

### Consumer packaged goods

Enabling rapid innovation, smarter decisions and better products for manufacturers and retailers

"Greatly improved data management, sharing and collaboration made possible using Teamcenter® has not only helped us to greatly enhance project coordination – a huge benefit alone – it has also resulted in our achieving a higher level of competitiveness and stronger presence in the market."

Ho Jung Kim Manager Daesang



# Enabling your firm to thrive in a complex environment



Product lifecycle management (PLM) is the innovation platform that helps companies win the on-the-shelf battle with the right product in the right packaging at the right time. Most manufacturers and retailers of consumer packaged goods (CPG) have an enterprise resource planning (ERP) system supporting their business' transactional processes, such as order receipt, cash collection and rolling up the general ledger.

However, leading companies now realize that their innovation process is nonlinear, complex and inadequately supported by transaction-oriented software.

Today's new product development process is comprised of hundreds of decision points and parallel work flows that take place in a global context. Companies require a software platform that matches this level of complexity.

Siemens PLM Software addresses these realities by providing a PLM platform that helps companies flourish in a complex business environment, enabling you to make smarter decisions, design better products and win on the shelf.

# Meeting the requirements of a demanding marketplace





Optimizing the idea-to-shelf process is essential for managing the complexity of innovation.

#### Globalization

Emerging markets offer new opportunities for brand growth. A simple variation of an existing product might be appropriate for meeting a specific marketplace need, but more often than not, new product development initiatives must be launched to address size, price point, ingredient, language and other requirements that have changed.

Factory location, supply chain, warehousing and distribution also change in many instances, further increasing innovation complexity. Clearly, global opportunities create increased complexity.

#### Optimization

Product innovation involves multiple work processes that require the participation of many disciplines working across organizational boundaries and collaborating with outside vendors to address the needs of targeted global markets.

Accurate market alignment and on-time product delivery depend on complete visibility into the status of your initiatives, the impact of change and identification of potential bottlenecks before they result in irreparable delays. Optimizing the idea-to-shelf process is essential for managing the complexity of innovation.

#### **Speed**

Short category reset cycles and retailerspecific delivery requirements make speed-to-market essential. These deadlines are not negotiable and require you to deliver your products precisely on time with no margin for error. Increasingly, compressed cycle times and your need to facilitate speed-tomarket compounds today's complexity.

#### Sustainability

Consumers are environmentally aware and make more of their purchase decisions based on earth-friendly ingredients and packages that are smaller and recyclable. New ingredients and materials, which often come from new suppliers, must be evaluated and confirmed without losing product efficacy or appeal and without compromising the brand promise.

#### Compliance

New compliance regulations or requirements often demand rapid, company-wide action. Coordination across disparate groups, both inside and outside the company, can be difficult and time consuming. Pulled product means lost revenue and tainted product injures the consumer directly, as well as puts the brand at risk.





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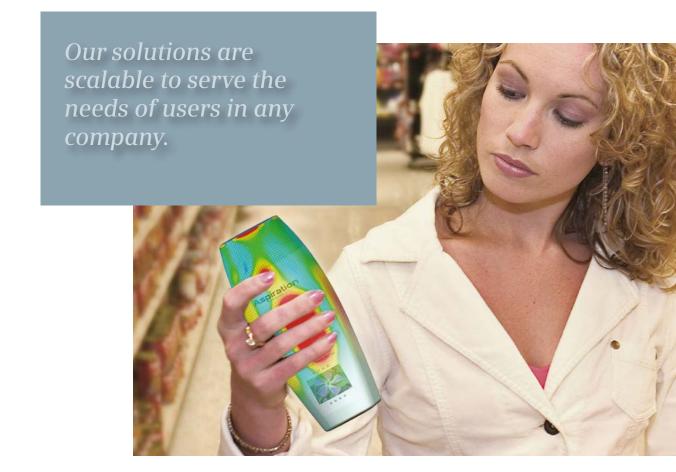
# Smarter decisions, better consumer packaged goods through high definition PLM

Just as HD-TV delivers a much higher definition viewing experience, the Siemens PLM Software collaborative decision support platform, HD-PLM, brings high definition to the product development experience because it is built on an architecture that continuously enables you to adapt and grow your business.

