

ECCMA | Where the implementation of international data standards accelerates access to authoritative, trustworthy data, fueling supply chain innovation worldwide

Supply Chain 2.0

- Flexible
- Resilient
- Sustainable
- Minimal waste
- Zero fraud



Know Your Supplier

A case study

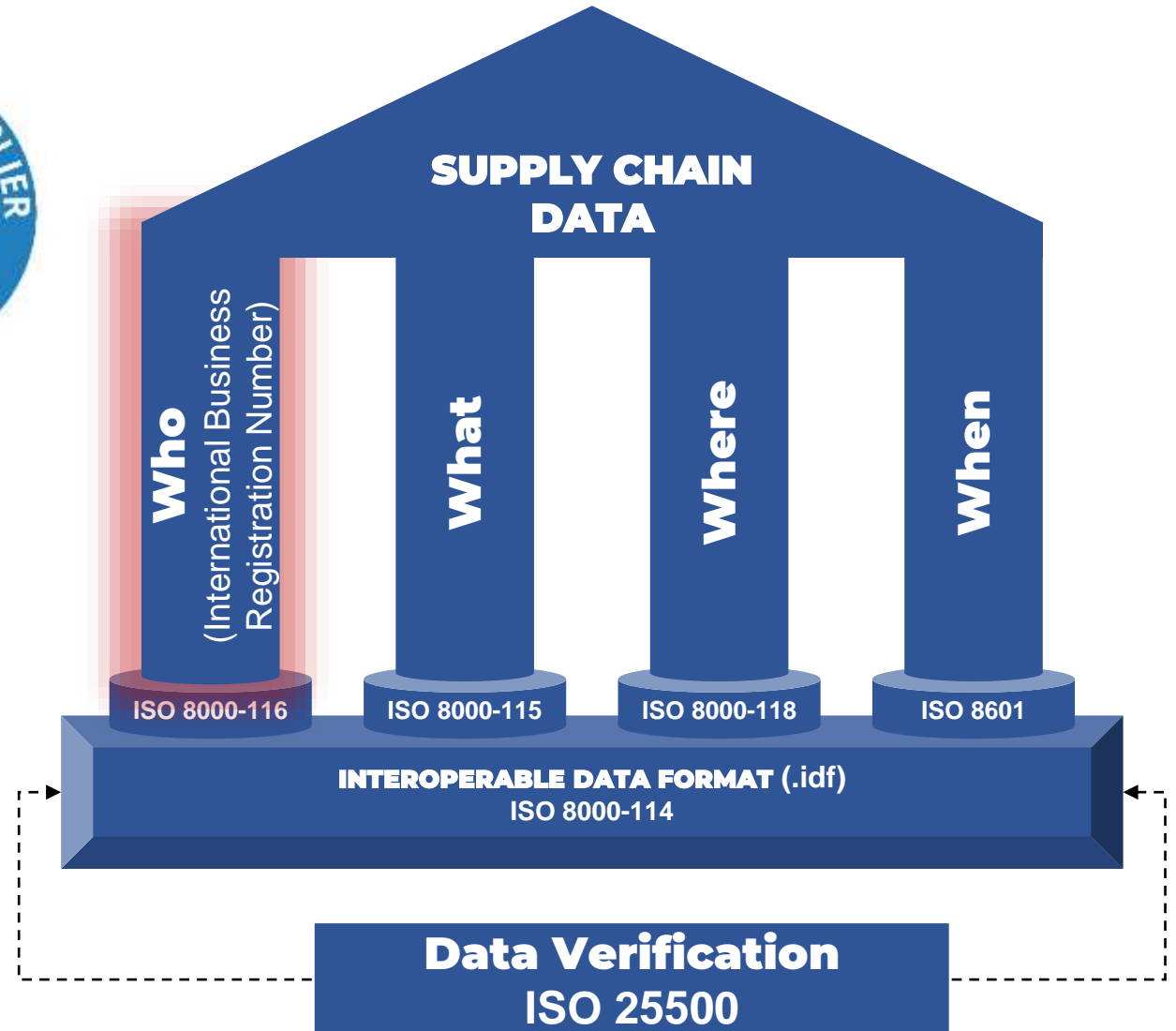
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Know Your Supplier applies international data standards to supplier or corporate customer data



Case study: Know Your Supplier used to positively identify suppliers



Fortune 500 company | Glass, Ceramics & Concrete Manufacturing

Goal : Supplier optimization to cut cost, reduce risk and leverage relationships



Task

Validate consolidated supplier master data for 24,245 supplier records covering 81 countries

*Researched the ISO 8000-116 formatted International Business Registration Number (IBRN) plus legal name and date of origin from the relevant government business register**

(authoritative data that ECCMA verifies for its members with government business registers in the majority of the world's countries, representing 97% of world GDP)*

Results

- 17,111 supplier records (71%[†]) were independently validated in 33 countries
- 7,134 supplier records (29%) could not be independently validated and the supplier asked for more information (*who are you? what is your legal name and where were you incorporated?*)



[†]Today

*100% of the company's suppliers are identified
(no duplicate supplier records)*

Case study: Know Your Supplier used to positively identify suppliers



Outcome

Of the 17,111 validated supplier records 7,060 (41%) were duplicate records!

IBRNs researched		24,245	100%	
IBRNs verified		17,111	71%	
Further information required from vendor to validate legal entity		7,134	29%	
Verified IBRNs			17,111	100%
Verified International Business Registrations			10,051	59%
Duplicate records linked to master Legal Entity Identifier records			7,060	41%

Case study: Know Your Supplier used to positively identify suppliers



Action ! 41% of matched supplier records were duplicate records
That's a solid basis for a supplier optimization plan



Positively identify suppliers

- Are we buying the **same item** from the **same supplier** at different prices?
- If you have a centralized procurement team the answer is "probably"



Identify supplier relationships

- Are we buying the **same item** from members of a **group** at different prices? One company may own several others (common with brands)
- If you have a centralized procurement team the answer is "yes"
- If you have more than one procurement team the answer is "absolutely"







Supplier optimization

- Could we buy the same item from **different suppliers at a better price?**
- Total Cost, Risk, Ability to provide ISO 8000 quality data

Suppliers

Situation

-  **Technology:** No MDM tool, many IT applications
-  **Process:** Completely decentralized processes
-  **People:** Many partial FTEs (no SMEs)
-  **Data:** Many instances of same supplier, incomplete

What we learned

- Huge enabler for agile supply chain performance
- Get control of supplier add process
- ISO 8000-116 – ALEI validates & ID's duplicates
- More uses for golden record than initially thought
- Need a good MDM tool

