



European Supply Chain Technology Report

A brief analysis of eyefortransport's recent survey

2010

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I. Introduction

eyefortransport's European white paper is not a summary of static data, it features dynamic expectations from Europe's industry leaders in the supply chain field.

This report reveals:

- What motivates top Supply Chain executives when seeking new technologies
- How supply chain executives plan to invest in technology solutions next year.
- Which supply chain technologies have yielded good ROI
- Which technologies executives would like to see improved.

Summarised by the report are the opinions and industry insights of executives from Nokia, Epson Europe, ASICS, AkzoNobel Industrial Chemicals, LONZA and many more...

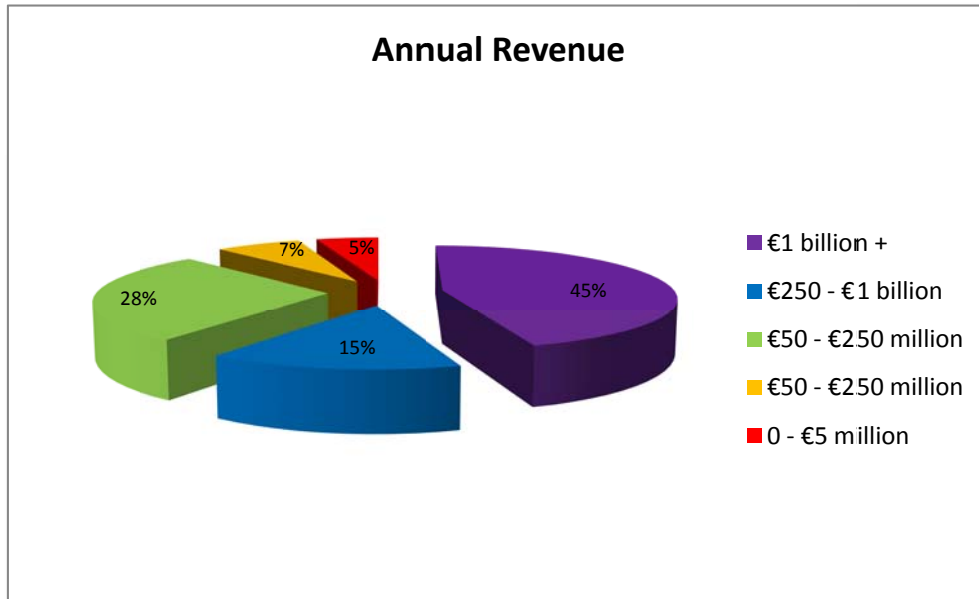
Their responses enable us to provide an in depth perspective on the use of IT and Technology for supply chains, and given the current climate, it provides a particularly valuable insight into future trends.

II. Methodology and Approach

This survey was conducted in September 2010 with responses solicited by targeted e-mail lists, select trade association memberships, various related-industry databases and other targeted methods. The majority of respondents were key figures, representing major companies. No individual responses were analysed, but rather all responses were consolidated.

