CASE
STUDY

Shaw Industries Embraces Global Planning with OMP Plus

Shaw Industries was seeking a single solution that could enable end-to-end planning across its various businesses. Rick Poe, Shaw's director of supply chain business services, is joined by executives from OM Partners to tell how the initiative was launched, and what results were obtained.



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Rick Poe, Director of Supply Chain Business Services at Shaw Industries: Shaw Industries is in the business of floor coverings. We have a broad portfolio of soft and hard surfaces. We have two challenges, depending on which product group you're looking at. In soft surfaces, we're a vertically integrated business. We go all the way back through the supply chain to raw materials such as chemicals and resins.

In hard surfaces, it's largely outsourced. We have to deal with the long lead times of global sourcing from all around the world. The opportunity and need at Shaw Industries was that our application portfolio was composed of about eight different solutions in planning, depending on the product. Some of those solutions were purchased. Some were internally developed. In many cases, they were spreadsheets and reports.

It was very hard to determine the truth in planning, and to have full end-to-end visibility of what was going on throughout our supply chain. As our products increased in complexity, so did our processes. It became a much more challenging situation. Then there was the catalyst to move to a single platform, due to an acquisition involving products and processes that we had never dealt with before. That was our opportunity.

Kurt Gillis, Director of Business Development at OM Partners: Shaw was challenged by the need to integrate an entire global supply chain in one single system of record. It had to collaborate both inside and outside the organization, on the same platform.

Peter Dobell, Senior Business Development Manager at OM Partners: What Shaw needed was a solution that could cross multiple platforms and businesses and have a globally connected supply chain, to achieve a complete view on what was going on. Because of the different industries Shaw serves, it was very important to have that connectivity.

Philip Vervloesem, Senior Vice President of Sales and Marketing at OM Partners: The main reason why Shaw needed a solution like that of OM Partners was siloed thinking. Instead of having limited visibility, it needed to think across business units. That was the first challenge. The second was handling the complexity of the business with an intuitive solution, one that was very easy to use.

Rick: We chose OM Partners because we needed a platform solution. After putting together a team and evaluating the options in the marketplace, we quickly realized that there were two camps. One consisted of point solutions that specialized in a particular process. The other was those that had grown through acquisition and were loosely coupled, although marketed as though they were a single platform. Neither of those worked for us.

We wanted a solution that was fully integrated – built, engineered and designed that way. That's where we found OM Partners. We chose OM Partners not just because they

