



**Drive Business Growth thru external  
Supply Chain Partners**

# Agenda



- **P&G Sub Sahara – Why do we need External Supply Chain Partner**
- **External Supply Chain Partner**
  - **Assessment Process**
  - **Training and Qualification Process**
  - **Master Plan**
- **Reapplication**

# Who We Are



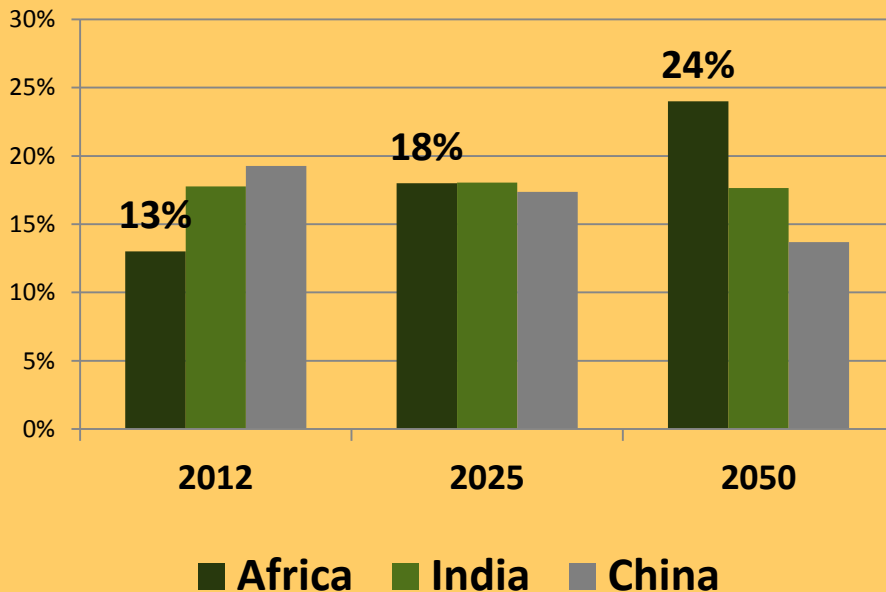
# Africa Population is big and growing fast

Population Comparison

	Africa	Sub-Saharan	Brazil	Russia	India	China
Pop (2012)	1.1	0.8	0.2	0.1	1.3	1.4
Pop (2050)	2.3	2.1	0.2	0.1	1.7	1.3



% of Global Population  
*Current picture and forecast*



- Fast: Sub-Saharan Africa grows 2x >BRIC
- Big: by 2050, 1 out of 4 people will live in Africa
- Young : 41% under 20, vs. 25% for BRIC