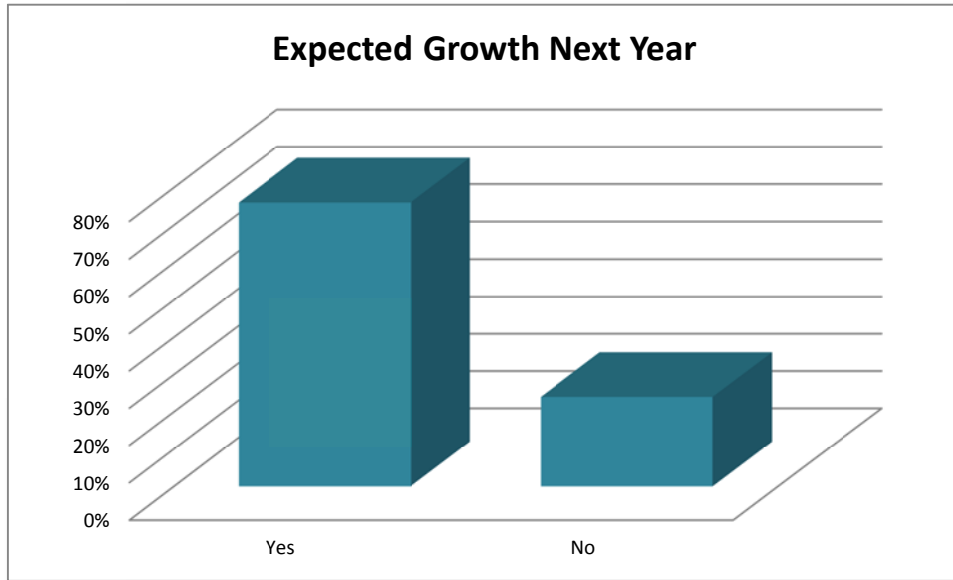
III. Profile of Respondents

Of the respondents to the recent eyefortransport Supply Chain Technology Survey, 45% represented companies with annual revenues above €1 billion. Of the remaining respondents, 15% represented companies with annual revenues between €250 million and €1 billion, 28% represented companies with annual revenues between €50 million and €250 million, 7% represented companies with annual revenues between €5 million and €50 million, and 5% represented companies with annual revenues below €5 million.



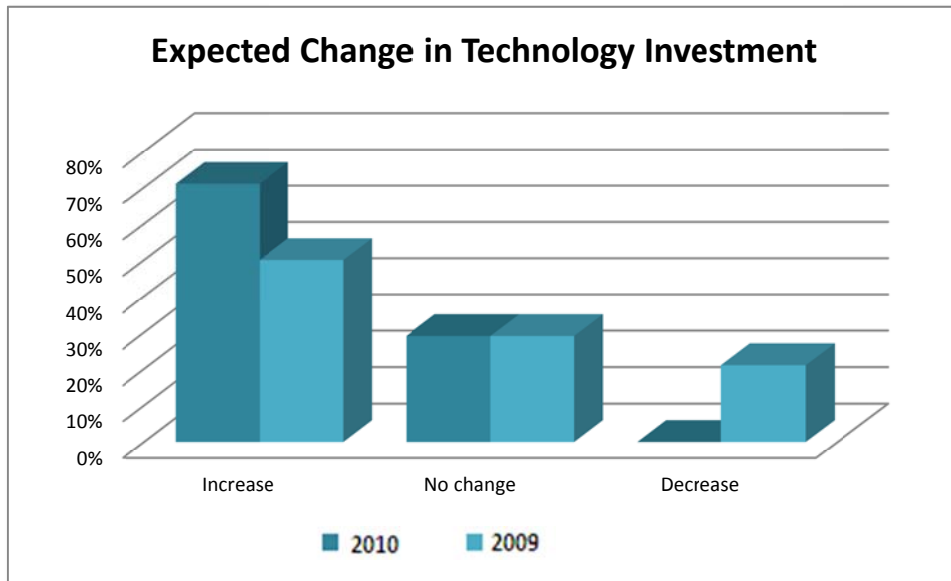
IV. Financial Issues

One of the most notable results of the survey was the number of shippers who expect to see growth in their company next year (76%). This is a very positive figure as Europe pulls out of the recession!

