
The thinner the margin, **zero is the needed inventory.**





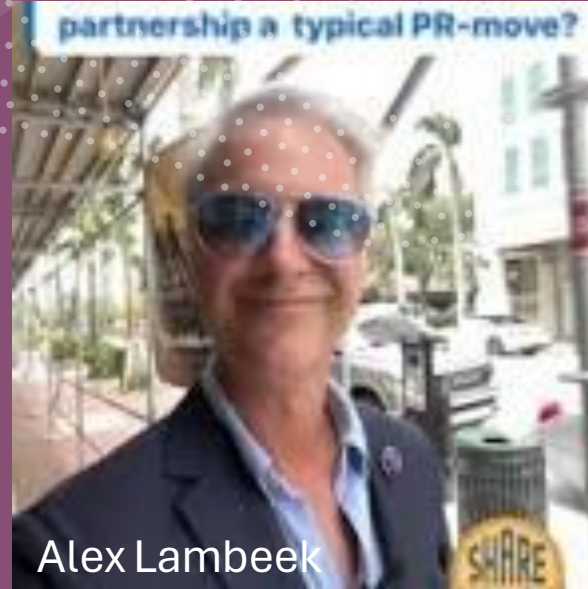
Price Erosion Warning

**Motofone F 3 - A
million Units Inventory
at \$ 32 a unit killed
Motorola India in 2007**



Direct to Hot Tea Shop Model 1995

Nokia GVM - Guaranteed Volume Model





**It's not a supply
chain, it's a
supply web!**

Future of Supply Web

The future of supply chains will be all about navigating a complex and dynamic environment.

Tech Takeover

AI, Machine Learning, and IoT will optimize processes, predict demand, and track goods. Robotics will automate tasks for efficiency and safety.

Resilient & Sustainable

Transparent chains will identify risks. Companies may move production closer (on-shoring/near-shoring) for agility and prioritize eco-friendly practices.

Customer Centric

Customization and faster delivery options (like same-day) will be crucial.

Partnerships Win

Strong supplier relationships and seamless data sharing across the chain are essential.

Future Workforce & Rules

Developing a skilled workforce and adapting to evolving regulations will be key.

My 5 messages for you

1. **Supply web is a strategic advantage, it determines your resilience**
2. **S&OP is the backbone of that resilience**
3. **Be proactive , not reactive in managing the supply web**
4. **Nationalism is here to stay – Taxes, barriers**
5. **The short term is a given but LONG TERM is your necessity**