Supply Chain or Supply Network?

Scott Lubeck, Executive Director
Book Industry Study Group, Inc.
BISG: Improving the Ratio of Signal to Noise for an Industry in Transformation
Traditional supply chain model
The puzzle we’re now solving...

Illustration taken from:
The Math Book: From Pythagoras to the 57th Dimension
by Clifford A. Pickover, Sterling Publishing
Supply Chain to...

Customer-driven process

Content

Customer
Customer Intimacy

Top concern of chief supply chain officers

*Insight:* Customers continue to have aggressive demands for differentiated products & services

We must combine SCM with CRM... get supply chain staff thinking in terms of a commercial customer mindset. *Bringing the customer perspective into all facets of SCM will push us to further supply chain excellence.*

What are the most significant challenges in bringing new products and services to market?

- Correct identification of customer needs: 67%
- Reducing time-to-market: 62%
Tech-centric view of the cube

- POD
- CRM
- XML
- metadata
- Digital Strategy
- e-books
- DRM
- RFID
- mobile devices

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The customer-centric view

- Customer-driven product development
- Customer data
- Customer intimacy
- Customer requirement
- Customer Strategy
- Customer workflow
- Customer empowerment
- Customer delight
- Customer transparency
The Customer View
There is no technology silver bullet

- Why not?
- Isn’t there a solution for everything?
- But we need to be systemic thinkers
- The problem is systemic
Magical thinking

SIR RICHARD BRANSON AND AL GORE ANNOUNCE A $25 MILLION GLOBAL SCIENCE AND TECHNOLOGY PRIZE
Adopt an agile method

Principles of agility

- Identify what’s core
- Be process aware
- Implement standards
- Adopt best practices
- Be disciplined
- Obey the data!
Why agility matters

Velocity
- Changing business rules
- Changing processes

Flexibility
- New data requirements
- Global reach

Opportunity
- New channels
- New formats

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Technologies that support customer-centric strategy

- Content architecture:
  - XML repositories
  - Taxonomy dev and management tools
- Business rule engines
- SOA
- Data warehousing
  - Data integration
  - ETL tools
- Business intelligence tools
- Tech that make processes transparent
Technologies that don’t

- ERP
ERP project costs cited in jeweler's bankruptcy filing

January 14, 2009  (IDG News Service)
Chris Kanaracus

A Colorado-based retail jewelry chain that filed for Chapter 11 bankruptcy protection on Monday has partly attributed the move to rampant cost overruns and functionality problems on an ERP software implementation, according to a court filing.
Technologies that don’t

- ERP
- Print-centric systems: single purpose
Print-centric systems

The major drag on agility is the print centricity of our systems and processes across the board: from print-destined editorial and production processes to print-based transaction systems.
Technologies that don’t

- ERP
- Print-centric systems: single purpose
- Legacy systems: spaghetti-ware
The most frightening of all
Technologies that don’t

- ERP
- Print-centric systems: single purpose
- Legacy systems: spaghetti-ware
  - Based on proprietary standards or none
  - Without a common platform or integration
  - Data silos
  - Highly customized
Break the chain