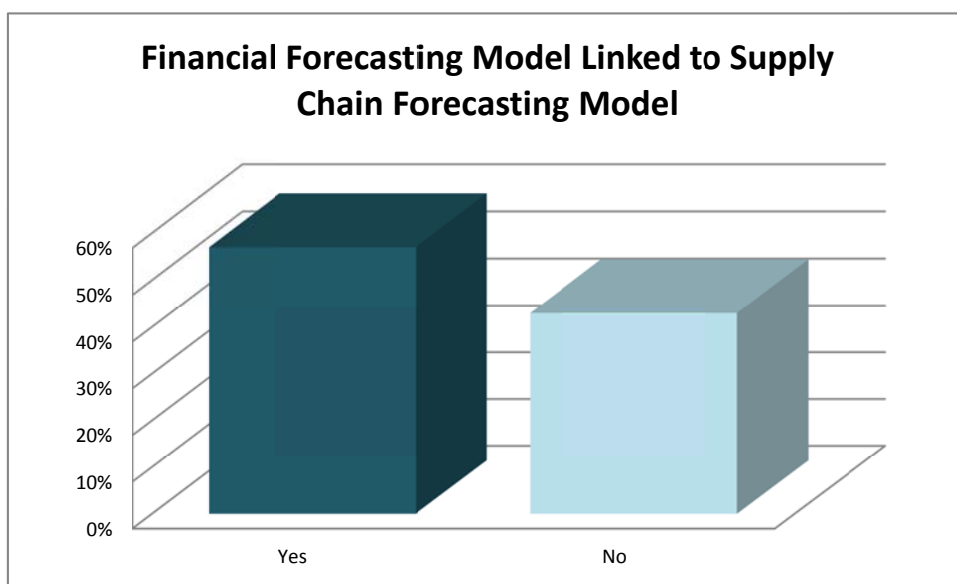


The number of respondents expecting to increase rather than decrease their level of supply chain technology investment in the next twelve months has increased! 71% of respondents expect an increase.

This is a vast difference from last year, when only 48% of respondents expected an increase in supply chain technology investments, and 18% expected a decrease in technology investment for supply chain. No-one expects to decrease technology investment in 2011.



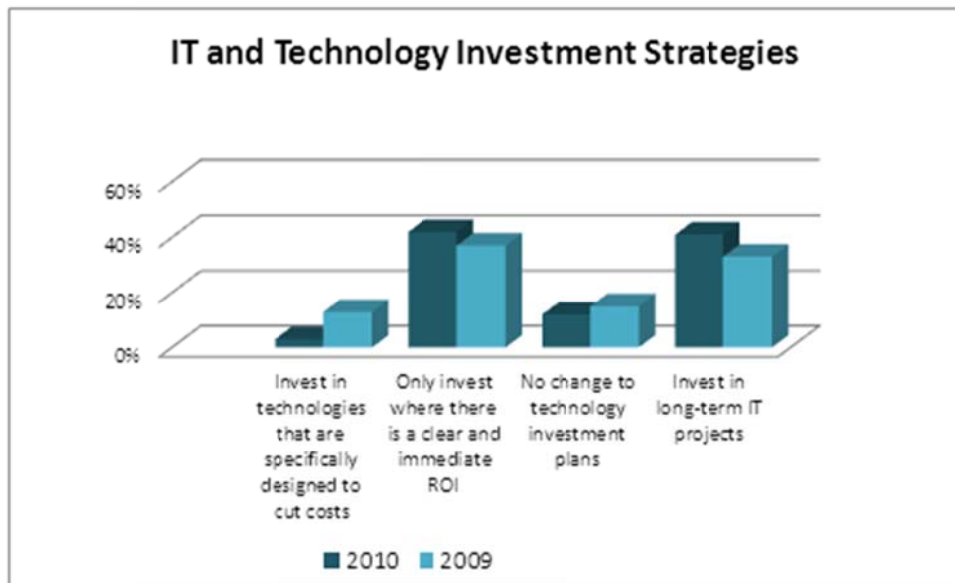
The survey also asked shippers whether their company's financial forecasting model is linked with their supply chain forecasting model. Opinion was split on this matter, with 57% linking their financial forecasting model to their supply chain forecasting model, and 43% not doing so.



