

Bristlecone Introduces Advanced Supply Chain Risk Management Service

Identifies and Resolves Hidden Threats to Corporate Supply Chains

Orlando, Fla. – May 5, 2008 – Bristlecone, one of the industry's most trusted supply chain business advisors and solution providers, today announced a specialized service designed to manage and mitigate risk within their current supply chain management processes. The new service leverages Bristlecone's expertise in analytics, statistical modeling optimization algorithms and data management, and is designed to ensure that organizations get access to critical expertise needed to ensure that their supply chain systems continue to be in sync with current organizational and supply chain models. With such a service, customers can continue to harness the power and capabilities of their deployments of the SAP® Supply Chain Management (SAP SCM) application. Today's announcement was made at the SAPPHIRE® 2008 Orlando conference, where Bristlecone is exhibiting in booth #2108.

Most supply chain risk management initiatives fail to consider one of the biggest sources of risk the supply chains face today – risks coming from lack of resources with specific expertise needed to keep their current supply chain management system in sync with the changing business environment. Examples include:

- The statistical models in the demand planning systems need to be tweaked on a continuous basis to keep pace with the changing environment. If statistical models stay stagnant because the demand planning organization does not have resources with expertise in statistical modeling, forecast accuracy worsens as time goes by, leading to recommendations that increase supply chain risk
- The sophisticated planning algorithms in any planning system need to be continuously tweaked by someone with deep expertise in optimization algorithms to ensure that as the network topology or underlying assumptions change, the algorithms change with it. Due to a lack of expertise in optimization algorithms within the organization, the models are not tweaked on an ongoing basis. Stagnant algorithms can lead to sub optimized or incorrect planning recommendations.
- If left untouched, the data within every information system deteriorates over time. With the decline in the quality of data, the supply chain deployment can potentially hide supply-side issues, creating a potential for unexpected disruptions in the future. It is critical to have specific expertise in data cleansing in the organization.
- Most supply chain planning systems generate a lot of detailed data which needs to be organized and prioritized for planners. Organizations need access to deep domain expertise in analytics to provide their planners with the analytics, decision support tools and heuristics they need to bubble the most important issues to the top – otherwise they are less likely to be able to identify and address issues that can increase supply chain risk.

Failing to constantly evaluate statistical models, planning algorithms and KPI's to keep pace with your organizational and supply chain models is a risk most companies never even recognize.

They expect their supply chain planning and execution systems to perform as well as they did when they were first implemented and don't allocate resources with specific domain expertise in such skills. Lack of such resources prevents an organization from identifying and addressing these issues proactively, leading to a slow erosion of supply chain performance.

Bristlecone's new supply chain risk management service addresses these issues by offering companies deep domain expertise in the key technologies that are embedded within SAP SCM: statistical modeling within the SAP Demand Planning application, optimization of algorithms within supply chain planning, analytics and data cleansing – coupled with a deep expertise in application of these technologies to supply chain management. By leveraging these capabilities through a Knowledge Process Outsourcing (KPO) delivery model, companies can help ensure that their supply chain systems are continuously updated and continue to deliver optimized plans, leading to reduced risk and sustainable benefits.

“The best way to avoid a supply chain disruption is to proactively identify and address issues that are within your control,” said Ashok Santhanam, Bristlecone's President and CEO. “Our service is designed to help organizations that do not have dedicated specialty resources to keep their supply chain systems working well all the time. Organizations with supply chains that are always in sync with their environment will see a significant competitive advantage over their peers in cost, velocity and flexibility.”

For additional information of Bristlecone's Advanced Supply Chain Risk Assessment service, please visit us at www.bcone.com

About Bristlecone

Bristlecone, (www.bcone.com) is a leading consulting and systems integration firm focused on helping clients maximize the strategic value of their supply chains. Across over 100 engagements ranging from supply chain strategy and network design to supply chain system implementations, Bristlecone clients have realized the promise of the Bristlecone Advantage: value through focus; first-hand, real world experience; focus on business results; rapid time to value; and full accountability through fixed fee/fixed time service delivery. Headquartered in Silicon Valley, CA, Bristlecone helps clients across North America, Europe and the Asia/Pacific regions realize high business impact from improved supply chain planning, sourcing, execution, analytics, and data management, and has been continually acknowledged by industry analysts as a leader in solutions for the extended supply chain. Bristlecone clients include globally recognized companies such as ABB, Applied Materials, BP, Exxon/Mobil, Freescale Semiconductor, Georgia Pacific, HP, LSI, Mahindra & Mahindra, Nike, Qatar Petroleum, Petronas, Ranbaxy, Silicon Labs, Sony, Unilever and Whirlpool. For more information please visit www.bcone.com

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