HD-PLM comprises three core concepts:

- 1. Intelligently integrated information
- 2. Future-proof architecture
- 3. High-definition user experience

To create an intelligently-integrated information environment, PLM must provide users with a consistent process framework across all domains. By intelligently organizing and integrating systems engineering, providing an integrated definition of the product and closing the loop between product and production, HD-PLM drives real step change in CPG development and production – improving productivity, time-to-market, first-time quality and helping you build the right product the right way.

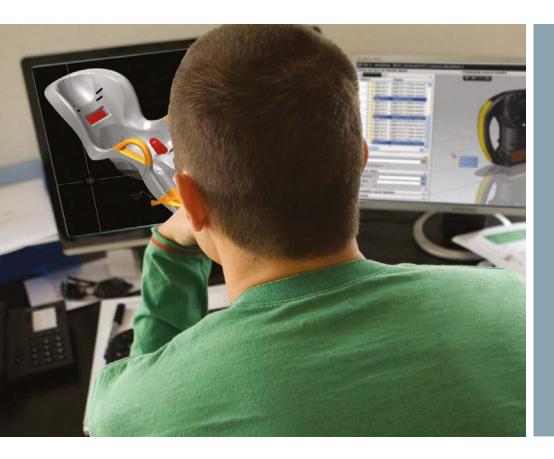


To effectively support decision-making, the Siemens PLM Software HD-PLM architecture will never become obsolete. It remains upgradeable and expandable to permit the introduction of new technologies and innovations, so it can be easily integrated with other business systems and adapted to changes in your business. This environment provides a future-proof architecture to ensure that your information technology (IT) investment continues to evolve in concert with Siemens PLM Software solutions.

Siemens PLM Software is "open for business," which means that we subscribe to open standards, and provide a set of application programming interfaces (APIs) that allow others to integrate with our solutions. Our solutions are scalable to serve the needs of users in any company, from a single-

person business to huge multinational enterprises. You have the flexibility to configure the solutions to your business needs without building customized, in-house solutions.

The HD user experience is all about personalizing the interface to your role and tasks, clarifying rich product information so you can understand the data more easily and make smarter decisions.



"The huge advantage of Teamcenter is that it provides a single version of the truth. The last product specifications went live at the end of 2009 and the last NPDs will go live by the end of 2010, so yes, it's now up and running – and it works."

Nina Dar
Founder and managing director
Cheeky Monkey Business Solutions
(P7 Cussons consultant)

## Providing the tools that facilitate innovation

Brands compete for prime in-store real estate more than ever. For that reason, innovation, speed, accuracy and visual appeal are critical to achieve successful execution.

### Improve productivity and accelerate launches

A global, collaborative decision-making environment empowers users to make better decisions faster and bring innovations rapidly to market, enabling you to establish brand leadership.

One customer reduced its package design processes from three weeks to three days, greatly improving its time-to-market performance.

### Smarter brand planning and consistency

For CPG companies, every stakeholder plays a role in brand profitability, from portfolio owners who must choose programs with the most value, to trade partners that require the correct logos. Our solutions enable everyone across your value chain to access current and complete information, ensuring consistency and delivery of the right brand to the right customer at the right time.

Complete visibility allows you to minimize stock keeping unit (SKU) proliferation, control your intellectual property (IP) and drive better decisions across your global value chain.

#### Better brand innovation and execution

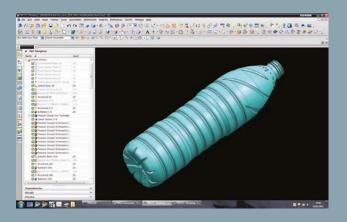
Mastering your product lifecycle, from ideation through delivery to retail shelf, is more important than ever to remain competitive. Siemens PLM Software provides a decision support platform that enables rapid innovation through intelligently integrated data and processes.

A unified product development platform enables iterative innovation and exceptional execution.

