

Case study

Sales and Operations
Planning, Cloud



Lenzing Partners with Blue Yonder on Its Quest for Sustainability

Results

- Increased end-to-end transparency
- Faster responsiveness to exceptions
- Minimized environmental impacts
- Improved collaboration

Winning the fight for sustainability with Blue Yonder:

“One of Lenzing’s priorities is to transform from a linear supply chain to a circular-economy supply chain. That means we need transparency across the end-to-end fashion value chain, which is very fragmented, with an average of six to seven players. Blue Yonder helps us create transparency across all those layers, so we can see and control our long-term environmental impacts. This is what we are fighting for with Blue Yonder, to change the fashion industry and increase the sustainability of the whole chain.” — **Value Chain Manager**

Lenzing Group supplies high-quality botanic cellulose fibers, with a reduced environmental impact, to the global fashion industry. Across its supply chain, Lenzing targets sustainability via waste reduction, decreased emissions, fiber recycling and other practices.

Business challenge:

The global fashion industry produces 10% of global carbon emissions and 20% of the world’s waste water. Lenzing is committed to minimizing its environmental impacts and becoming carbon-neutral by 2050. Part of that commitment is minimizing the negative impacts of the entire value chain — but the company lacked the transparency to achieve this.

The Blue Yonder solution:

Blue Yonder’s sales and operations planning (S&OP) solution enables Lenzing to take a boundaryless approach that connects the entire end-to-end supply chain via digitalization. This boundaryless planning model helps Lenzing quantify and control the carbon impacts associated with various steps in the value chain.





Replacing Excel spreadsheets and slow, manual planning processes:

“Five years ago, Lenzing was experiencing an uncontrolled propagation of Excel planning spreadsheets. Everybody had one, everybody was trying to connect them, and it was a mess. There was a total lack of transparency and agreement. This problem was only exacerbated across the very fragmented, large, extended fashion supply chain. When conditions changed, it took us three or four months to respond. This had significant environmental impacts. For example, if we didn’t sense a demand slowdown, we created too much product — and the result was waste.”

Achieving one version of the truth leads to increased responsiveness:

“Today, Blue Yonder’s S&OP solution, delivered on the cloud, has delivered powerful results. We have 24/7, boundaryless access to data and one version of the truth. We can plan and re-plan daily or weekly, as needed. Everyone can see exceptions like demand changes. Everyone’s actions are targeted toward adding value. And that has really led to some staggering results for Lenzing.”

Blending S&OP with S&OE creates a formula for success:

“The recipe for success that we put together with Blue Yonder is the typical S&OP process that you read about in books, combined with sales and operations execution, or S&OE. So, in one set of numbers, we can plan and act in harmony. We can look at a one-, two- or 24-month horizon. We can see daily fluctuations and focus on their impacts for the

plan. We can revise immediately if the market is hot, or if the market is down. And this is all done in one planning instance, using one set of truths. Everybody can see the same data, and that’s really awesome.”

Solution benefits:

- Sales and operations planning (S&OP) from Blue Yonder gives Lenzing a cross-functional approach to integrated business planning that seamlessly incorporates all the moving parts across its value chain. The company can develop actionable sustainability and financial targets and unite the entire supply chain around achieving them.
- Supported by end-to-end transparency, Lenzing can make more sustainable and profitable decisions. It can respond proactively, capitalize on opportunities and manage disruptions in line with its business and sustainability goals.
- Blue Yonder’s boundaryless approach helps bridge conventional time and organizational silos, closing the gaps between demand and supply planning, the upstream and downstream supply chain, and S&OP and S&OE.

Blue Yonder’s expertise:

“The sheer number of S&OP users in Lenzing — more than 150 — is a testimonial to the power of Blue Yonder. Everybody is participating, from finance and executive planning to operations. Everybody can contribute. It requires a lot of advocacy and sleepless nights to make that happen. But my personal experience is that Blue Yonder is a great team. They’re willing to go the extra mile and really help you on that transformational journey.”

— Value Chain Manager

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