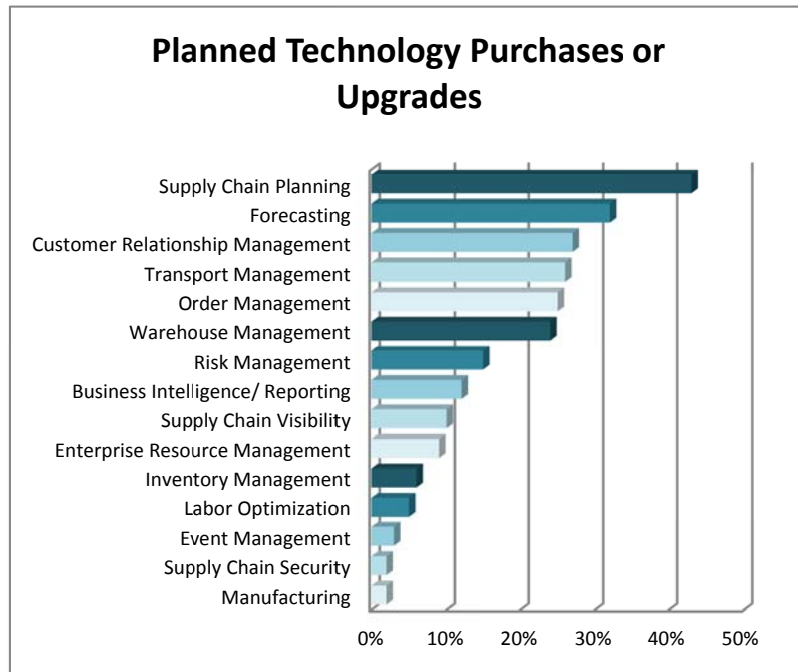
V. Supply Chain IT and Technology

Respondents were asked to define their IT and technology investment strategies for the next 12 months. The most popular response from all respondents was to only invest where there is a clear and immediate ROI. Though a large number of executives were investing in long-term IT projects.

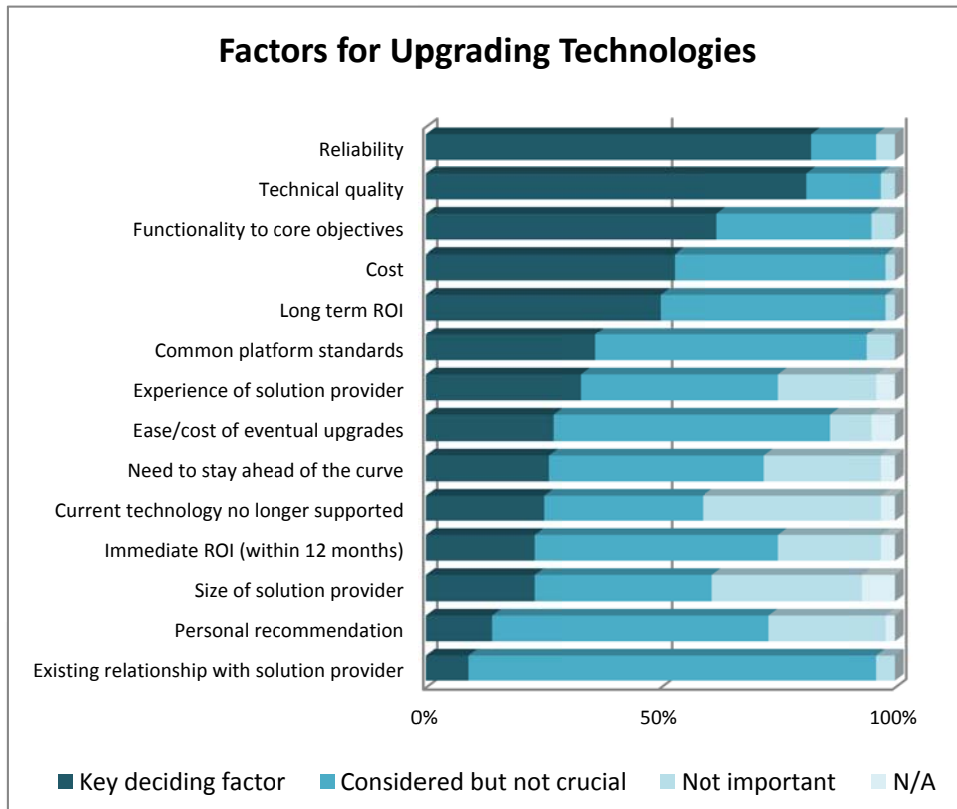
Less executives are only investing in technologies that are specifically designed to cut costs, suggesting that growth is the main objective.



