Supply Chain / Logistics Control Tower Practice in Consumption World

BUDWEISER BREWING COMPANY APAC
百|威|亚|太|控|股|有|限|公|司

Daniel Hong

Who We Are

中高端品牌
CORE+

高端品牌
PREMIUM

超高端明星品牌
HIGH END HERO BRANDS

精酿啤酒
CRAFT & SPECIALTIES

跨啤酒品类
BEYOND BEER

Budweiser APAC at a Glance

35+ Countries/territories

50+ Brands

52 Breweries

53 Distribution centers

~26,000 Colleagues

20+ Nationalities

39% Female colleagues

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BUDWEISER BREWING COMPANY APAC

Note: All data as of 31 December 2020, including breweries which the Group has full or majority ownership of and craft breweries in China and South Korea, contract breweries with third parties in India and one cidery in New Zealand.
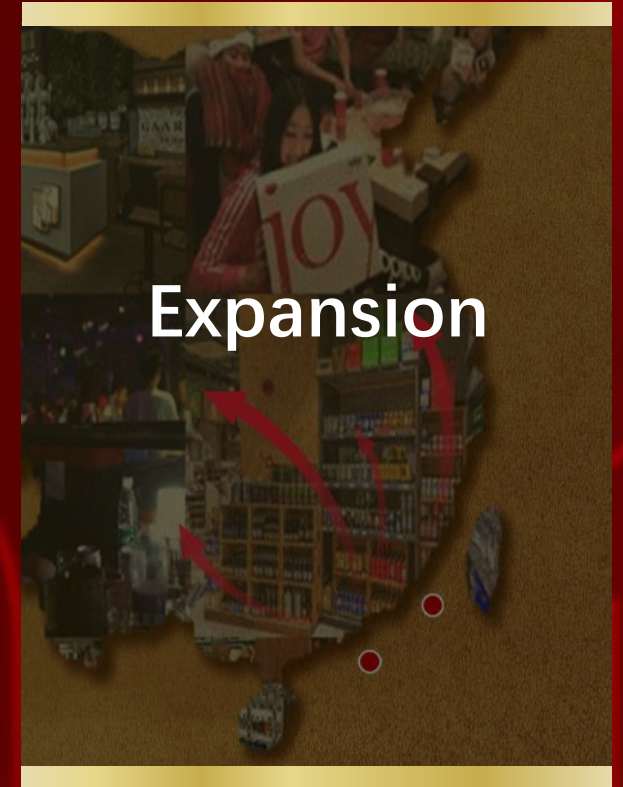
We have defined clear strategy to win 2021
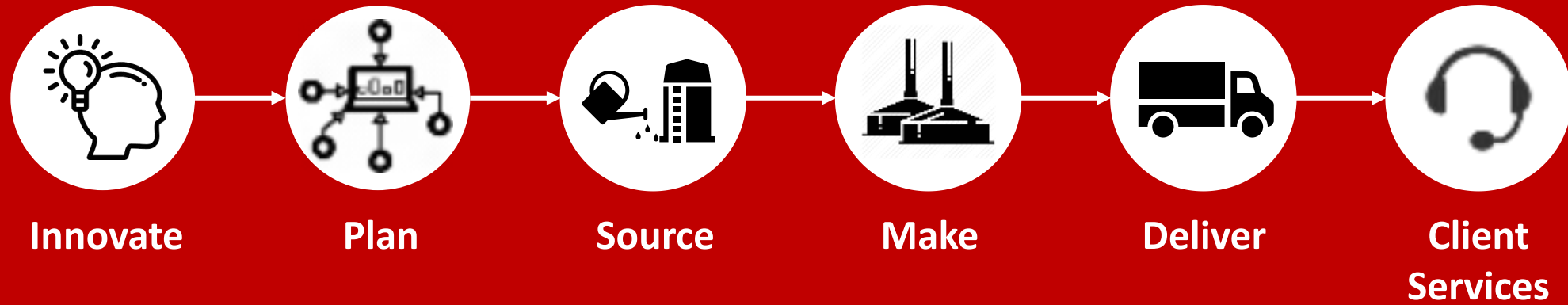
Premiumization
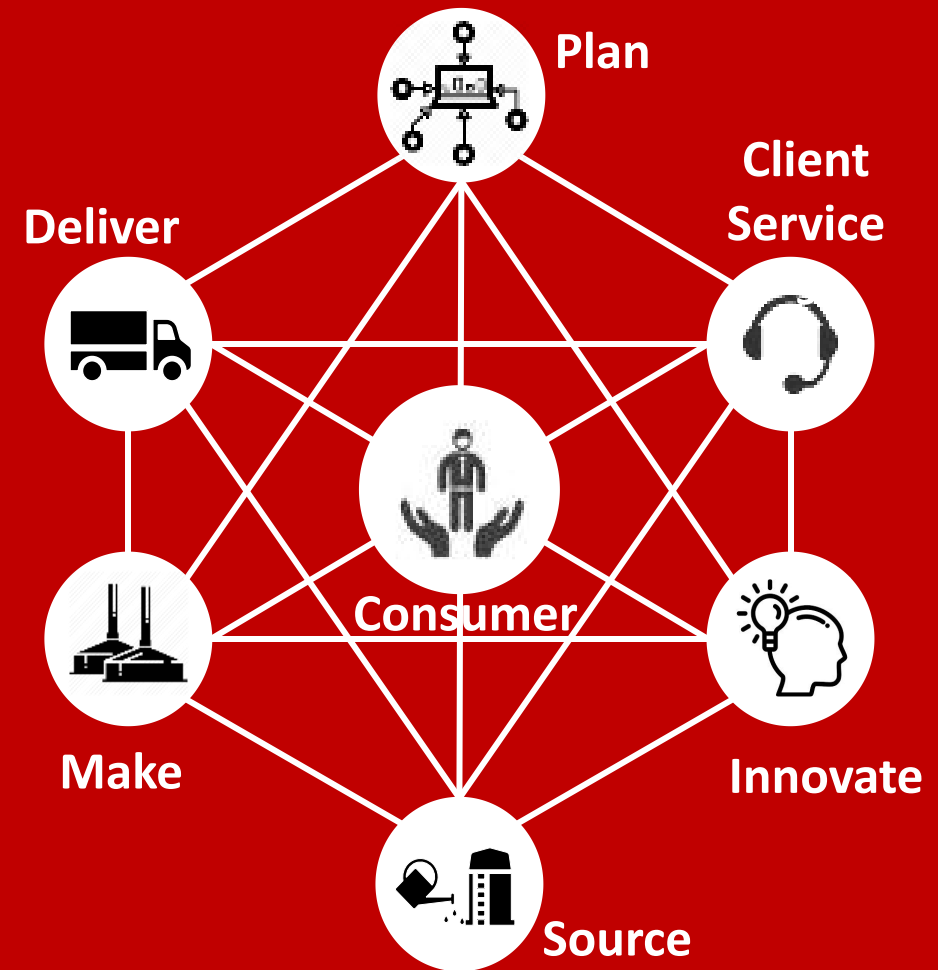
Digitalization