### Consistent brand compliance and sustainability

Regulatory environments are ever changing; from government regulations, to customer demands, to internal business goals and regulations, Siemens PLM Software solutions enable you to manage requirements and regulations as an integrated part of your decision processes, rather than separate from new product development and launch.

You can facilitate coordination and standardization across your value chain, for both internal and external constituents, to ensure compliance and product safety at every step.





#### Increase profitable growth

You can deliver high margin at the shelf by accelerating launches and establishing higher price points, and minimize costs by facilitating design concurrency.

Another customer reduced rework and improved productivity by a factor of three by implementing a PLM-driven artwork management process.

#### Drive brand growth

A single source of information drives brand consistency and portability so you can more efficiently and rapidly replicate successful business processes and re-use best practices across your company's disparate geographies and business units.

A global customer estimates that up to 15 percent of its research and development (R&D) expenditures were redundant and that capturing and making visible its experimentation technology significantly reduced this redundancy.

### Managing the key elements of the brand

Packaging and artwork development are brought together with the rest of your idea-to-shelf development process by our PLM platform.



More than one in six purchases are made when a display with that brand is present in the store.

#### Brand knowledge management

CPG companies are focused on profitably growing their brands. However, brand value can easily be diminished by inconsistent messaging, awkward appearance or misaligned product launches. Managing competitive information, price shops, syndicated data and primary research on a single platform makes information easily searchable, resulting in better brand and category analysis, and ultimately better product decisions.

Sharing this information with development partners helps ensure that brand communications are aligned to the brand promise. Siemens PLM Software provides a powerful PLM platform that enables you to manage brand assets by delivering the information to each trade partner.

#### Product portfolio management

Portfolio owners must evaluate multiple projects across many brands and markets when choosing the programs and projects they believe will deliver the most value to their company. Siemens PLM Software enables you to establish an institutionalized and repeatable process for combining all resource/activity status information about your innovation portfolio into an actionable structure. In addition, by providing full visibility into available resources and human capital, PLM solutions enable you to objectively evaluate concepts so that realistic initiatives are advanced to the commercialization process, reducing the risk of misusing valuable resources.

#### Packaging and artwork management

It's imperative to design more innovative packages. Packaging and artwork development are brought together with the rest of your idea-to-shelf development process by our PLM platform.

This integrated level of collaboration increases speed-to-market and ensures confidence in design and label accuracy. On-demand visualization throughout the package and artwork development process fosters close collaboration and rapid revision. Requirements, design intent and feasibility align as the concerns and responsibilities of all stakeholders are fully represented.

### Promotional packaging and display development

The brand war is being won on the store floor, where 76 percent of purchase decisions are made<sup>1</sup> and in-store activities provide the highest return on investment for brand marketing.

The Siemens PLM Software solution for automating promotional display development includes rules-based development and visualization, enabling quick and efficient design. A process that once took weeks can now take hours or even minutes.

<sup>1</sup> POPAI Shopper Engagement Study 2012. From: "Winning the In-Store Purchase Decision"; Lily Lev-Glick; Shopper Sense

#### Global specification management

Accurate specifications management is a major driver of product quality, cost and ultimately brand equity for food and beverage manufacturers. Complex and important tasks like this are better realized by a PLM platform than by a document management application.



# Going with a proven PLM player



Companies rely on the proven leadership of Siemens PLM Software to apply PLM technology to product and process innovation.

#### Scalable

Large global companies need a collaborative platform that can scale to tens of thousands of users in a single software instance without losing performance. The Siemens PLM Software enterprise PLM platform is designed for massive, scalable use and quick, secure information retrieval regardless of global location.

One of the world's largest consumer packaged goods companies works with Siemens PLM Software to enable tens of thousands of users to access its product and process knowledge daily from scores of locations around the globe.

#### Proven

Solutions from Siemens PLM Software are deployed by many of the world's largest companies, including some of the most innovative food and beverage companies. These companies rely on the proven leadership of Siemens PLM Software to apply PLM technology to product and process innovation.

