

Squeezing all we can from the supply chain

If you are in the process industry, you want to optimise your performance further. We asked several companies what their claw-back ratios for non-productive inventories were: they had no idea. We designed Alchemy to integrate with your existing systems and processes to give you a return on non-productive inventories.

Alchemy helped one of our clients save 2.5m€ in 4 months. Interested?

Alchemy is a customisable software solution which, when implemented allows process manufacturers to optimise their internal reverse supply chain processes and gain insight into the comparative value of alternative re-use pathways.

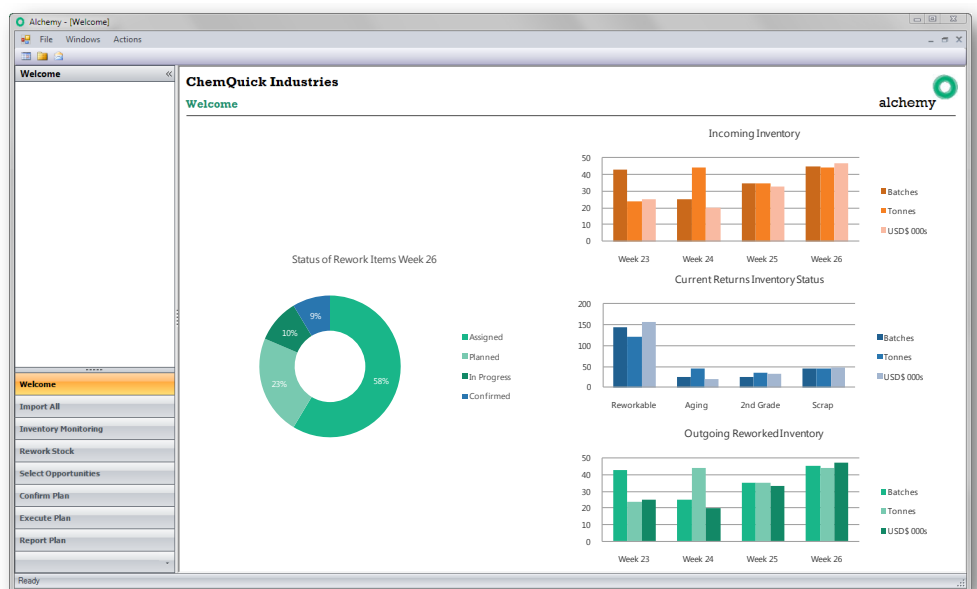
Situation

For most organisations, materials are returned through the reverse logistics function – whether they are product returns, damaged goods or warehouse returns. In most instances, the reverse logistics model employed is designed to minimise costs, allowing materials to accumulate over time and eventually be disposed of in an environmentally friendly manner, or at the very least, in an environmentally compliant manner.

For the Process Manufacturing industry the process of recovering value from returned products can be frustrated by the fact that materials cannot be broken into their component parts, and also by the fact that ERP solutions do not cater well for this function.

Opportunity

There is a significant opportunity for recovering value from returned products with a carefully designed process and toolset designed to identify hidden value before scrapping. Even though companies try to minimise loss through careful disposal or selling on, we have found that they cannot fully evaluate the



best options or take advantage of the opportunities.

Alchemy

Alchemy works by doing a few things very well. Alchemy will help by:

- making a moving target clearer
- capturing knowledge
- focusing attention on what is important
- making complex tasks simple
- consolidating activities
- measuring performance
- driving improvement

It is non-invasive. That means that we do not:

- Flood you with consultants
- Modify your ERP systems
- Customise your tables
- Change your data

How it works

Alchemy takes key data from your ERP system via interfaces you already may have. It requires simple flat file data.

Alchemy provides quick, smart and cost effective way to apply business rules to that data to create workflows.

Based on these rules and workflows we present only the relevant data to the user, so that they can operate efficiently and on-time.

Given this context what Alchemy gives the user is:

- clear understanding of priorities
- action items based on the priorities
- ability to be agile with the re-use opportunities
- visibility of the full process flow with large sets of materials

What Alchemy delivers for the organisation is:

- Clear concise reports
- Data on re-use opportunities and their execution
- Information in context
- Knowledge to make informed decisions

How we work

We will work with you to define your business rules and processes which can be bespoke to your organisation. Implementation of the Alchemy toolset is carried out based on your business focussed requirements. Improvements in processes and understanding go hand in hand with Alchemy.

Our team will work with you to facilitate your discussions with stakeholders concerning any new processes. We can manage the change on your behalf or, alternatively, we can work in partnership with you.

Once processes and business rules have been developed, Alchemy is implemented in your organisation, and monitoring the Reverse Supply Chain performance is started.

As Alchemy is system neutral, all data will remain on your servers and any additional data that is generated is stored on the customer network. All data from your existing ERP system is unmodified.

The Benefits

We have developed four specific modules that can be added and combined to achieve optimal value as and when you need them for the following functions

- **Elixir** - Aging Inventory Monitoring and use optimisation
- **Transform** - Distressed inventory re-use/remanufacturing

- **Alum** - Second Grade Evaluation
- **Petra** - Information Discovery, Analysis and Value

It may be that you already have activities in these areas, and Alchemy has the ability to support and enhance these activities, as well as making the information involved much more manageable.

Alchemy gives organisations opportunities to help:

- decrease distressed inventories, **unlocking capital**
- **Increase revenues** by optimising reworking opportunities
- **Increase cost effectiveness** by providing information on optimal disposition
- In addition, it can do this more effectively, **reducing variable costs**.

With our data module, analysis of the most cost effective re-use pathways is possible, providing insight that can feed strategic decision making when managing returns reprocessing.

