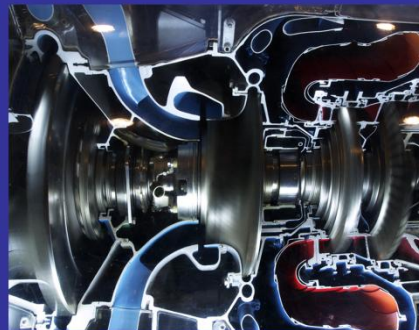




Boston
May 2010



New, Post-Recession, Sourcing Techniques

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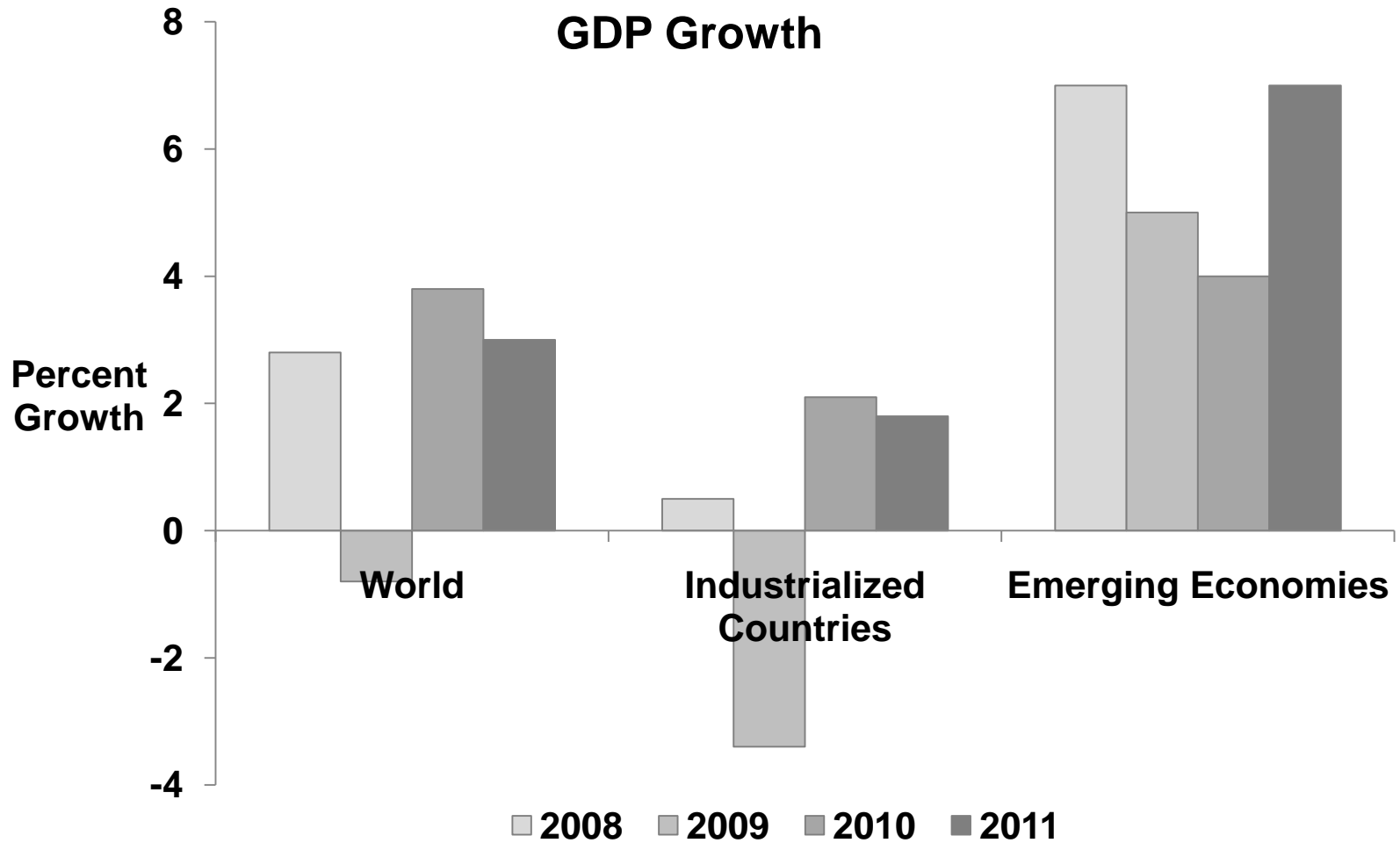
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Global Outlook: Double-Dip



Source: Boston Strategies International estimates based on Economist Intelligence Unit data



Trade Outlook: Rebound and Bullwhip



Source: Boston Strategies International estimates based on Economist Intelligence Unit data



The Risk of Over-Compensation

Some Top Job Cutters (since 2007)

- Citigroup (-118k)
- Robert Half (-105k)
- GM (-49k)
- Alcoa (-48k)
- Starbucks (-30k)
- GE (-23k)

Some Top Job Gainers (since 2007)

- Yum Brands (+49k)
- Best Buy (+30k)
- TJX (+25k)
- Lowe's (+23k)
- PepsiCo (+18k)
- Apple (+13k)

Source: Boston Strategies International selection of companies from analysis published in the Wall Street Journal



Strategies for Making Capacity Flexible

- **Outsource the Peak Load to Lower Capacity**
- **Increase Mix of Temp Employees to Lower B/E**
- **Use Lean and MTO to Lower Inventory**
- **Postpone Finishing to Limit Peak Capacity Needs**
- **Refine S&OP to Reduce Inventory Variances**
- **Reduce Cycle Time for Better Responsiveness**
- **Use Yield Pricing to Clear Inventory**



Case Studies

- Vale
- Al-Hidd Power
- Transnet
- CMA/CGM
- Shell
- Dow Chemical
- CSX
- Boeing



About Boston Strategies International

Consulting Services

Supply Chain Success

Sourcing & Negotiation



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Demand Planning



Reliability

Logistics



Customization

Strategy



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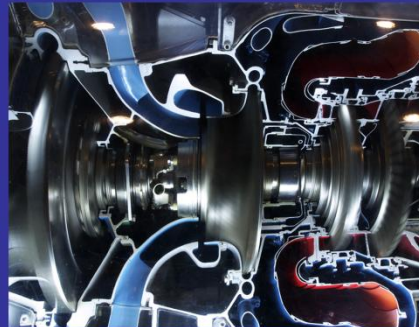


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- **Supply Chain Consulting** that helps supply chain leaders make high-stakes decisions
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- **Market Data** that helps identify emerging issues that affect their supply chains, and quantify the impact that they will have



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