A long-time Siemens PLM Software customer that provides dozens of categories of home, personal care and food products to markets around the world uses a PLM platform for specifications management, package design and many other strategic applications.

#### Open

The Siemens PLM Software service oriented architecture (SOA) is the technology foundation that improves flexibility and helps optimize your existing IT investments. By applying effective SOA to the PLM process, companies can support more business capabilities, reduce IT complexity and accelerate IT implementation. This also enables them to re-use more applications via web services and better align PLM initiatives with other business activity.

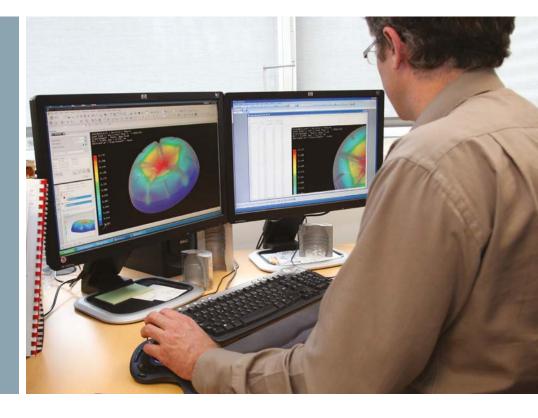
For example, with over 300 integrations with SAP, the Siemens PLM Software SOA services provide an open, high-performance, coarsegrained interface for the easy flow of financial, forecast and other transactional data that enhances the PLM process.

#### **Flexible**

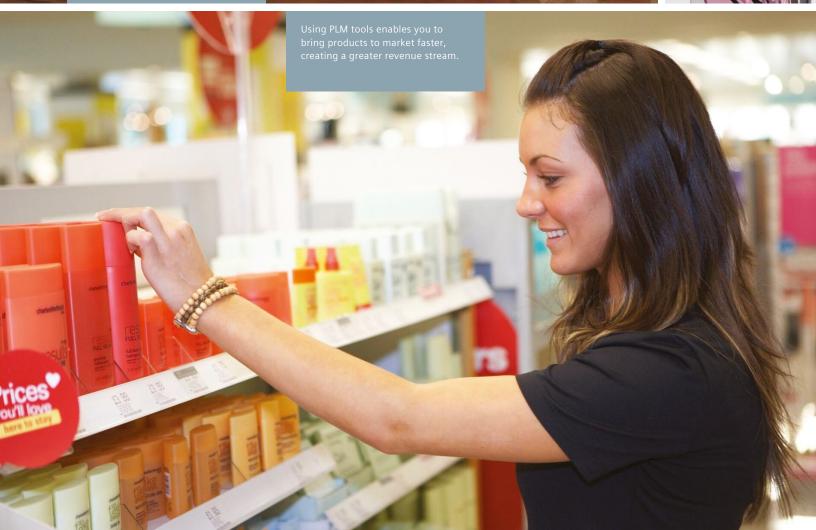
You can begin implementing Siemens PLM Software's PLM platform at any point in the idea-to-shelf process, establishing a single source for all of your new product development data. The PLM platform's flexibility enables you to configure any process instead of customizing it, thereby lowering your total cost of ownership. You can use the Siemens PLM Software best practices templates or configure workflows to match the way your company conducts its business today. A single source of product data gives designers the flexibility to innovate - and to quickly iterate.

One of our customers explains why this is important: "We need that flexibility because we can't slow down the innovation with a bunch of fixed systems and processes."

A single source of product data gives designers the flexibility to innovate – and to quickly iterate.















#### **About Siemens PLM Software**

Siemens PLM Software, a business unit of the Siemens Digital Factory Division, is a world-leading provider of product lifecycle management (PLM) software, systems and services with nine million licensed seats and 77,000 customers worldwide. Headquartered in Plano, Texas, Siemens PLM Software helps thousands of companies make great products by optimizing their lifecycle processes, from planning and development through manufacturing and support. Our HD-PLM vision is to give everyone involved in making a product the information they need, when they need it, to make the smartest decisions. For more information on Siemens PLM Software products and services, visit www.siemens.com/plm.

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