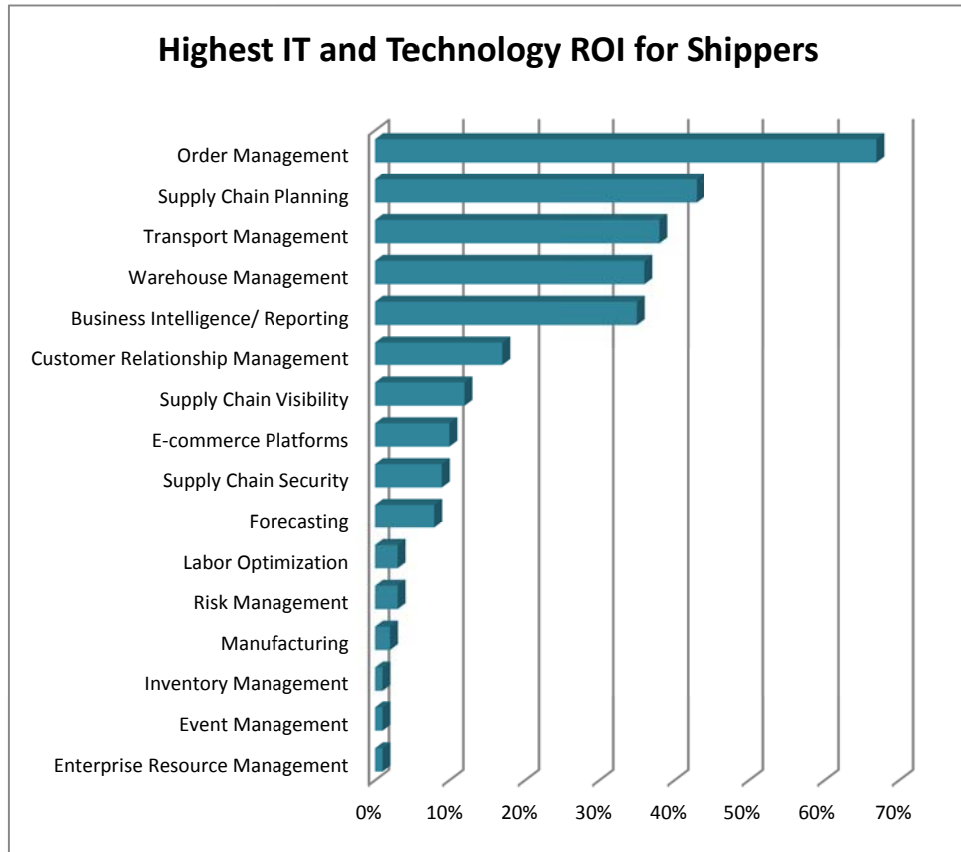
The survey also asked respondents to identify which supply chain technology purchases or upgrades they are planning in the next 12 months. The most notable responses included supply chain planning (43%), forecasting (32%), customer relationship management (27%), transport management (26%), order management (25%), and warehouse management (24%).



Respondents were also asked to rank the importance of factors when investing in or upgrading technologies. For shippers, the most notable responses included reliability (82% considering it a key deciding factor), technical quality (81%), functionality to core business objectives (62%), cost (53%), and long term ROI (50%).