Expansion

People & Reputation

Linear Supply Chain is a thing of past.

Innovate → **Plan** → **Source** → **Make** → **Deliver** → **Client Services**
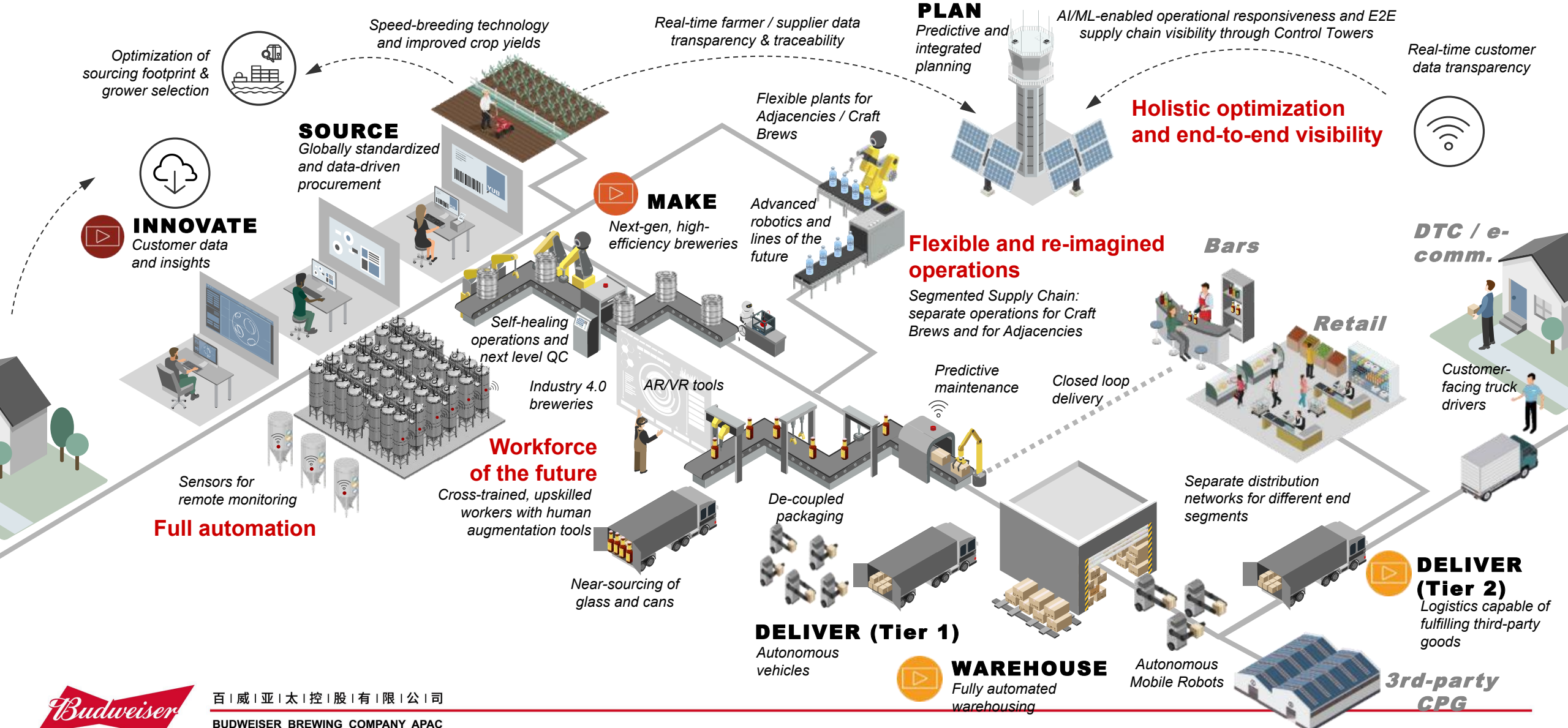
The end-game is not automation, it shall be synchronization

Synchronized Supply Chain connects all nodes and reacts faster to evolving people needs.

Plan

Client Service

Deliver

Consumer

Make

Innovate

Source

The end-game is not automation, it shall be synchronization

Control Tower for Connected Brewery

Optimization of sourcing footprint & grower selection

Speed-breeding technology and improved crop yields

Real-time farmer / supplier data transparency & traceability

PLAN
Predictive and integrated planning

AI/ML-enabled operational responsiveness and E2E supply chain visibility through Control Towers

Real-time customer data transparency

SOURCE
Globally standardized and data-driven procurement

Flexible plants for Adjacencies / Craft Brews

Holistic optimization and end-to-end visibility

INNOVATE
Customer data and insights

MAKE
Next-gen, high-efficiency breweries

Advanced robotics and lines of the future

Flexible and re-imagined operations

Segmented Supply Chain: separate operations for Craft Brews and for Adjacencies

Bars

DTC / e-comm.

Self-healing operations and next level QC

Industry 4.0 breweries

AR/VR tools

Predictive maintenance

Closed loop delivery

Retail

Customer-facing truck drivers

Sensors for remote monitoring

Workforce of the future

Cross-trained, upskilled workers with human augmentation tools

De-coupled packaging

Separate distribution networks for different end segments

Full automation

Near-sourcing of glass and cans

DELIVER (Tier 1)
Autonomous vehicles

WAREHOUSE
Fully automated warehousing

Autonomous Mobile Robots

DELIVER (Tier 2)
Logistics capable of fulfilling third-party goods

3rd-party CPG

Re-imagined partnerships

Budweiser

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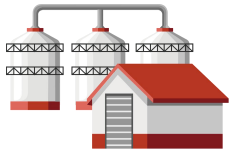BUDWEISER BREWING COMPANY APAC