# Retail Market has almost 2 million stores

## Ubiquitous Traditional Trade:

- over 600,000 stores in Nigeria alone
- ca. 150,000 in Kenya, Ethiopia



## Modern Retail emerging:

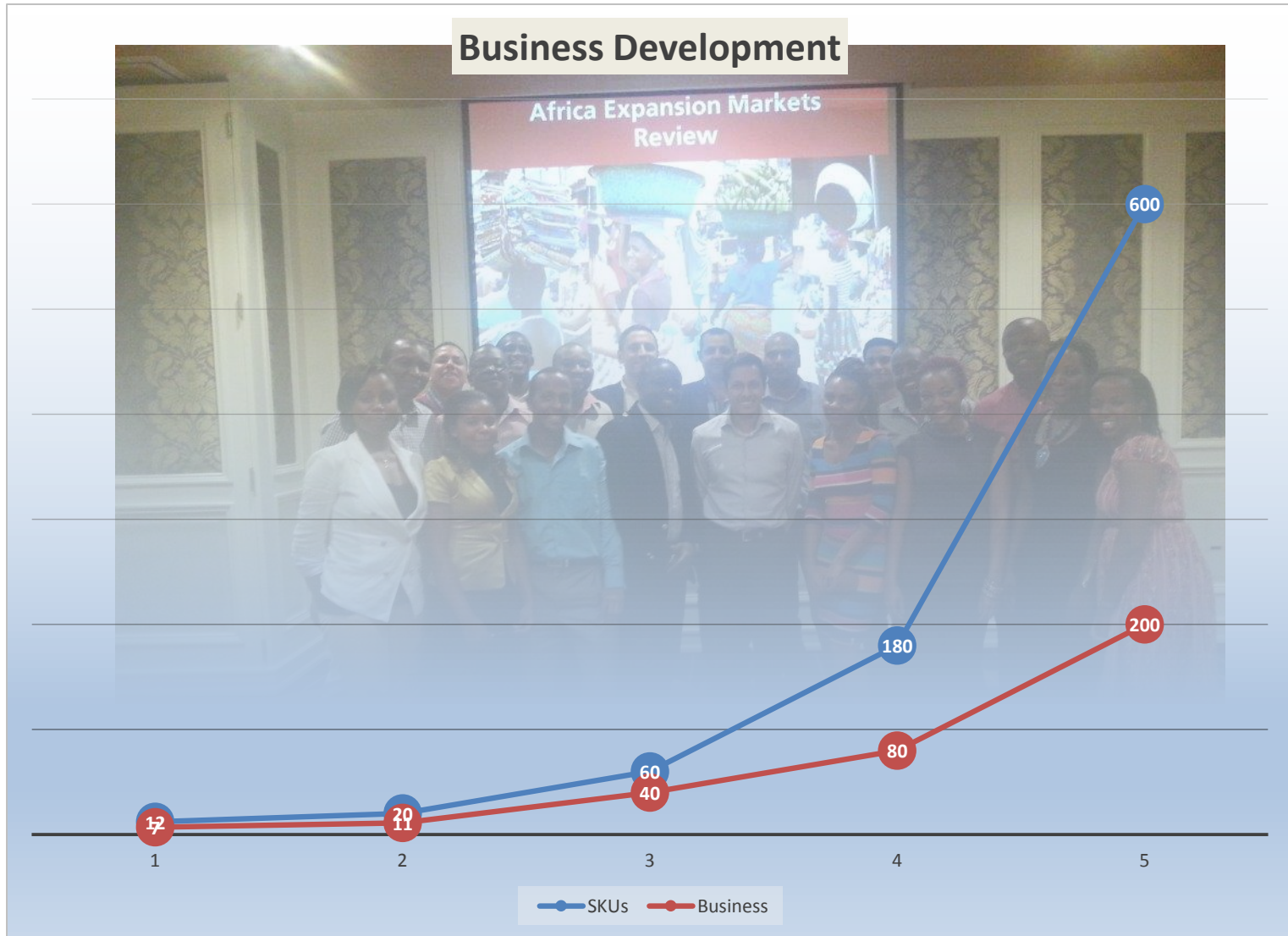
