CASE STUDY

MOLEX AND INFOR NEXUS TRANSFORM COMPLEXITY INTO CAPABILITY WITH MULTI-ENTERPRISE SUPPLY CHAIN ORCHESTRATION

NEXT-GENERATION PLATFORM DRAMATICALLY INCREASES RESPONSIVENESS TO ADAPT TO GLOBAL LOGISTICS DISRUPTIONS

WHY THIS MATTERS

- Infor Nexus Control Center reduces time required for information search and analysis, allowing more focus on issue resolution/optionality and communication.
- A full-featured, highly-integrated Supply Chain Control Center provides comprehensive, end-to-end supply chain visibility to critical Molex functions that align and benefit customer order fulfillment processes, and ultimately Molex customers.
- Integration of system transactions and shipment information such as sales orders, delivery notes, shipments, purchase orders and stock transport orders, goods receipts and live air and ocean functionality offer true end-to-end visibility.

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"This dynamic collaboration turned out to be a game changer. When Molex implemented the Infor solution it enriched what SAP already showed. Today it tells us where our goods or containers are and the impact on specific line items. Users can instantly see an end-to-end overview of Molex's supply chain through the Control Center, giving users practical new tools to help keep situations from turning into crises."

Gerald van den Eijnden, Director of Global Logistics Operations Planning and Systems for Molex

It's a global, complex and interconnected world when it comes to the supply chain. Not just digitally, but in how we fulfill Customer Orders from source to delivery. For most global organizations, first- and last-mile shipments are usually by truck, but before they get to the truck they have typically been shipped across continents by ocean, air and rail. Those shipments can move directly to customers or through several regional distribution centers (DCs) that serve as forward inventory locations and consolidation hubs, servicing customers and channel partners.

Recognizing a critical need for better in-transit, end-to-end visibility throughout this complex and inter-dependent supply chain, Molex sought out solutions to its own supply chain management challenges with an eye for better serving its customers. The need for such a comprehensive system was dramatically illustrated when the Eyjafjallajökull volcano erupted in Iceland in 2010, causing enormous disruption to air shipments across Western Europe. "There was no air freight possible into Europe," said Gerald van den Eijnden, Director of Global Logistics Operations Planning and Systems for Molex. "Like many global organizations, Molex uses a tier-1 Enterprise Resource Planning (ERP) solution to monitor its supply chain health. But this doesn't give users true end-to-end visibility because it wasn't designed for that. Without a complete picture, it's hard to meet the demands of this incredibly fast-paced environment."

The volcano serves as a critical example of why preparation for such natural disasters and other material disruptions is vital to successful supply chain operations — particularly for truly global organizations. And for Molex, this represented the beginning of a journey to better performance.

INFOR NEXUS CHANGES THE GAME

Partnering with a trusted global leader in multi-enterprise supply chain orchestration and optimized software — Infor Nexus — the challenge was answered with a multi-enterprise supply chain network platform providing order fulfillment applications combined with advanced, network-based supply chain risk analytics. Molex and Infor Nexus (previously GT Nexus) first deployed this cloud-based platform in 2012, when many solutions were still rooted in on-premises, legacy systems. The result was a many-to-many architecture that supports a community of trading partners.

"We saw a real opportunity here," explained Ken Royce, Go To Market Manager for Infor Nexus. "Molex has an incredibly sophisticated and highly-distributed network. We felt that we could use our Control Center to develop a clear picture of in-process flows of products, materials, orders and demand across this network. We could feed this information into an analytics engine to deliver predictive and prescriptive insights to enable Molex to help ensure on-time deliveries and a highly reliable supply chain for their customers."

THE INFOR CONTROL CENTER

The brain center of Infor's platform is the Infor Control Center that allows the user to see all relevant information in one screen, with the capability to drill deeper as required. "Whether you're an import planner, plant planner, customer service representative, or any other role related to the buy and resell process, you'd be constantly working in multiple screens and relying on several reports to get detailed information of the in-transit status of specific materials," said Royce. "The Infor Control Center brings all of this information together in one consolidated view. It also allows the system to highlight specific situations and issues in early stages. Late shipments, inventory shortages, the impact to the customer, and if available, a potential resolution."

The Control Center enables more timely stock sharing between supply chain hubs and manufacturing plants, easing stress on plants in times of capacity constraint. The system provides the ability to focus on the lines causing disruption to the Molex supply chain.

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This is accomplished through integration of data from SAP ERP Central Component (ECC) to the Infor platform. Data such as sales orders, purchase orders, deliveries, and shipments, as well as stock transport orders (STOs), production orders and inventory are sent to Infor at regular intervals. These are combined with milestone information brought in from carriers as well as Molex global freight service partners to create the most comprehensive, real-time picture.

Additional capabilities were developed to include the ability to go beyond just showing in-transit shipments to also providing an extensive view of those that are "in process," resulting in an end-to-end view that's close to real-time visibility — all from a single source of truth. This extensive level of data allows the Control Center to uniquely drive customer-centric decisions and optimize logistics and freight across all leveraged channels around the globe.