Data Empowered operation model

- Data visualization
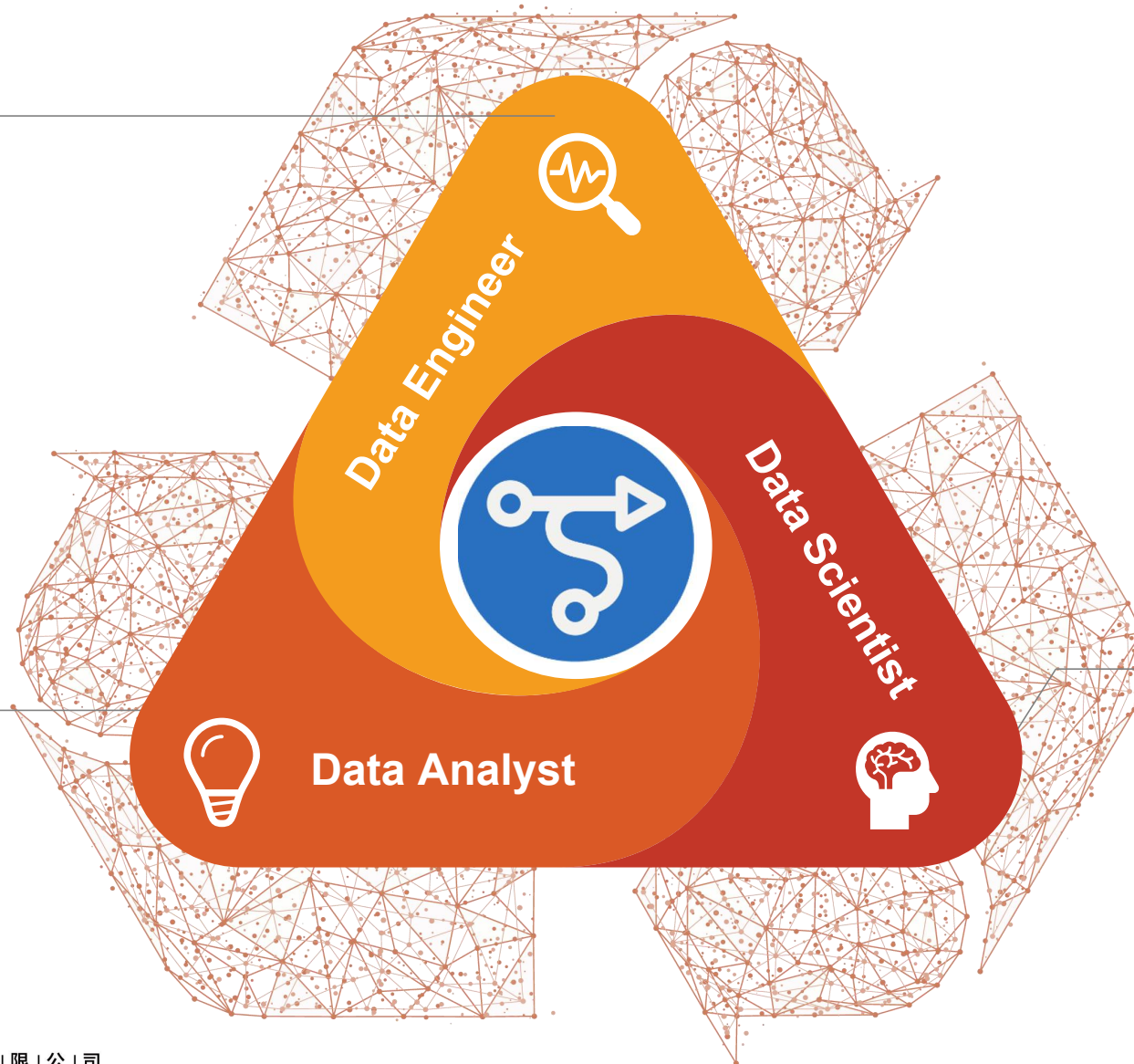- Data insights providing
- Dashboard generating

Bud Capability Center

BoF Office

- Collecting operational data
- Collecting business requirements
- Business interpretation

HQ Data Science Team

- Collecting unruly data, transforming it into usable format.
- Solving business-related problems using data-driven techniques
- Looking for order and patterns in data
- spotting trends that can help a business' bottom line.