ca. 8,000 modern stores by 2015

## Modern Trade role:

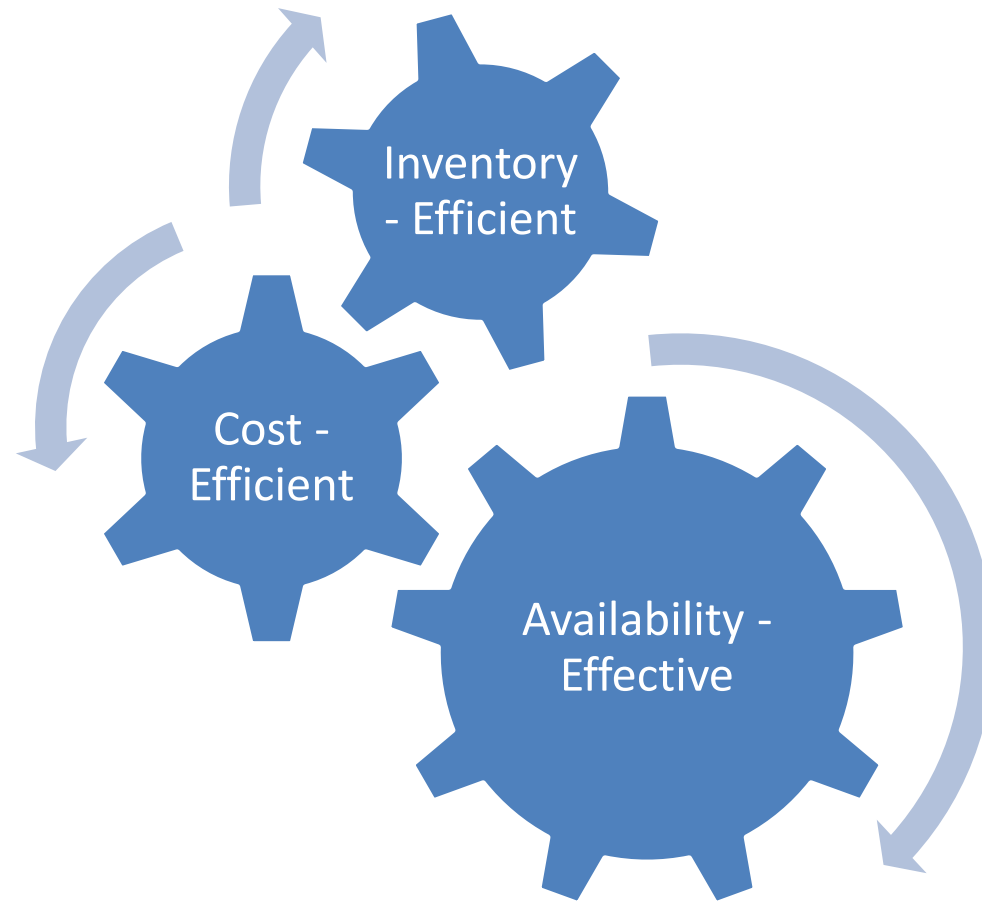
- Learn about news brands
- Buy imported brands, “sure” quality
- Fun family week-end outing



