

MANAGING MOUNTAINS OF INVENTORY DATA, HEXION ENSURES **SUSTAINABLE GROWTH AND PROFITS**

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Hexion Specialty Chemicals, headquartered in Columbus Ohio, is the world's largest producer of thermosetting resins, with sales exceeding \$5 billion and leading positions across various end-markets and geographies. They have 103 production and distribution facilities in various countries in the Americas, Europe and the Asia Pacific region, and approximately 8,000 employees.

A diverse portfolio of more than 50,000 SKUs produced and stocked at multiple locations, coupled with fluctuating raw material prices offers unique challenges for managing the extended supply chain efficiently. Hexion has recognized that managing the supply chain effectively is key to ensuring sustainable growth and profits. Fundamental components of this strategy include:

- // An integrated transaction system (SAP)
- // Visibility and accessibility of Supply Chain Data (Arkieva)
- // Advanced optimization and decision support capability (Arkieva)
- // Advanced Scheduling (Aspen Technology)

The Arkieva solution provides greater visibility of data, advanced analytical capability for users, metrics, and other decision support capabilities to manage and control inventories. In the Phenolics and Forest Products Division alone, Hexion has reduced finished inventory by more than 20%, increased margins, and improved on time deliveries, by providing greater visibility to decision makers.

*"Using Arkieva, Hexion has significantly reduced inventory, increased margins, and improved on time deliveries."
- Paul Johnson VP, Global Supply Chain Plan Process*

Hexion is currently exploiting Arkieva's rapid deployment methodology to extend Arkieva's footprint across newly acquired businesses. According to Paul Johnson, Vice President of Global Supply Chain Processes, Arkieva's integrated environment and optimization capabilities provides the ideal platform for deploying unified and state-of-the-art processes across the corporation.

According to Johnson, Arkieva's ability to support diverse processes is important for Hexion. Different businesses have different needs, and consequently different software requirements. Arkieva's advantage is that it can be adapted to these unique requirements and yet provides the infrastructure to leverage best practices across the corporation, where applicable.



// **INDUSTRY:**
Chemical

// **CHALLENGES:**
More than 50,000 SKUs, worldwide production locations, pressure on working capital.

// **SOLUTIONS:**
Arkieva S&OP, Supply Planner, Demand Planner, and Inventory Planner

// **RESULTS:**
Reduced finished product inventory, reduced feedstock inventory and improved margins, lowest delivery cash cost.



Data to Decisions. Faster.



Discover The Arkieva Difference

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ABOUT ARKIEVA

Since 1993, Arkieva tools have been used in more than 200 unique applications around the globe, and most of our clients leverage Arkieva software to support collaborative planning teams in North America, Europe, and in Asia.