



A business unit of DOMO Chemicals

THE STRENGTH OF CHEMICALS

- Private family owned business
- Back up integrated into the entire Nylon 6 chain
- Global presence
- Continuous investments in innovation capabilities
- Focus on durable and strong partnerships
- Positive, focused and fast
- Sustainable driven company

- > Long term vision
- > Integration
- > Global
 - > Innovative
 - > Trust
 - > Agility
 - > Sustainability

DOMO Chemicals at a glance

Turnover: >1 Billion \$

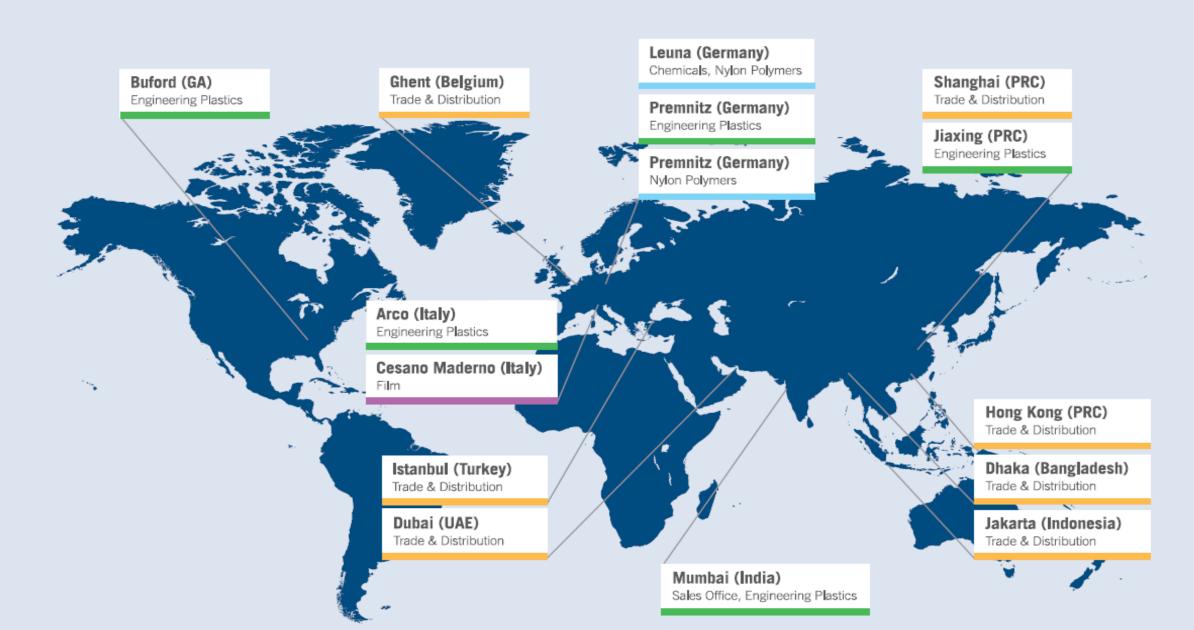
Employees: 900

Capacities: 700.000 tons products

Global presence

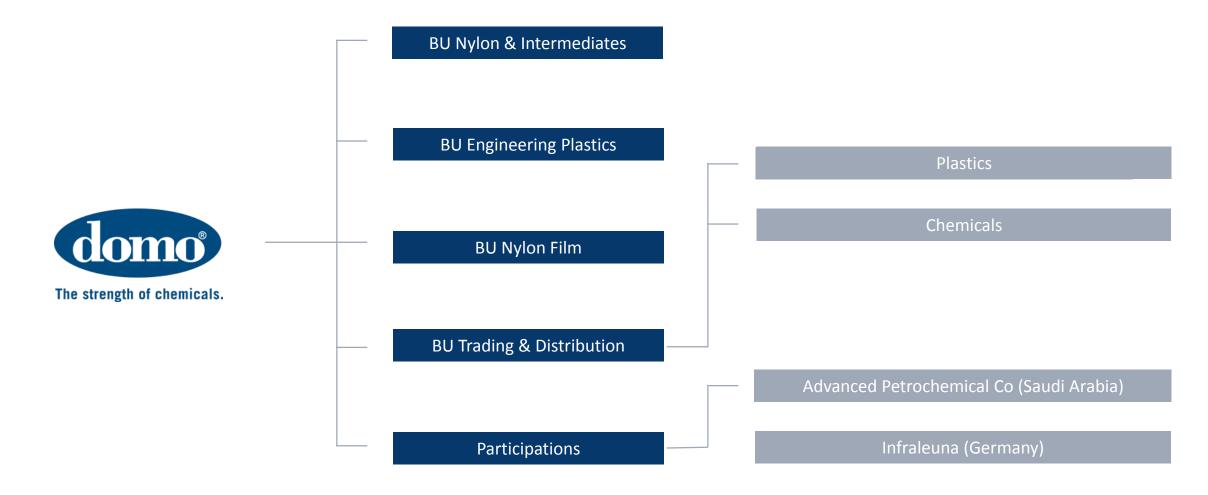
TRUST, AGILITY, COMMITMENT







DOMO Chemicals





We build trustful relationships with our customers who can rely on our strengths



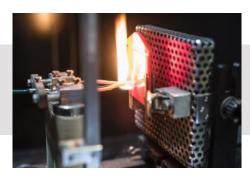




Flexible



Sustainable



Innovative



Integrated



Reliable



Global



Kris Smet

Applied Economics UFSIA

Atlas Copco Oil Free AirPurchasing

Atlas Copco Portable Air
 Purchasing, Supply Chain, Project Management

Fleetguard/CumminsDistribution Manager EMEA

Telenet
Supply Chain, Plant & Property, Facilities,

Warehousing, Project Management (ERP,

Integration M&A dico, launch strategic programs)

Independent Consultant & Partner
Purchase & SCM

Progressio
Purchase & SCM

Domo Chemicals
Corporate Purchase Global

Scameleon
 Chairman of the Board



The Question – The Topic



- Embrace Technology Invest in People
- How to beat the bots as a buyer?
- What the fxxx are "the bots"?
- Google: "The Bots are a Los Angeles-based indie rock band founded by brothers Mikaiah Lei and Anaiah Lei."
- Check the internet: www.internet.com
- An internet Bot, also known as web robot, WWW robot or simply bot, is a software application that runs automated tasks (scripts) over the Internet. Typically, bots perform tasks that are both simple and structurally repetitive, at a much higher rate than would be possible for a human alone