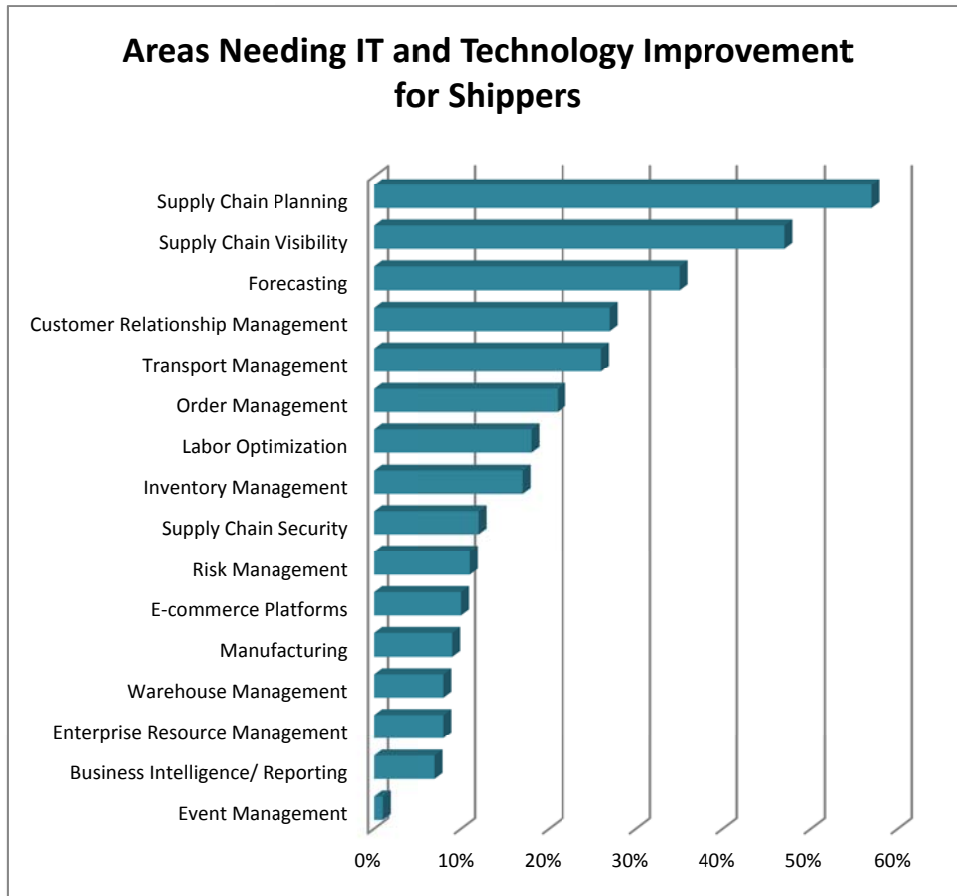


The survey compared which three areas of IT and technology investment have yielded the highest ROI, with order management seeing the highest ROI, and Event Management seeing the lowest ROI.

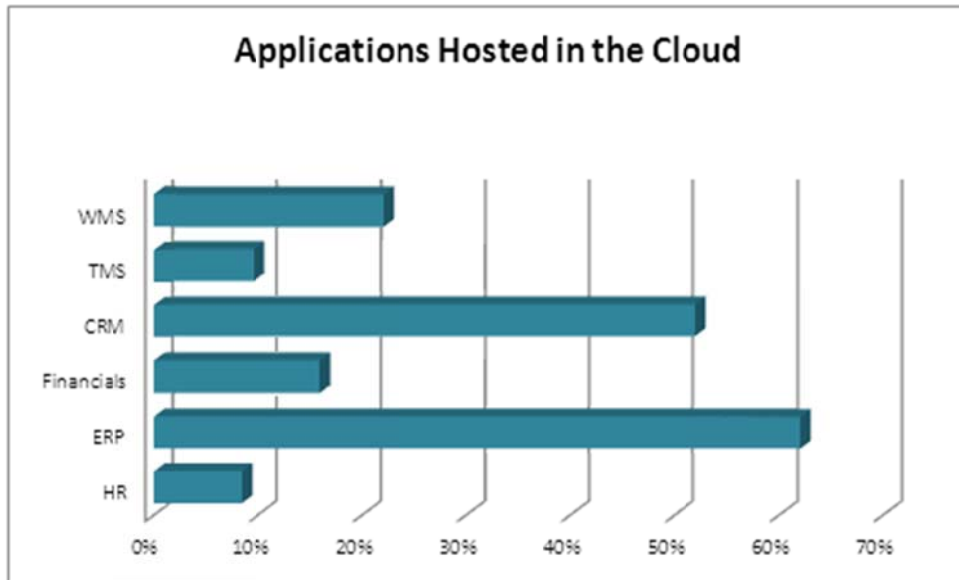


The survey also asked which 3 areas of supply chain technology needed most improvement. The greatest need for improvement were seen in supply chain planning and visibility. Business Intelligence and Event Management were seen as areas that needed the least improvement.

