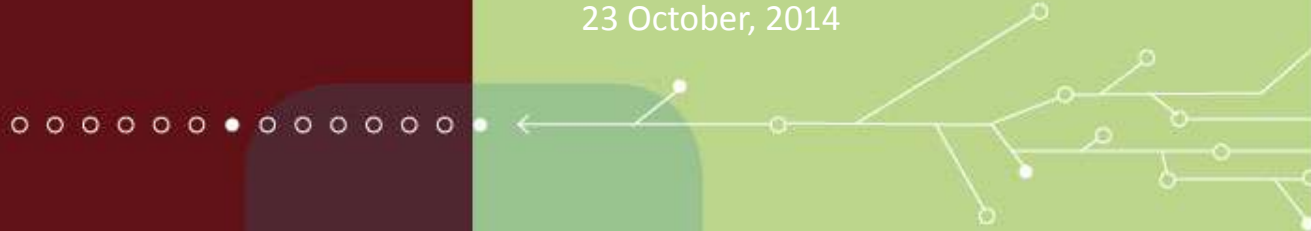




Supply Chain Mega-Trends: What will 2025 Look Like?

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Vice President, International
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David Houser, VP of International Sales

- Leader within the world's most recognizable software companies, in U.S. and abroad
- Strong leadership combined with technical and functional expertise
- 25 years of technical and applications excellence – SCM global practice
- Marketing, pre-sales, sales and implementation
- Real Life Stories...RLS



What will 2025 look like?



HighJump[™]
SOFTWARE

The Future of SCM (value...not just operational)

- Major trends in the economy, technology and society will shape the future of the industry
- Must adapt technology, practices and workforce to keep pace with changes
- The next decade will see the most change ever....we have the tools now
- RLS – real life stories



Supply Chains by the Numbers



Critical to economic growth and jobs:

- 7.5 million businesses
- 300 million consumers
- More uncertain, complex and ambiguous

Mega Trend: The Changing Workforce – people!

- Huge concern
- Must have new initiatives to find, attract and retain the workers necessary for success.
- By 2025, active, ongoing regional and national recruitment strategies should be standard practice.



The Changing Workforce: RLS

- Region UK, some places within EMEA, global
 - Value Chain....where are the costs and value;
 - Treat 'value' as such.....from auctions to ties;
 - **RED**, **YELLOW**, **GREEN** – tax incentives (or not) for local labor;



Mega Trend: The Growth of E-commerce

- Typical order-to-ship processing times in e-commerce distribution centers should be sufficient to support same-day delivery of in-stock items.
- 2025 – trillion dollar commerce
- 100% tracked real-time
 - Aligned, affordable, adaptable

“Online retail will post a 9% compound annual growth rate until 2017.”

SOURCE: FORRESTER RESEARCH



The Growth of E-commerce: RLS

- Region APAC, China
 - “eCommerce Operator”
 - All Systems;
 - All ads, photos, promotions;
 - eStore maint and fulfillment for their customer(s)
 - Licenses based on location.....from office, apparel, food



Mega Trend: Competition..everywhere, smart and demanding

- (Some) competitors will get it and win.....faster, more VAS and priced and serviced to win
- Competitive force in this space will ensure survival of the fittest
- I'll give you ½ the shirt off my back...industry will act different to satisfy above points



Competition: RLS

- Region – South America and Italy....to China
 - People connecting with people.....anywhere and everywhere
 - Bricks to clicks to.....virtual
 - Disruption at best.....build new systems, stores, DC's for the e economy



Mega Trend: 1X1Xinfinity.....



- 2025, ware rooms, virtual fitting, devices to make the next visit better
- Phone orders , mobile devices and computers, the mall experience
- Lead times will continue to shrink

Mega Trend Personalization: RLS

- Region US;
 - From product to employee – devices in the hands of the customer facing employees
 - 99% 2-day ground guarantee if not sooner
 - Hugely complex decision engine – ship from store, from DC
 - Demographics are affecting like never before



Mega Trend: Urbanization



- Population density will be particularly thick in urban areas, leading to traffic congestion and competition for roadways.
- New methods of distribution will be needed to avoid such problems.