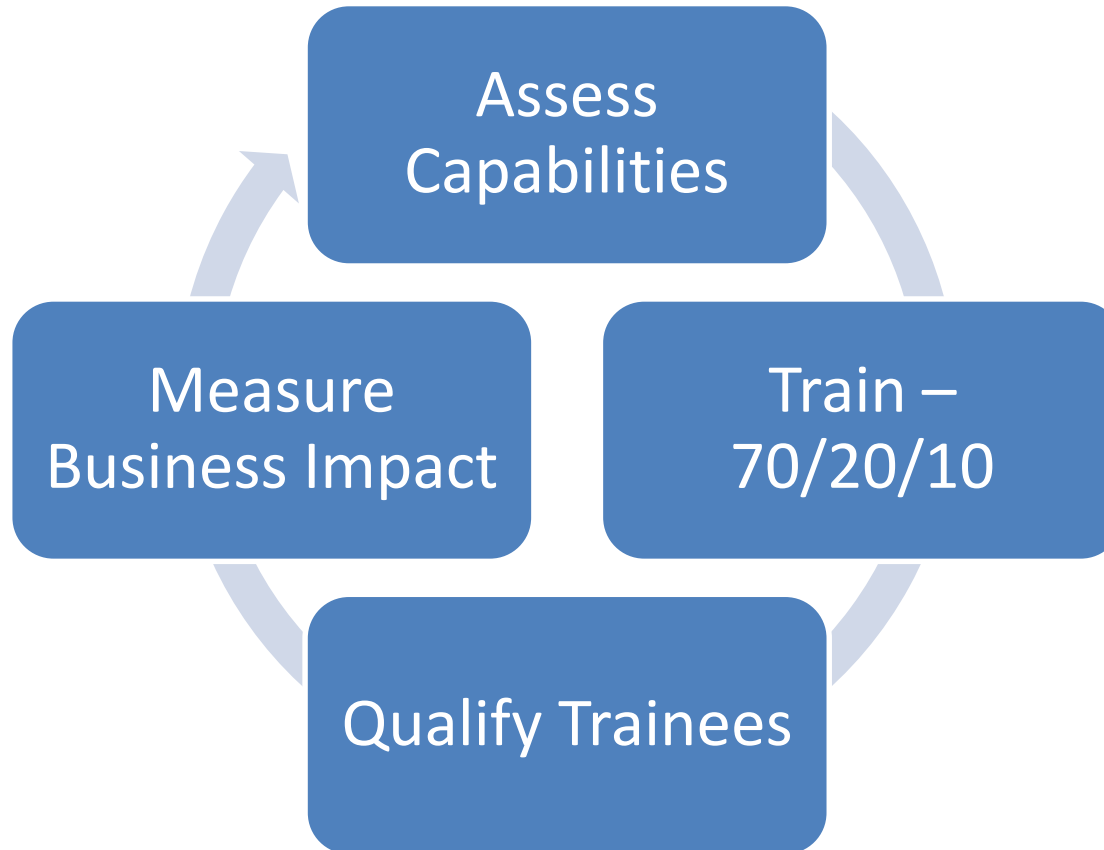
# My story about Themba



# Why drive Capability

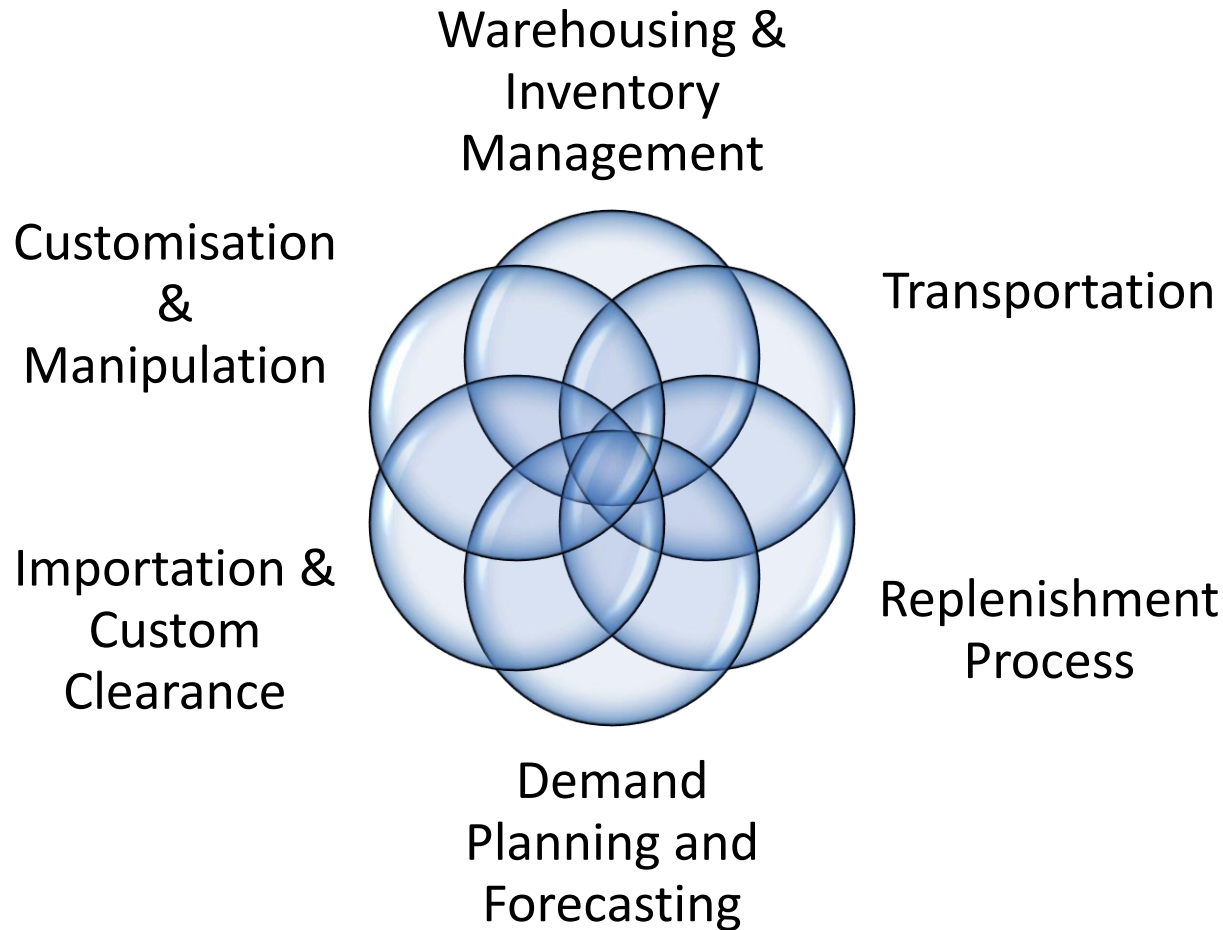


# Logistics Capabilities Process





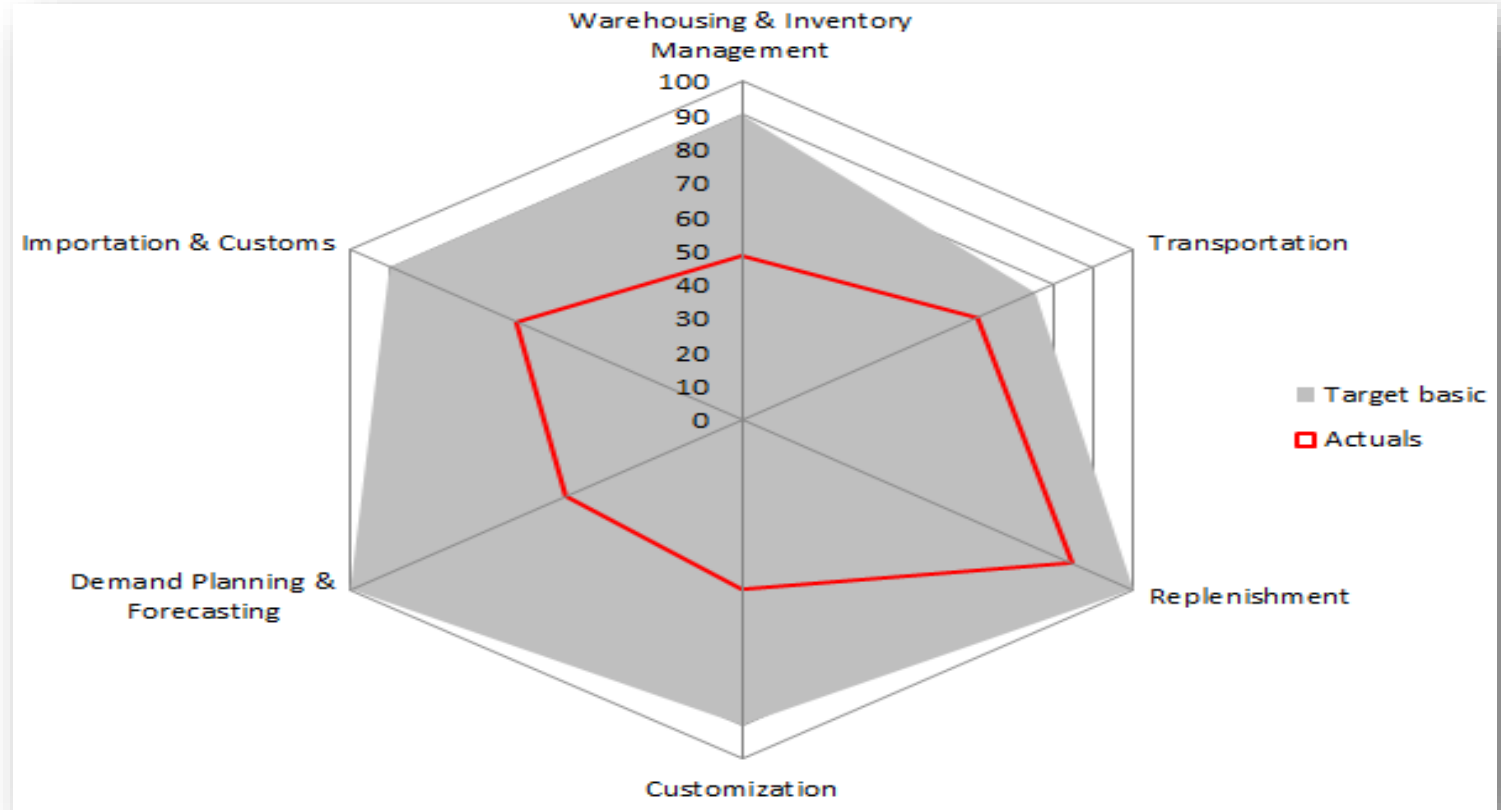
# Logistics Capabilities



# Capability Assessment Grid

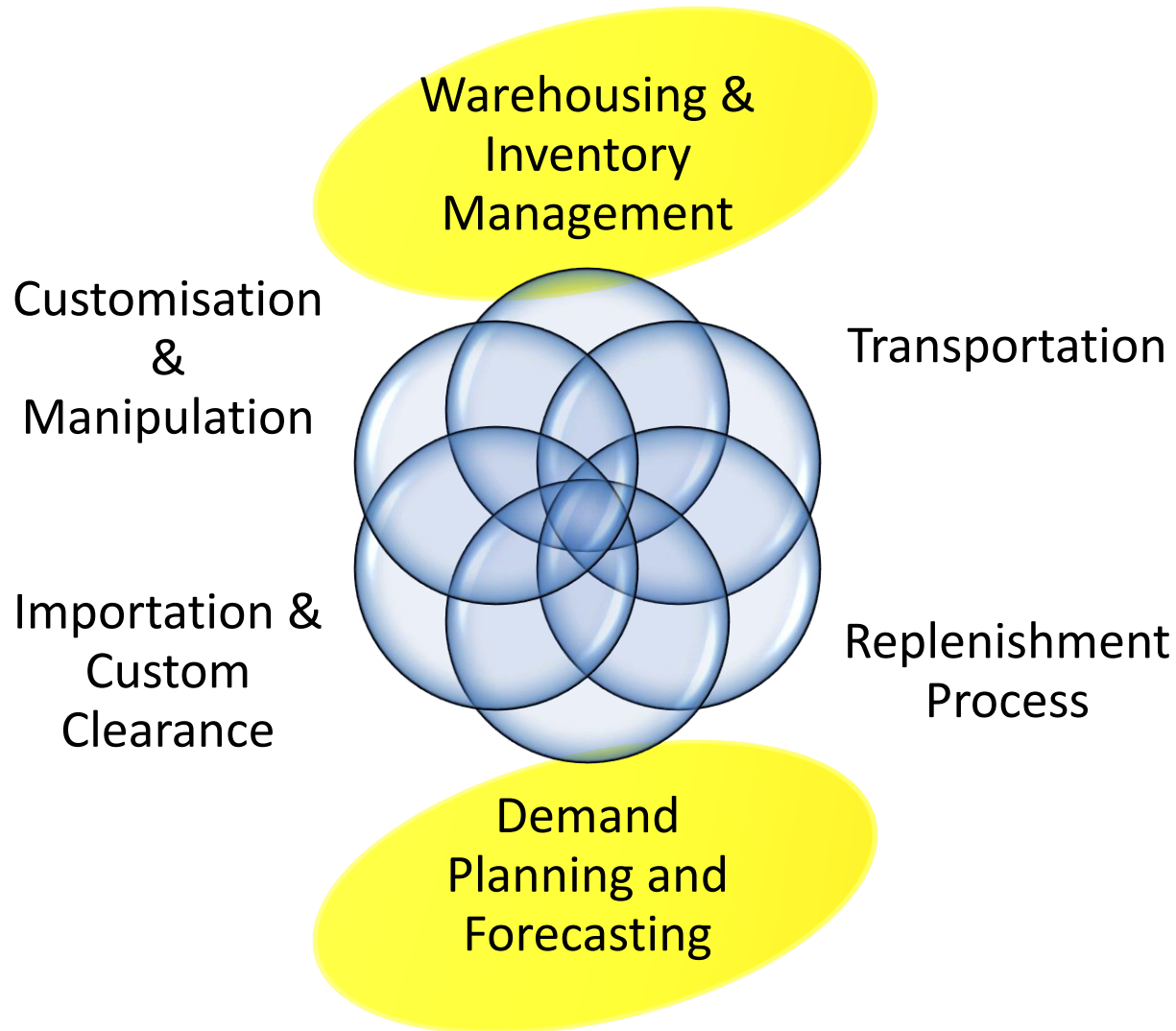
This assessment tool is intended to be used internally for P&G to assess Distributor's capability. It may not, either in part or in whole be shared with the Distributor. Most of the assessment questions below can be answered using current or previous GDA assessments.				
Area	Capability Level	Details	Definition / Checkpoints	Assessment (Y/N)