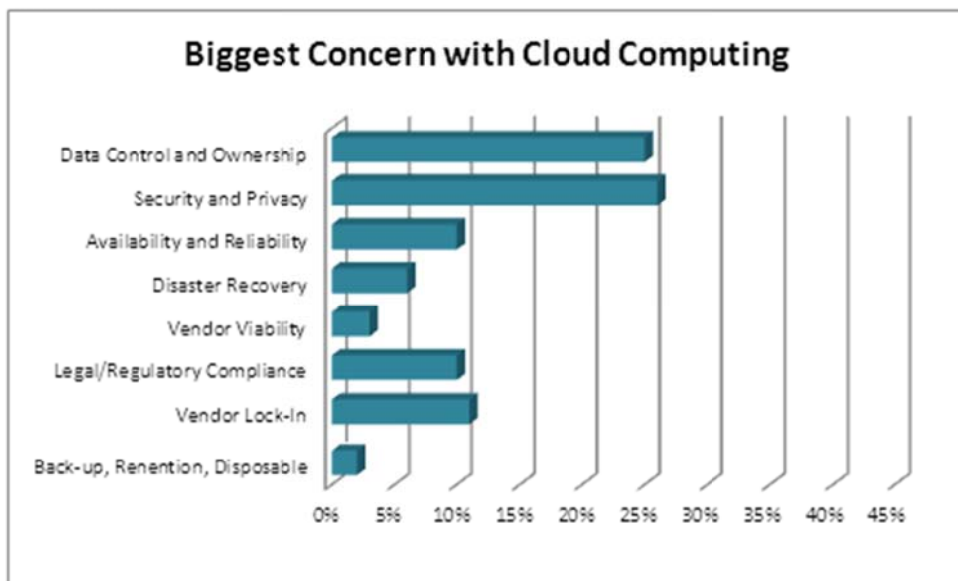
Generally, a greater need for improvement was seen by shippers, particularly in



Of the respondents that are utilizing cloud computing in their supply chain, the application hosted in the cloud by the most number of respondents is ERP – this is closely followed by CRM. These results are broadly similar to those found in a recent Gartner Report “Significant Benefits Realized with Supply Chain Management in the Cloud”.



The largest concerns around cloud computing were for data control and ownership, and to a slightly lesser degree, security and privacy. Availability and reliability was also seen as a concern by a notable number of respondents.



VII. Conclusions

This Report shows some interesting statistics on the state of the industry - technology investment expectations have increased, (with no respondents choosing to decrease investment), highlighting the fact that technology solutions are being used now more than ever to improve supply chain efficiencies and create growth across the company.

Cloud computing is evidently not just media hype – with ERP and CRM being the most widely used cloud applications. As executives have more opportunity to understand how they can most benefit from the cloud, the use of other cloud applications is only set to rise.

Supply chain executives must be certain that any new or continued investment spending is certain to yield high and visible returns on investment in both the short term and the longer term.

Learn More:

eyefortransport

12th European Supply Chain Technology Forum February 22-23, Amsterdam.

Maintaining a supply chain which is ahead of the curve is more crucial now than ever before. Implementing the latest IT and Technology solutions can prove essential in ensuring a competitive strategy and providing growth in both the long and short term.

At the 12th Supply Chain Technology Forum (co-located with the Logistics CIO Forum) February 22-23 in Amsterdam, Technology Experts and top Supply Chain Executives from Europe's leading retailers and manufacturers about the technology solutions and best practices which have achieved lean and efficient supply chain operations.

Complimentary tickets are available to attend these Forums! If you are a supply chain or technology executive from a major retailer or manufacturer, or Senior IT Management from a logistics /transportation company, you qualify for a complimentary pass – including meals and accommodation.

Speaker Faculty: <http://events.eft.com/supplytecheu/speakers.shtml>

Registration: <http://events.eft.com/supplytecheu/register.shtml>

Agenda: <http://events.eft.com/supplytecheu/agenda.shtml>

Your complimentary ticket includes:

- Complete access to all presentations and exhibition
- Participation in round-table and panel discussions and debates
- Ticket to networking party on the first night
- Gourmet meals and luxury accommodation

These Forums are industry-led, meaning that you will hear from notable experts in your field about the technologies and solutions that have made a real bottom-line difference for their companies.

- Hear case studies and best practices from CIOs, technology experts and Supply Chain Executives.
- Participate in high-level panel debates
- Discuss your specific technology needs with solution providers of your choice
- Network with over 120 top experts in your field
- Attend for free by gaining a complimentary pass worth €2500

For more information or to see if you qualify for a free pass, please visit the website:

<http://events.eft.com/supplytecheu/>

IT and Technology Solution Providers: If your company provides any type of technology or IT solutions for supply chains, you cannot afford to miss out on attending this Forum. By participating in the conference, your company will be face-to-face with over 120 end user executives with decision making power over IT and technology purchases.

eyefortransport can tailor a participation package to suit your needs. For more information, contact Ffion Thomson: fthomson@eft.com or +44 (0) 207 375 7249