- Intelligent bots are computer programs that leverage artificial intelligence to enable natural conversations with people. The recent advancements in machine learning and the convergence of compute power and big data are bringing artificial intelligence into the mainstream. Intelligent bots will transform every facet of every industry and dramatically improve the customer experience (source: oracle)

The Question – The Topic



Trends in purchasing....what to do?

Artificial intelligence is not a medicine for natural stupidity

When your tool is a hammer, all problems look like nails

Process



- An organisation needs to meet certain criteria in order to be successful
 - Logic and consistent
 - Supported by the right systems & processes
 - Fit the 3 layer model: physical, administrative and systemsflows
 - Coherence & maturity of the organisation needs to be checked and mapped
 - Strategy of the company needs to be clear and transparant (ST & LT)
 - 3 values that need to be in line
 - Human Capital
 - Expectation of the corporate strategy towards Human Capital
 - (Continuous) Communication supporting and enabling it all

Differences to overcome



12

Top management support

Clear strategy & planning

Make resources available

Measurement systems

Visibility results

Reward systems

Corporate Sourcing Platforms
Executive Steering Board
Corporate CPO
Category Managers
PMO
Category Development Teams



Create internal networks

Training

Job Rotation

Management Development

Programs

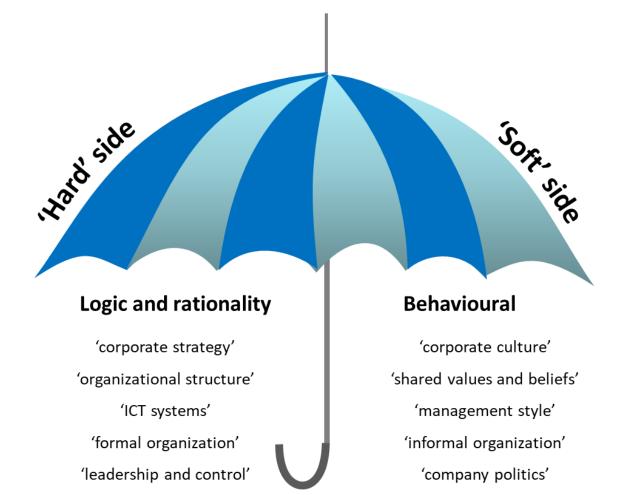
Company events

Group identity

Intranet / internet / e-mail
Corporate Contract Database
(E-)Procurement systems
Videoconferencing
Centralized database system
Web portal or any other tool