Transportation capacity planning	Basic	Does the distributor have the capability to perform Capacity Planning through Tools to check off-loading/loading/shipping capacity assesment?		
	Basic	Does the distributor have their own fleet ? Does the distributor have competitive commercial agreements with transportation companies ?		
	Basic	Does the distributor have the capability to develop truck sourcing strategies ?		
	Basic	Does the distributor have a solid BCP ?		
	Basic	Does the distributor have the capability to develop fleet utilization improvement strategies ?		
Transportation weekly / Daily planning	Basic	Does the distributor have the capability to plan trucks needed in relation to orders ?		
	Basic	Does the distributor have the capability togenerate weekly / daily transportation plans based on shipping / receiving points capacities?		
	Basic	Dpes the distributor have the capability to measure plan compliance ?		
Transportation operation execution	Basic	Does the distributor have the capability to check and inspect trucks for safety regulations ? What is the compliance level ?		Y
	Basic	Does the distributor have the capability to check and inspect trucks for quality requirements ? What is the compliance level ?		Y
		Does the distributor have the capability to perform load optimization analysis and develop strategies to maximize VFR ?		
		Does the distributor have the capability to track compliance versus daily plan ? Quantify impact on overnights and cost ?		
		Does the distributor have the capability to track transportation KPI score card by lane / route and provide solid gap analysis and action plans?		
		Does the distributor have the capability to forecast his transportation cost ? Does he have budget tracking capability ?		
			Basic Score	33%
			Advanced Score	0%
			<b>Total Assessment</b>	
Scoring Key	Logic	Indicated Action		
	Both Basic and Advanced are green	Fully Capable, can proceed to next service		
	Basic is Green, Advanced is Red	Quick action plan to fix Advanced services needed to proceed to next service		
	Basic is Red	Comprehensive Action plan and focus to improve capability; do not proceed to another service		