ADAPTABILITY IN ACTION

This example enables clearer understanding of how the system works: When a product stockout is identified that could have a negative impact on an important automotive customer, for example, the Infor Control Center sends a proactive alert. An import planner for Molex's Bolingbrook distribution center sees the alert and consults with the customer service representative to determine how many units the customer will need until the scheduled ocean shipment arrives. After comparing globally available inventory against the production schedule, the planner takes action and may schedule an express partial shipment from a different location, covering the customer's needs without interruption.

Gerald van den Eijnden highlighted just how significant this change is from past methods. "Previously, you would call up the freight forwarders, and they would send an Excel spreadsheet," he stated. "Or you might need to go to a carrier's portal, log in and see how many parcels are coming in. ERP would show inbound advanced ship notices, but they were very basic, including only the date and quantity of the shipment. But the data was not refreshed."

By comparison, Infor Nexus enables Molex to make decisions based on actionable insights, (e.g., from a late shipment projection). Cargo could be moved from rail or sea to air, if necessary, to ensure on-time delivery and customer satisfaction. The accuracy and frequent reporting of ETA changes makes this possible. Earlier knowledge of a late shipment can translate into more time to find alternative routing options, or solutions which, in turn, can lower the cost of resolution.

SIMPLY BETTER DATA

Another advantage of the Infor Nexus tool is the organization's ability to mature its master data to high levels of accuracy through the platform. Molex can now track the key performance indicators (KPIs) to understand their performance using basic data elements required for in-transit visibility. Data quality is also further enhanced through the use of one global instance of ERP to store most data. Other companies similar in size may keep 10 or more ERP instances to house similar data.

The data from Infor Nexus also helps the Molex transportation teams enhance carrier sourcing. They can examine forwarders and carriers by lane and identify performance trends. As Molex works with more logistics partners, this strengthens the analytics used by the procurement team.

Gerald van den Eijnden has also witnessed the strength of the Infor Nexus platform in avoiding the "doom" scenarios that have been created in the post-pandemic era. "Infor Nexus became more important to use as the pandemic progressed because of increasing congestion in the logistics space, as well as shortages in the raw material market," he shared. "The Suez Canal blockage is a perfect example. With Infor Nexus, it took 15 or 20 minutes to do an impact analysis, answering questions such as, 'Which products are impacted? Which containers and what quantities are impacted? Which customers are at risk?' With the Infor solution, it's relatively easy to list out the part numbers, the quantities and define alternatives or actions we want to take."

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SUPERCHARGING GLOBAL ERP

Integrating the Infor Nexus Control Center into Salesforce also provides a more seamless data and information flow, with an initial focus on expedite cases. The Salesforce case management system will be interfaced with Infor Nexus Control Center to enable customer service and operational planning team members in factories and DCs to handle expedites and other requests from both Molex customers and internal users more efficiently.

Integration with SAP with live air and ocean functionality provides a powerful picture of the global supply chain landscape for Molex. These modules include:

NETWORK INVENTORY MANAGEMENT

Inventory and supply/production orders are part of what Infor refers to as the Network Inventory Management (NIM) module. The inventory data and supply information are provided from the Molex data lake instead of directly from SAP ECC; the data lake is fed from SAP every 15 minutes.

The NIM module visually represents stock data over time for individual part numbers by division, business unit, planner, planning strategy, and/or service level. It can highlight future inventory projections, noting where and if a potential stock out situation may occur.

LIVE AIR / LIVE OCEAN

This Infor feature allows for live tracking of air and ocean freight shipments. For the majority of air freight forwarders, the Infor platform receives so-called milestone information based on Master Airway Bill Number (MAWB). Milestone information details include flight departure, flight arrival, and airport utilization. For live ocean AIS (Automatic Identification System) is used to track vessel positioning and transit progress.

LOOKING AHEAD

"Responding to the impacts of a volcano, we've built something that has endured through a global pandemic and a European war," Gerald van den Eijnden concluded. "But this resilience doesn't just come from a will to persevere. It comes from careful planning and a strategic partnership to develop tools that can adapt to logistic crises — now and in the future."

ABOUT INFOR

Infor is a global leader in business cloud software products for companies in industry specific markets. Infor builds complete industry suites in the cloud and efficiently deploys technology that puts the user experience first, leverages data science, and integrates easily into existing systems.

Over 60,000 organizations worldwide rely on Infor to help overcome market disruptions and achieve business-wide digital transformation. For more information, visit www.infor.com.

ABOUT MOLEX

Molex makes a connected world possible by enabling technology that transforms the future and improves lives. With a presence in more than 40 countries, Molex offers a full range of connectivity products, services and solutions for markets that include data communications, medical, industrial, automotive and consumer electronics. For more information, visit www.molex.com.

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