Creating corporate advantage through purchasing has 2 sides





The Question – The Topic



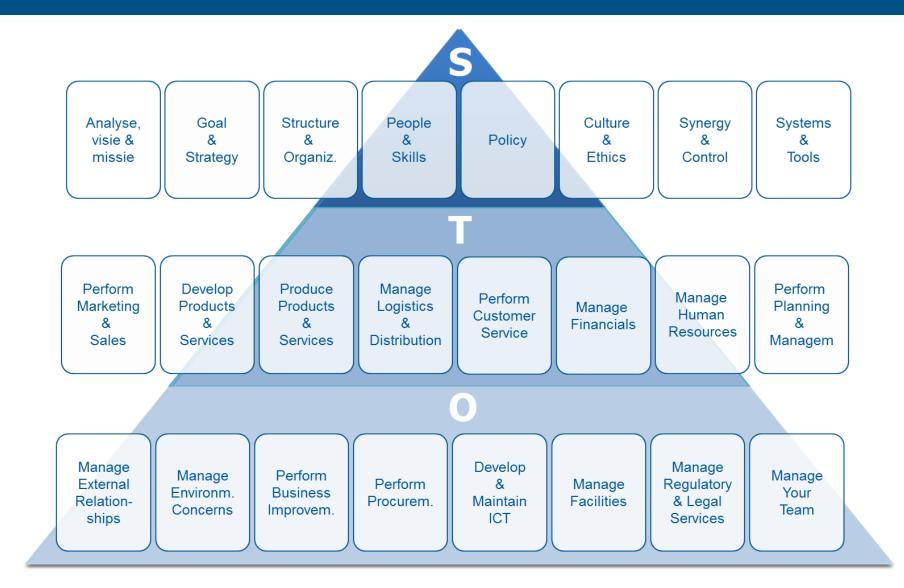
Trends in purchasing....what to do?

If at first you don't succeed, redefine success

 Success is not about waiting for the storm to pass ... it's about learning to dance in the rain