# Logistics Capability Assessment



- Overall big variation across all markets

# Logistics Capabilities



## 2.Role of Inventory in the supply network

### Inventory Life Cycle

Inventory has a natural life cycle which coincides with a new products life cycle and generally falls into the broad categories of:

1. Create and prepare the organization to ship – develop idea, design product, build capability, pre-build inventories.
2. Actively shipping product to customers – produce and ship based on demand.
3. Phase out to complete disposal – remnant, disposal.



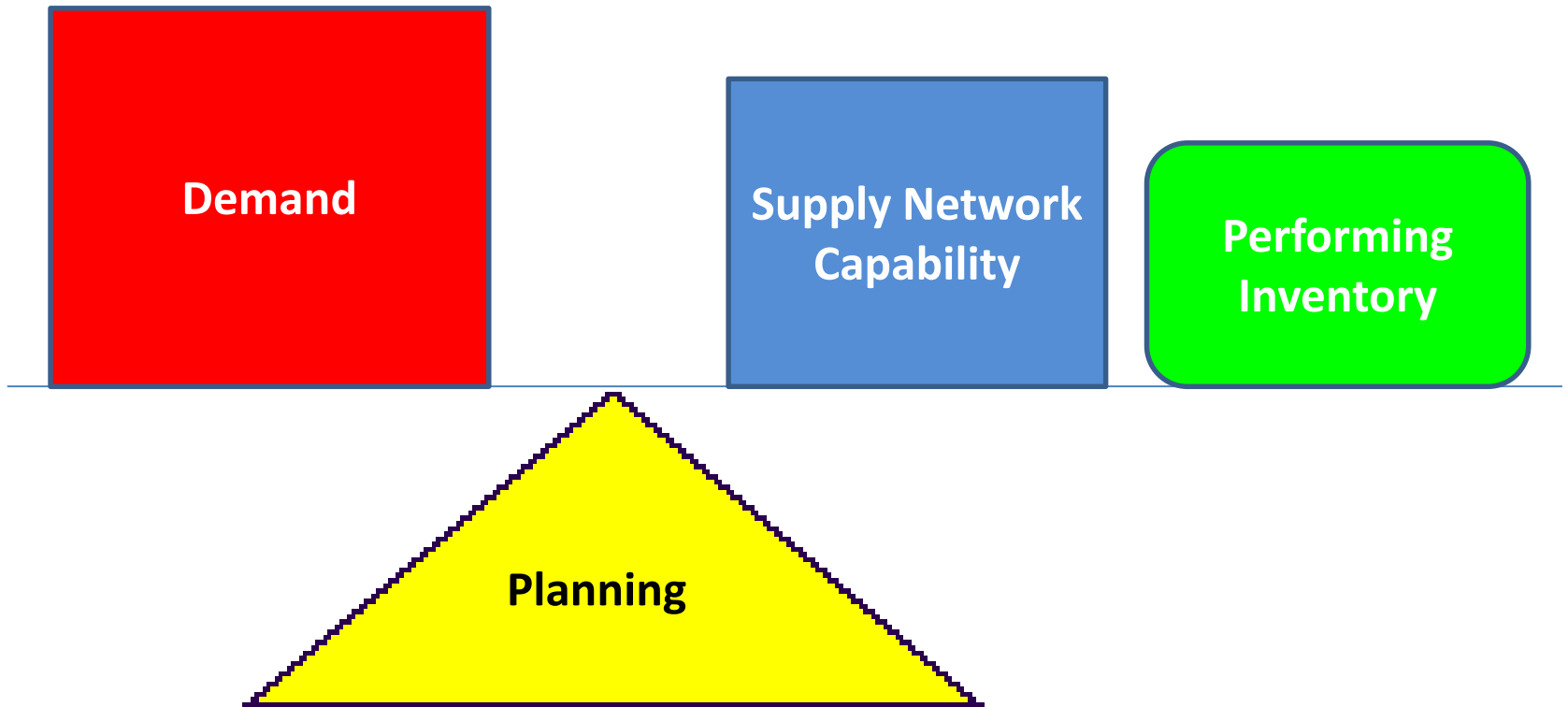


# Inventory Management Theory

Inventory should be maintained to provide the best balance between cost and service.

## Inventory Management is built on 4 pillars:

1. Supply Network Design
2. Supply Capability
3. Planning Capability
4. Operational Excellence





# BOP

Business Operational Planning

## External Partner University

# The Objectives of Measuring Forecast Accuracy

## To improve on the demand planning process and results

- What and how can we measure to improve the very thing we are measuring – forecast accuracy

## To communicate accuracy for product Supply Planning and Business Planning

- Ensure we are able to proactively prepare for big swings in demand and hold the right inventory down to SKU level thus support the business priorities.

## Make the results relevant to all the data consumers

- By using standard measures, we are able to identify areas of improvement and call out trends in the commercial plans.

## To improve on inventory management

- Understanding the business growth plans will enable us to proactively adjust our stock levels to meet the demand



# What's Next