Urbanization: RLS

- Region China
 - Food items
 - Order at work, pick up at the train station, corner, your home
 - ‘convenient always’ will be a new term via kiosks
 - Geo mapping and “opt-in” VAS



Mega Trend: Big Data & Predictive Analytics



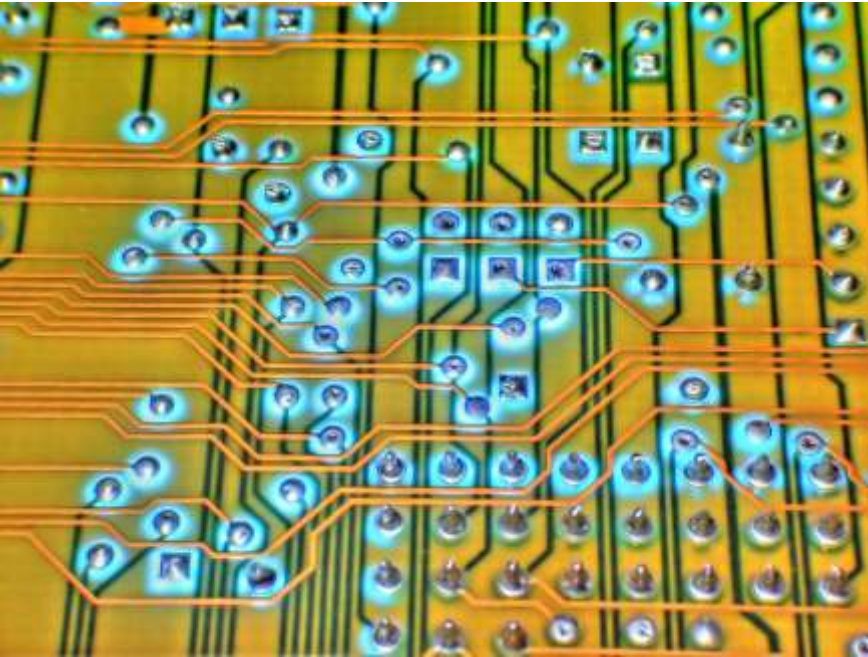
- Predictive analytics will be used through data mining and other techniques to predict the future.

Big Data and Predictive Analytics: RLS

- Region AUS
 - Food/confections
 - Issues with product along the supply chain
 - Created a “challenge” among largest/best companies in industry;
 - Visibility within supply chain;
 - Weather and atmospheric conditions for best raw materials;
 - Research historical geos around the world for new markets based on predictive analysis



Mega Trend: The internet of people and things



- There are 1.5 connections for every person on earth....now
- By 2025 it will be 2X....why and what does this mean

The internet of people and things: RLS

- Region Global
 - Health Care;
 - Your smart home;
 - Apparel that tracks you, knows you, thinks about you;
 - The 3PL that wants to be the targets, most complex on earth



Mega Trend: Mobile & Wearable Computing

- Consumers will demand to know where their shipments are and expected delivery time.
- Wearable devices will satisfy that information demand.
- Suppliers should examine this opportunity and harness it to achieve real-time control of their logistics operations.



Mega Trend: Automation



- Industrial robots will continue to expand their presence from manufacturing into material handling and logistics applications.
- Broad-based integration of several of technologies into coordinated systems could result in revolutionary industrial change.

Mega Trend: Sustainability



- The material handling and logistics industry should have developed standard methods to incorporate sustainable development into business plans and operating strategies.

About HighJump Software

Founded	1983
Customers	14,000 in 23 countries
Offices	Headquartered in Minneapolis, Minn. USA. Additional offices in six U.S. states, two Canadian provinces, Denmark and China.
Employees	700+



Thank you!

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