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AGENDA

- 1. Introduction to the Beier Group
- 2. Supply chain structure
- 3. The Problem
- 4. BBF Safety Group
- 5. Approach to problem-solving
- 6. Solution
- 7. Challenges
- 8. Final results
- 9. KPIs

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01 THE BEIER GROUP

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OUR VISION

We are a Diversified Manufacturing Group who's vision and inherent intent is:

“helping to protect and improve quality of life”

± 2,000 employees
10,000 lives in ecosystem

Industrialisation, Transformation and Development

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OUR HERITAGE - 1929



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GROUP COMPANIES


[HOME](#) [ABOUT US](#) [COMPANIES](#) [OUR IMPACT](#) [NEWS](#) [VIDEOS](#) [CONTACT](#)


BEIER GROUP OF COMPANIES



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OUR PRODUCTS



Elstom



BEIER





drawtex



Nucoat





BBF SAFETY GROUP







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BBF SAFETY GROUP PRODUCTS



BBF SAFETY GROUP

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PRODUCTION FACILITIES



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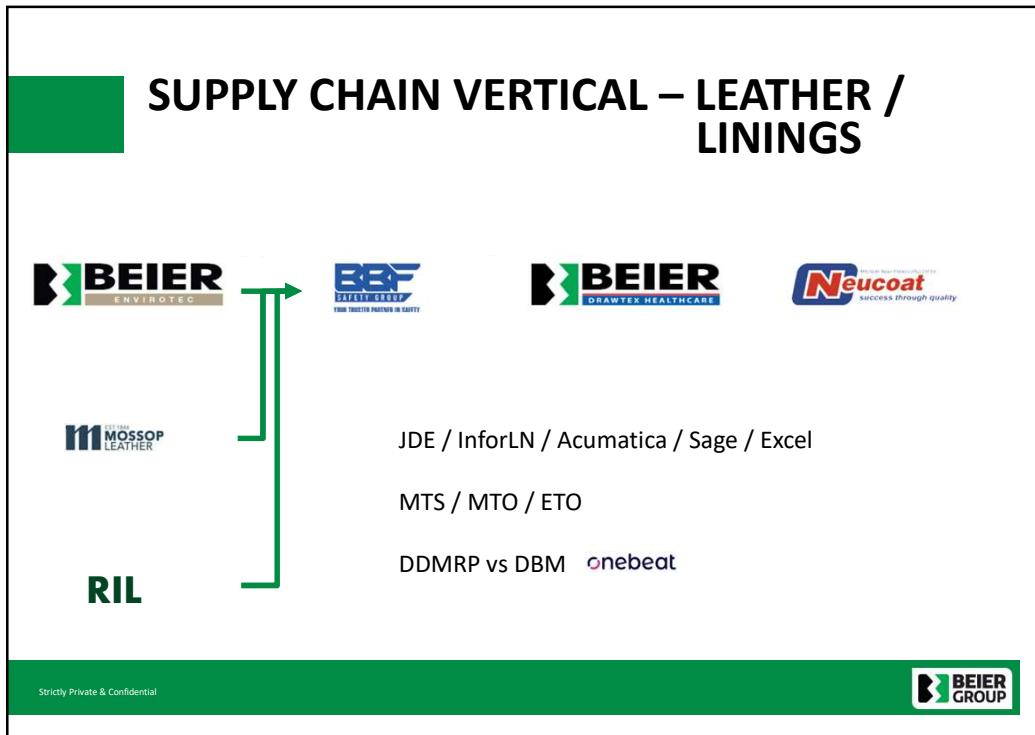


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02 SUPPLY CHAIN STRUCTURE

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OUR BUSINESS - CONTEXT



Image: kk nationsonline.org

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OUR BUSINESS - CONTEXT



Challenges:

1. COVID - 2020
2. Looting - 2021
3. Floods - 2022
4. Inflation
5. PPPFA, Localisation

Image: kk nationsonline.org

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OUR BUSINESS – GLOBAL SUPPLY CHAINS



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NIKKI MASKS – SUPPLY AND DEMAND



DON'T LET THE FEAR OF PARTICLES LEAVE YOU!

Nikki's respiratory range offers certified protection options to suit your environment.

