



## **Cisco Partners with D.W. Morgan to Offer Supply Chain Solution**

*By Editorial Staff*

Combined offering aims to link business applications, trading partners to help companies respond more quickly to changes in demand

Chicago — September 23, 2005 — Cisco Systems this week took the wraps off what it is calling the Cisco Demand Driven Supply Chain (DDSC) solution, and the company announced that it is partnering with logistics provider D.W. Morgan on a joint solution designed to help enterprises link business applications throughout the supply chain over Internet protocol (IP) and, thereby, be more responsive to rapid changes in demand signals.

The second solution of the Cisco Intelligent Networked Manufacturing strategy, the DDSC solution is intended to enable customers to better integrate information and processes spanning the entire manufacturing workflow, according to Cisco. By providing secure visibility into the supply chain, customers have the potential to build in the flexibility needed in today's manufacturing world, meet expectations more efficiently, operate more profitably and respond to market dynamics and mandates, Cisco said.

Cisco has teamed with D.W. Morgan, a logistics provider and supply network consultancy, to provide Fortune 1000 manufacturers supply chain expertise and logistics planning in conjunction with the Cisco DDSC solution. The two companies said they are combining D.W. Morgan's expertise and Cisco Systems' networking products and services to help enterprises more effectively respond to customer demands and share that information in real time with their partners in the development, sales and services of its products.

### **Adept Eyes Visibility**

One such company, Adept Technologies, wanted to control costs and increase operational efficiency. The company needed to expand visibility throughout the supply chain to ensure availability of parts, minimize logistics and transportation costs and maintain high customer service levels. To retain a focus on its core competencies and still achieve its growth and customer service goals, Adept decided to outsource its logistics and transportation management functions by working with D.W. Morgan and Cisco.

"This solution will let us converge worldwide resources to respond immediately to customer needs," said Lee Blake, vice president/general manager, Adept Services. "We might connect a customer in China to a service person in Germany, who could dispatch

the necessary part from a Singapore facility. We know what parts are available, where they're located, where they're needed and how to ship them fast and cost-effectively."

"The days of individuals forecasting and re-forecasting are coming to an end," said Scott Westlake, worldwide manufacturing industry marketing lead at Cisco Systems. "Demand changes in a flash, and as supply chains become more outsourced and global, sensing these changes becomes tougher."

Westlake suggested that the Cisco Demand Driven Supply Chain provides an answer to these challenges by offering a solution for real-time collaboration that helps ensure all links of the value chain are active participants.

### A New Kind of Supply System

"What's needed to serve the new, all-powerful consumer is a new kind of supply system," said D.W. Morgan President David Morgan. "Morgan and Cisco provide exactly what's needed — an intelligent network in every sense of the word: networked hardware, networked communication and networked collaboration management with industry-leading security features. Whether you embrace this demand-driven supply chain or ignore it can determine whether you dominate your industry or go out of business in the years ahead."

Steve Banker, service director for supply chain management at technology consultancy ARC Advisory Group, said that one key issue for many supply chains is the problem of integrating to smaller suppliers and customers. "The Cisco supply-chain solution offers increased flexibility through some unique capabilities in this area," Banker said. "It provides a highly secure communication platform ready for the integration of services like RFID and IP telephony."

IP telephony can help to automate transactions with small suppliers, Banker explained. "For example, a supplier can receive a voicemail message that allows him to push one key to increase an order or another key to decline the opportunity. Moreover, as Cisco optimizes the network for supply-chain applications, customers can centrally deploy and manage upgrades without parachuting IT experts around the world."

### Components of the Solution

The Cisco DDSC solution comprises Cisco Integrated Services Routers, wireless LAN solutions, integrated security solutions and IP communications and voice solutions.

D.W. Morgan said it helps companies optimize supply networks for the digitized, collaborative, global business environment, creating cost efficiencies, new revenue sources and competitive advantages. "By transforming the supply chain, manufacturers can more accurately anticipate and respond to customer needs, operate more cost-effectively, create a major competitive advantage and better manage changing financial compliance mandates," the company said.

The two solution provider said that their combined solutions and expertise can help organizations feed real-time data about customer demand into the production and distribution process, gain visibility to actively eliminate blockages in a supply chain that can cause disruptions and delays, and improve sales and order forecasting, manufacturing and distribution planning.

Cisco and D.W. Morgan also said that their joint offering could help companies spend less time and money on procurement, and that the combined solutions would support virtualization and outsourcing of non-core activities without losing speed, visibility, control or quality.