Our people: your team

Alchemy is supported by a team of world class consultants at Penumbra who know your ERP system like the back of their hand.

We are an international team, largely based in Europe. We do not outsource our process or development work.

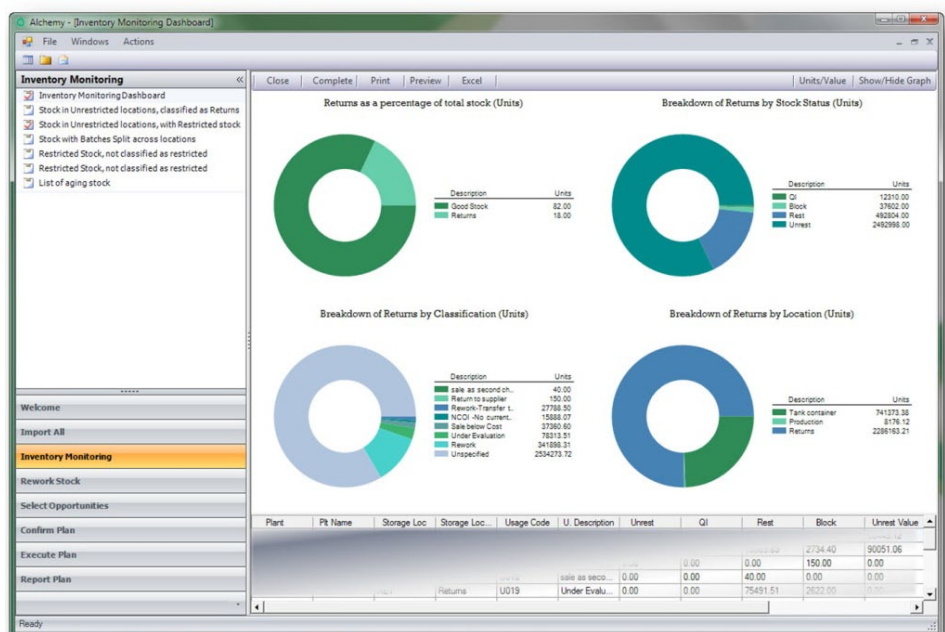
We all have years of real-world consulting experience, some of them with the big 4 consultancies, and all of them with world-class organisations.

All of us work together because of our passion to outperform others and our desire to work in a creative team delivering value for the client.

Most importantly, we want you to take ownership, and so we capacity build within your organisation to make the use of Alchemy seamless and fully integrated.

Contact us

To get up to speed on Alchemy contact us and we will be happy to chat and see how we might help.



strategy people performance

Penumbra is a strategic business consultancy. We bring clarity by using research to drive understanding and direction. We deliver success by balancing experience and innovative thinking.

Whatever your aspiration, we'll provide the tools, information and analysis to turn your strategy into operational reality, in a way that motivates your people to outperform the market.

Overview

Our expertise lies in helping our clients to execute robust strategies and deliver results.

We achieve this by combining a robust management planning system with a focus on people which drives alignment and commitment

We work in partnership with talented and committed leadership teams to help organisations build corporate value with a wide range of customised, cross-functional advisory programmes and services delivered from four complementary service groups:

Strategy

(Development, formulation, implementation and alignment)

Our innovative **Penumbra Balance** approach creates dynamism, drives and sustains momentum and makes strategy real for stakeholders

Organisational Development

(Behavioural issues)

We call our holistic approach **Balanced Motivation** which encompasses activities that improve performance both for the organisation and the individual

Research and Insight

Our stimulating **Clarity** approach draws on our business consulting skills to deliver a mix of business analysis and market research which provides compelling insights for winning decisions.

Operations

The Operations group brings all of our hands-on practical experience to bear on execution and delivery of results.

Our technology enabling approach called **Totality** facilitates business focussed services and solutions, aligned to business needs, for people, processes and tools.

Why Us?

Organisations turn to us when they:

- Want to find a new strategic direction
- Have created a strategy and now need to execute it
- Need to drive more value from existing initiatives
- Have a big issue to resolve, usually dependent on lasting employee buy-in
- Need to explore new ways to drive value
- Need a breakthrough result
- Are seeking measurable results

Our Experience

We have real world experience spanning 20 years with our clients. This includes working with:

BP, Citibank, Morgan Chase, WestLB, RBS, UBS, Bankers Trust, Kleinwort Benson, Coutts, Natwest, Intel, Nokia, Adobe, Kall-Kwik, Glaxo Smith Kline, Dupont, Pfizer, Savills, British Council, Clifford Chance, British Airways, Gillette, Unilever, Shell, Volvo,

Vauxhall, British Gas, TradeStation, MWB Business Exchange, Investors in People, University of Cambridge

On projects such as:

Strategic Planning, Strategy development and implementation, Culture change, Post-Merger Integration, Vision, Purpose and Values, Current State Analysis, Organisation Re-design, Transformational Change, Client Focus Strategies, Perception Studies, Client and Staff Engagement surveys, Global Rebranding, Know your Customer, Market Forecasting, Consumer Insight, Market Segmentation, Process optimisation, Lean/Six Sigma, Project Management, ERP Systems Roll-out, Market Research, Financial Modelling, Franchise Start-up Evaluation models, Cost Benefit Analysis, Implementation Alignment, Strategic Alignment, Complex Database development, Custom Application development, Supply Chain Optimisation

Covering diverse sectors such as:

Financial Services, Pharmaceuticals, Manufacturing, Energy, Mobile Telecoms, Travel and Tourism, Aviation, Property, Hi-tech and Business Services