Clear split-up between S – T – O for Procurement



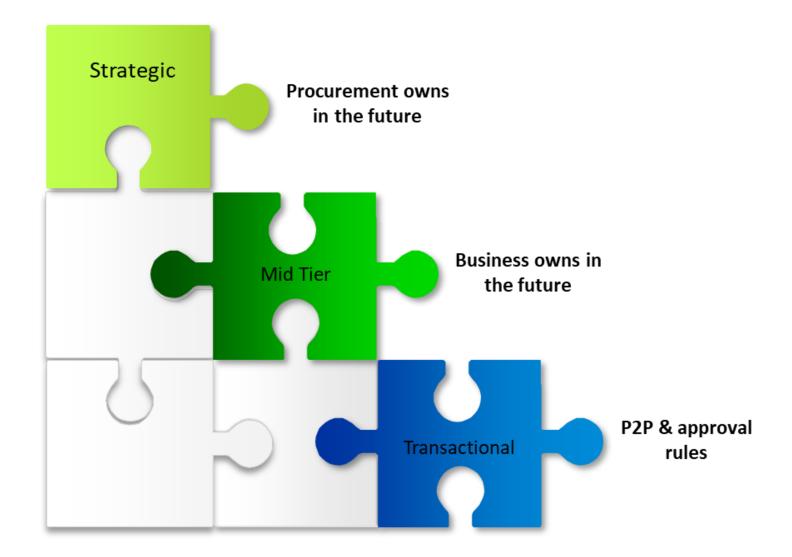


Procurement 's Functional Role



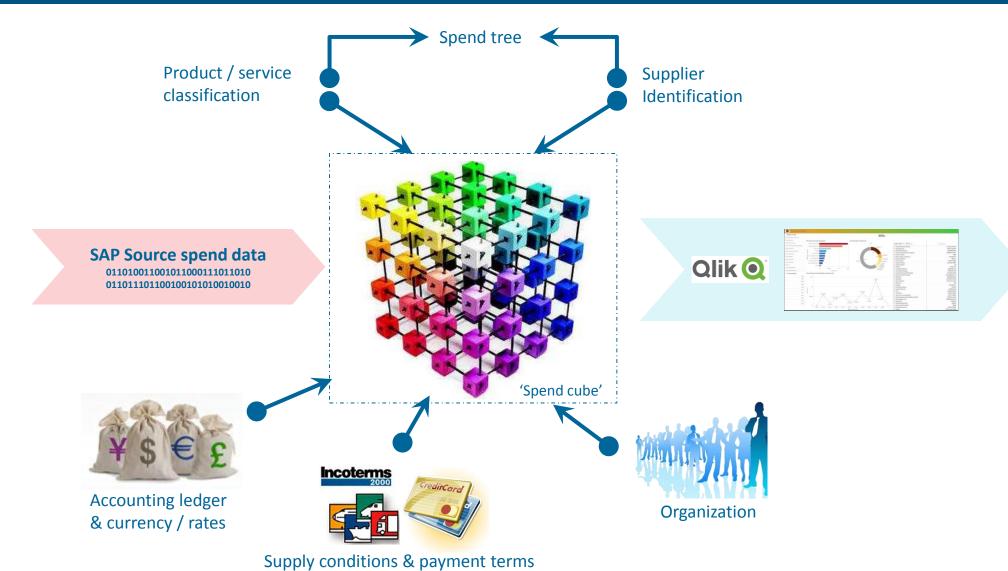
Procurements owns

in the past



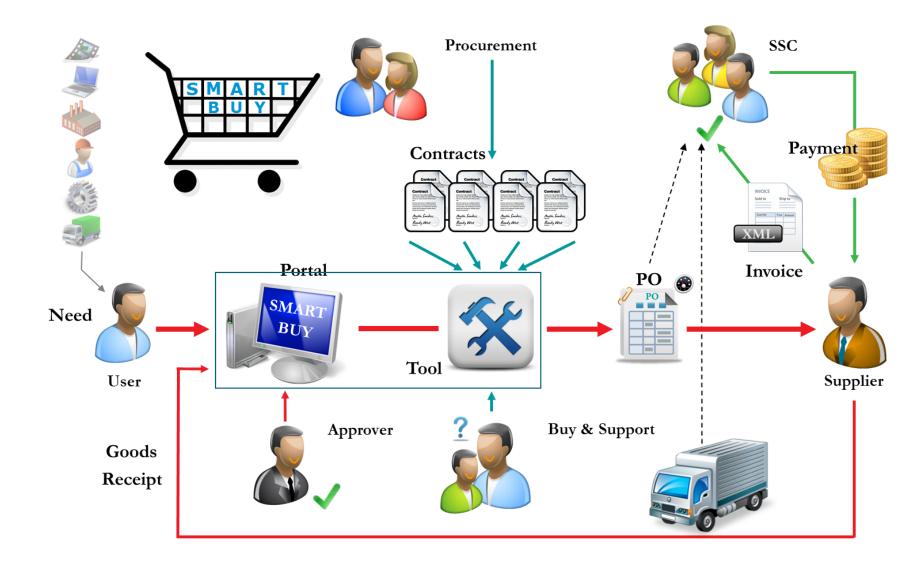
Datamining – Meta Data





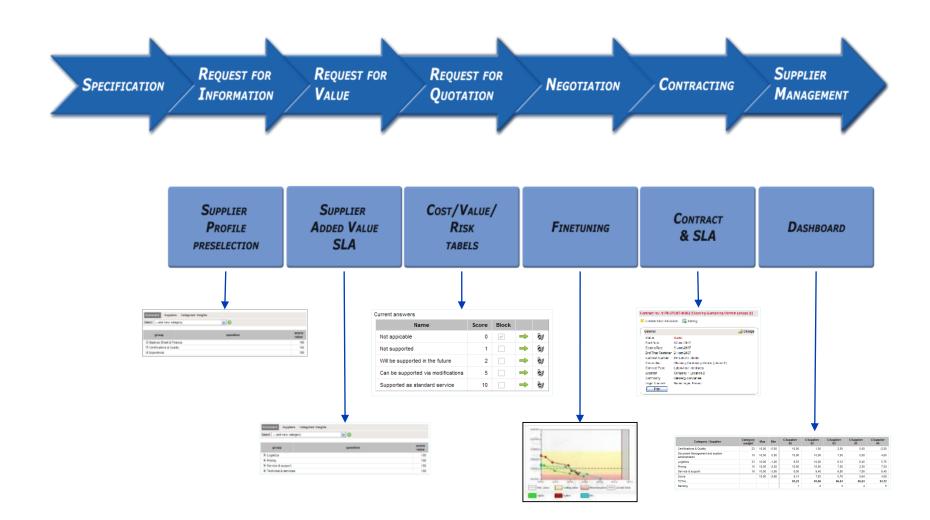
P2P Process





The "OLD" Tactical Sourcing Process: the key to cross-functional success

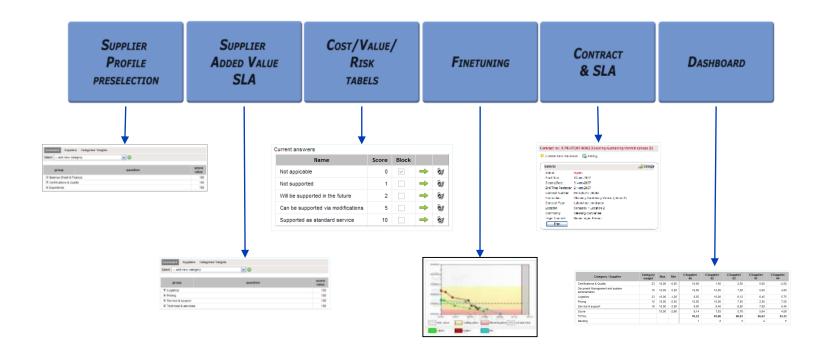




The Tactical Sourcing Process: the key to cross-functional success







Program management





Corporate functions Domo Chemicals



| | N&I | EP | NF | T&D | |
|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--|
| Corporate Finance | BU Finance | BU Finance | BU Finance | BU Finance | |
| Corporate HR | BU HR | BU HR | BU HR | | |
| Corporate M&C | BU Marketing | BU Marketing | | | |
| Corporate IT | BU IT | | BU IT | | |
| Corporate Innovation | BU Innovation coaches | BU Innovation coaches | BU Innovation coaches | BU Innovation coaches | |
| Corporate Purchase | BU Purchase | BU Purchase | BU Purchase | | |
| | | | | | |

5 Major Focus Areas – 10 Tasks, Roles & Responsibilities To Enable Success



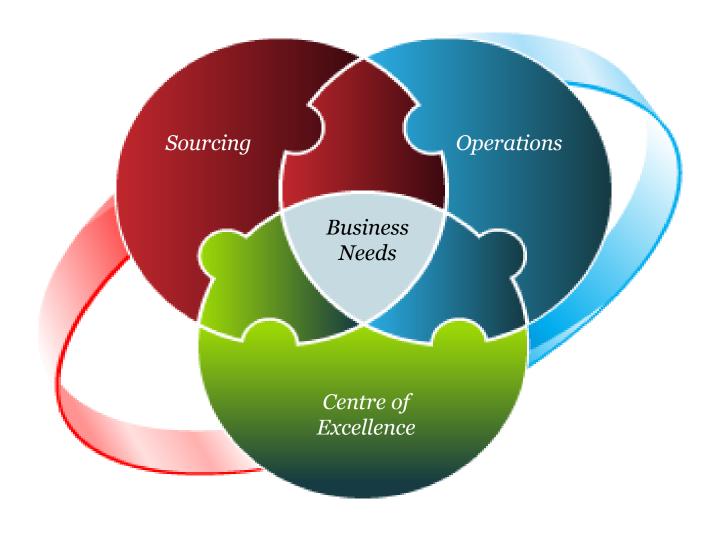
- Value drivers
- Purchasing's role
- Business role
- Delivery model
- Resources

See Market Study Gartner

- Corporate function drag
- Data scrutiny
- Asset lite
- Regulatory fragmentation
- Cost savings & risk mitigation
- Execution speed & Business insight