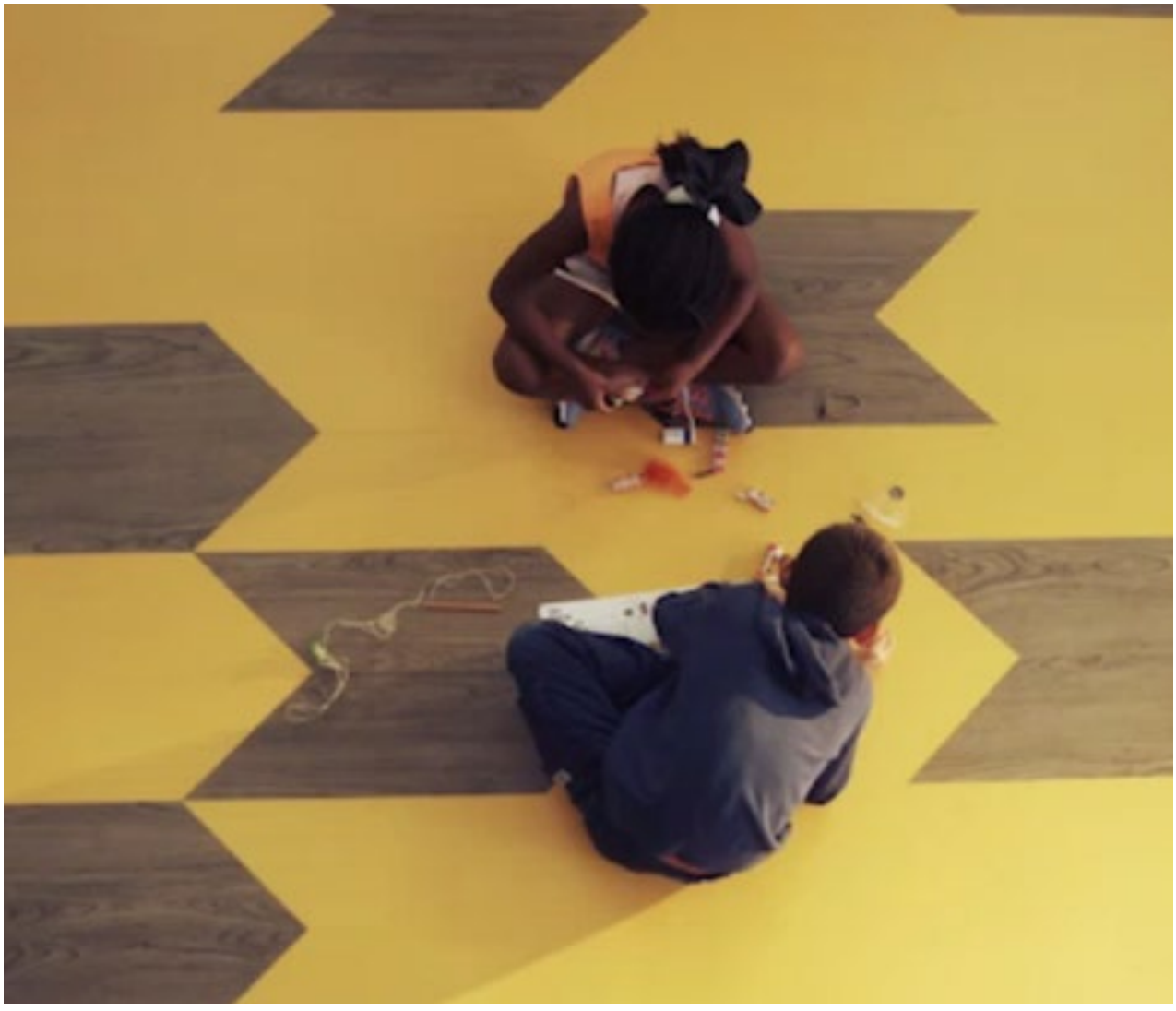
had the full complement, but also because they had a strong presence in the floor coverings industry. That made it very simple for us to partner with them. We didn't have to explain a lot of the details and backstory of how we do our processes and construct our products. They understood that. It made for a very good partnership.

Jose Guzman, Senior Business Development Consultant at OMP Partners: OMP Plus has enabled customers like Shaw to go from reactive planning into more of a proactive planning mode – to move into smart decision making. That capability has also helped them to evolve in their supply chain maturity.

Peter: By implementing a central planning solution, Shaw was able to integrate the different business units. The output of one business unit became the input to another. To have the visibility across the complete supply chain was critical.

Philip: It wasn't just an IT project. It involved every level, with good buy-in by leadership and all of the businesses. From an advisory point of view, we brought best practices to the Shaw team, based on our vast expertise in the floor covering industry, and understanding of the differences between the various business units. Implementation in hardwoods, for example, is very different than in yarn optimization.

Rick: Among the key benefits that we've achieved is better decision-making. One of the ways that OMP Plus differentiates itself is through visualizations. For a group of people who were used to digging





into reports and looking for numbers, the tool made it very easy to highlight exceptions that needed to be addressed. It could also determine which models would help our demand planners make the most accurate forecast decisions.

Jose: OMP Plus enables our customers to input additional data into their demand model. That means using both historical and current demand, so that the global supply chain is less affected by drastic changes in the business environment.

Peter: Traditionally, the business relied on a siloed approach to planning. By implementing the OMP solution, it now has complete supply chain orchestration.

Rick: Our journey is still underway, as we pursue an end-to-end planning solution at Shaw Industries with OM Partners. We continue to assess our talent and capabilities, as well as data gaps and the need for data cleansing. One of the most important things we've learned is the value of selling the vision to a group of individuals who have been doing what they've been doing for a long time. Change management is about communicating why this system is important, and what the future is going to look like. That's been our most critical opportunity in driving success with this project.

Peter: The implementation of OMP Plus for Shaw has meant that barriers between the different departments have collapsed. They now have a complete view of what's going on in their business. They're seeing real value from the implementation.

Philip: OM Partners has helped Shaw to go from a multi-solution, siloed-thinking company to a global organization with a single platform and synchronization of all the levels.

Rick: We're very happy that we've chosen OM Partners. It's a partnership between OM Partners and Shaw Industries.

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