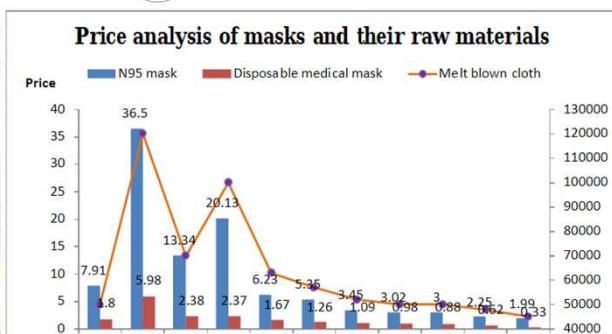


Figure 1. Changes in the price of masks and their raw materials

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SMALL & MEDIUM ENTERPRISES

Arena

Silokotho

Envelop Empowerment Group

Cre8tec

Ivili Loboya

Siyaphambili

Sowetan LIVE

Silokotho co-operative helps alleviate poverty

Thriving KZN collective uses National Development Agency grant to grow
BY GOIS VUKUZENZELA - 07 June 2022 - 08:15

Work underway at Silokotho Primary Co-operative.
Image: Vukuzenzele

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LOCALISATION OF TOPSOCK WOOL



- An empowerment success story
- Replaced imported wool with local wool
- Shortened supply chain

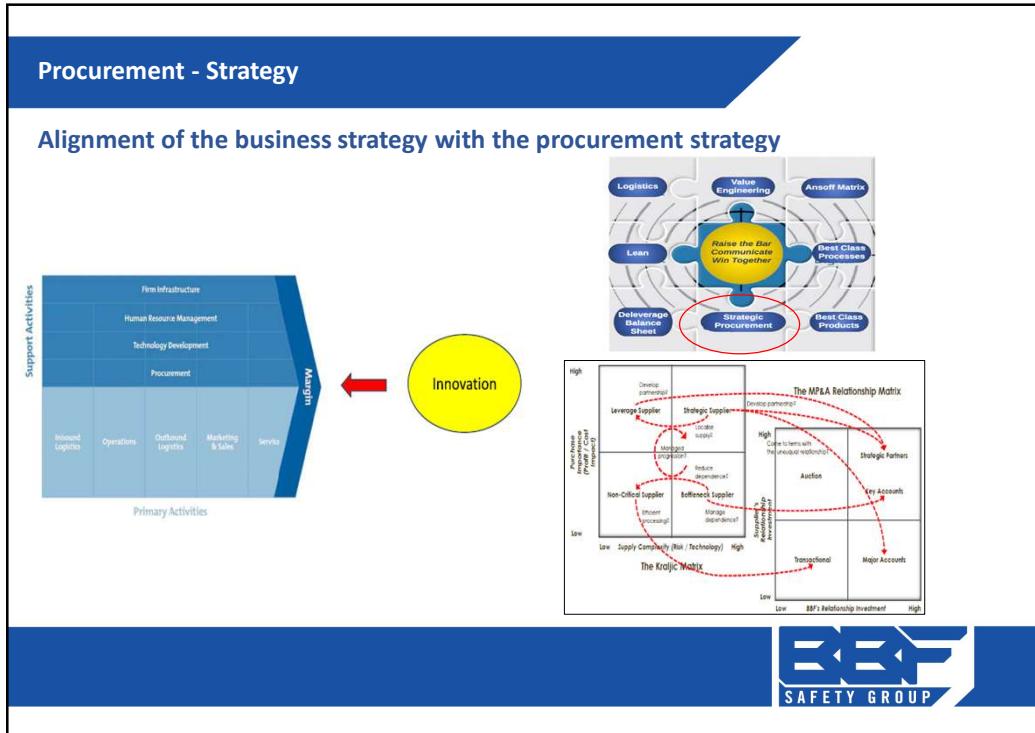
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Procurement – lessons learned

Rubber Soles – Background

Preventative Actions - JDE

- Since 2020, it was increasing. Required to review and reduce the 3-month lead time tracker (fixed to a constant inflow of messages).
- Working within the system and rules were placed but used the supplier conjunction with report to work done procured as the accurate average.

Preventative Actions - Shipping

Changed Shipping Route.

- The supplier makes use of Ancona port due to its proximity to the port, however, this is not a popular port in Italy and has a long lead time.
- We will road haul to La Spezia port. Advantage includes direct shipping lines with sailing times of 25 days.
- 25-day lead time from La Spezia vs 45-day lead time from Ancona Port.

Benefit:

- 25 days to Durban
- 45 days to Durban

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Background

- Increasing demand that was unplanned.
- Extended lead time from the suppliers.
- Working of the system resulting in unreliability.

Corrective Actions

- Using the ERP system to interpret demand.
- Reviewed the logistics and transportation routes.

Preventative Actions

- Quarterly review of JDE input parameters to improve the accuracy of buying signals.