- Eroding process ownership
- Sourcing executor, agent or advisor
- Hybrid Center of Excellence
- Professional advisory staff & customer-oriented technology

Centre of Excellence

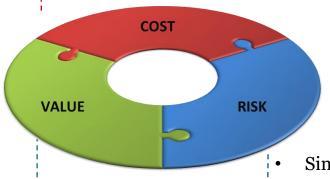




Centre of Excellence



- Cost savings
- Supply base reduction
- Product standardization
- Global sourcing
- Tendering
- Contract management



- Revenue growth from new business
- Improved margin on products
- Improved customer value proposition
- Early Supplier Involvement in new product development
- Shorter time to market
- Exclusive new products

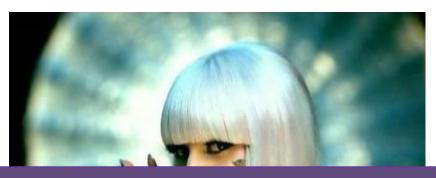
- Single vs. multiple sourcing
- Performance based contracting
- Supply base management
- Corporate Social Responsibility
- Sustainability
- Supplier Auditing
- Intellectual Property

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Centre of Excellence



Who knew Lady Gaga before April 2008?



How can Belgacom anticipate what is lying ahead of us?





Inspired from Madonna's success story, perfect knowledge of her target group, audacious leverage of the technologies (digital music and social media), mix of music and fashion industries, she is now one of the most popular artists in the world \rightarrow 30 millions followers on Tweeter (October 4th, 2012).

Sources: You Tube; Lady Gaga: born this way?, J. Anderson and J. Reckhenrich, Antwerp Management School, 2011

The Question – The Topic



Trends in purchasing....what to do?

Don't worry, be app(y)