Data Engineer

Data Scientist

Data Analyst

bc
BUD CAPABILITY CENTER

Logistics Control Tower Sharing

Now: **Visibility**

Existing Logistics Control Tower - KPIs

Daily

- **Open Order Tracking**

- **Order Fulfillment Time**

- **EB@DC/Wholesaler**
  - Speed up the EB delivery plan

- **Shipping Execution Tracking**
  - Track daily shipment completion by brewery and by carrier

- **Unshipped Order Tracking**
  - Focus on daily unshipped order by Sales BU.
  - Track the reason and drive the shipment

- **Truck Efficiency**
  - Track the truck efficiency in TTC and waiting time by brewery/carrier and drive for improvement

- **Real Time Carrier Scorecard**
  - Track carrier daily performance

Weekly

- **Carrier Scorecard**
  - Publish carrier weekly KPI result and drive the improvement

- **Capacity Prediction**
  - Focus on Carrier Capacity shortage risk and take action to mitigate the risk

- **Costing Command**
  - Monitor the timeliness of TST cost booking and reconciliation

Monthly

- **TST KPI**
  - Drive the KPI improvement from BSC side

- **Carrier Scorecard**
  - Publish carrier monthly KPI result and drive the improvement

- **GPS Coverage**
  - Track GPS coverage and drive carrier to equip and connect GPS as per ABI requirement

- **VLC Performance**
  - Deep dive saving opportunity from operational perspective

Snapshot of Logistics Control Tower

ABInBev

Logistics Control Tower Sharing

Future: E2E Operational Excellence and Continuous Improvement

Reactive	**Functional Operational Excellence**	**E2E Operational Excellence**	**Continuous Improvement**

- Provides visibility to events
- Focused on preventing disruptions

- Drives functional excellence
- Provides basic analytics, 'what if' analysis

- Moves silos to horizontal processes
- Drives E2E process excellence

- Drives continuous value assessment
- Manages business value and profitability

Visibility & Administration	**KPI & Compliance**	**Transportation Planning**	**Logistics Execution**	**Replenishment Planning**	**Cost to Serve Analytics**	**Continuous Improvement**	**4PL Operations**
Shipment Tracking	KPI Monitor	Route Optimization	Carrier Selection	Set Inventory Level	Transportation Spend Analysis	Network Optimization	Service Provider Sourcing
Event Management	Invoice Admin	Mode Selection	Freight Bill & Audit Payment	Replenishment Order Planning	KPI Target Setting/Budget	Fulfillment Strategy	
				Inventory Health			

Visualization → **Optimization**

AB InBev

Logistics Control Tower Sharing
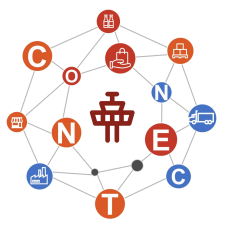
PREDICTIVE SUPPLY CHAIN

- A new superpower to manage more complicated supply chain
- Turn real-time data into results

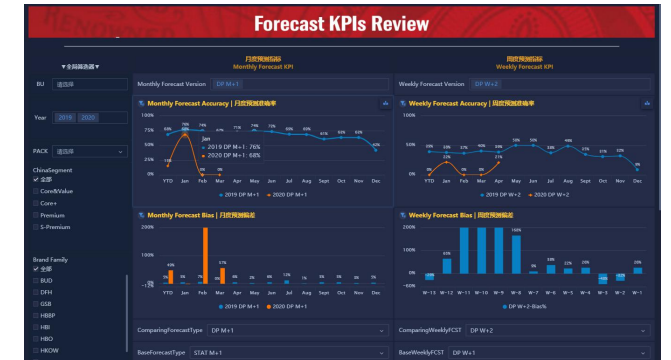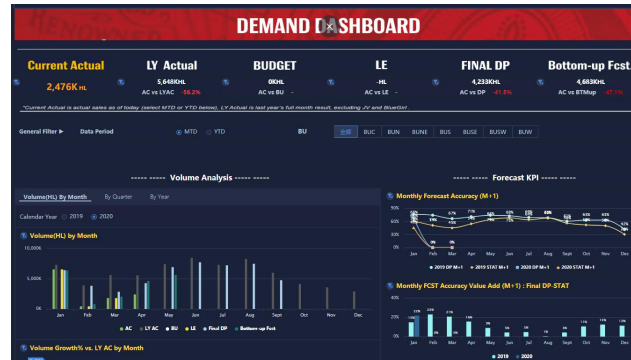**Real-time Dashboard**

Automatic Risk Mitigation

Action

Monitor

Analysis

Alerting

Visibility

Analytics

Continuous Improvement

Process Execution

Big Data

AI Analysis

S&OP for Growth Panel

To guide communication and support decision making

Control Tower Panel

To support planning analytics and lead actions

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Thanks!