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Procurement – Supplier Engagement

	Leather Supplier	Footwear Trims Supplier	Toecaps Supplier	Packaging Supplier	Shipping Agent
Supplier visit	4 July 2022	28 July 2022	International Supplier	27 July 2022 BBF HO	12 August 2022 BBF HO
Ways-of-working	<ul style="list-style-type: none"> Orders issued in four week cycles with weekly call-offs Reviewed order lead times. Full visibility of BBF consumption 	<ul style="list-style-type: none"> Full visibility of eight weeks forecast. Arena Inventory management Weekly meeting to review pipeline 	<ul style="list-style-type: none"> Use MRP messages for long lead time items 2.16 weeks firm orders Only firm orders, no blanket orders. 	<ul style="list-style-type: none"> Reviewed JDE lead time for all lines. Visibility of 16-weeks forecast 1-week firm orders with daily call-offs 	<ul style="list-style-type: none"> Shipping tracker template Alignment of ways-of-working a. eg. Direct-sailing of all FCLs SOP Engagement between Imp^o and our suppliers.
Alignment of expectations	<ul style="list-style-type: none"> Returns from BBF of non-conforming products Transport costs Handling fees on returns Aging returns 	<ul style="list-style-type: none"> Minimum order quantities Lead times Quality Assurance Communication Supply risk mitigation Ar^o Challenges CMT upliftment 	<ul style="list-style-type: none"> Full container loads (20ft - 100 000 toecaps) Alignment of Kunshan and Imp^o ways-of-working. Pipeline visible to Imp^o and Kur Kun^o to keep SOH. 	<ul style="list-style-type: none"> PE range to be delivered by Corru Product engineering to improve turn around time. Streamline process 	

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Procurement – Inventory Management

MNTH	Business Unit	Stockin g Type	Pin C	Comm PRT	Item Code	Description	OnHand QTY	Monthly Ave Use	Current Safe QTY	Cover (Month)	Suggested Safety Stock	Suggested Safety Pack Size	Type SRP	Leadtime	SSS Factor	Order Multipl	UIM	Plan Farty	Daily Ave Use
6	1250	P	2	INB	INB10699-06		752.00	33.33	100.00	22.56	34.00	100.00 RM	110	30	100 PR	INB	1		
6	1250	P	2	INB	INB10699-07		2,705.00	266.67	705.00	10.12	267.00	300.00 RM	110	30	100 PR	INB	9		
6	1250	P	2	INB	INB10699-08		2,300.00	416.67	800.00	5.52	417.00	500.00 RM	110	30	100 PR	INB	14		
6	1250	P	2	INB	INB10699-09		3,100.00	666.67	1,000.00	4.65	667.00	200.00 RM	110	30	100 PR	INB	22		
6	1250	P	5	INB	INB10699-10		1,300.00	166.67	300.00	7.85	167.00	200.00 RM	110	30	100 PR	INB	3		
6	1250	P	5	INB	INB10699-11		1,700.00	100.00	200.00	17.00	100.00	100.00 RM	110	30	100 PR	INB	3		
6	1250	P	5	INB	INB10699-12		548.00	41.67	100.00	13.15	42.00	100.00 RM	110	30	100 PR	INB	1		
6	1250	P	2	INB	INB10700-06		382.00	37.00	30.00	10.32	37.00	100.00 RM	110	30	100 PR	INB	1		
6	1250	P	2	INB	INB10700-07		-	28.00	-	-	28.00	100.00 RM	110	30	100 PR	INB	1		
6	1250	P	2	INB	INB10700-08		1,100.00	61.67	100.00	17.84	62.00	100.00 RM	110	30	100 PR	INB	2		
6	1250	P	2	INB	INB10700-09		987.00	115.50	100.00	8.55	116.00	200.00 RM	110	30	100 PR	INB	4		
6	1250	P	2	INB	INB10700-10		2,736.00	10.17	100.00	269.11	11.00	100.00 RM	110	30	100 PR	INB	0		
6	1250	P	2	INB	INB10700-11		858.00	31.17	100.00	16.77	32.00	100.00 RM	110	30	100 PR	INB	2		
6	1250	P	2	INB	INB10700-12		74,672.00	25,770.68	30,000.00	2.90	25,771.00	27,000.00 RM	120	30	3000 SF	LEA	857		
6	1250	P	5	LEA	LEA10302-BLK		-	6,918.31	-	-	693.00	3,000.00 RM	7	3	3000 SF	LEA	231		
6	1250	P	5	UN	UN10676-BSL		1,164.05	152.19	261.00	7.65	153.00	174.00 RM	90	30	43.51 SM	UN	5		
6	1250	P	2	UN	UN10681-WHT		212.38	0.70	140.00	331.97	1.00	1,748.00 RM	90	30	69.92 SM	UN	0		
6	1250	P	2	PIG	PIG10721		625.00	62.50	500.00	10.00	63.00	75.00 RM	80	30	25 KG	CHE	2		

Suggested Safety Stock (SSS) Cover Reviews

- Review of JDE input parameters; Stocking type, Import vs local, Stock vs Make-to-order (MTO), Safety stock quantity, lead time, etc.
- This is done to ensure the accuracy of messages (purchase orders).
- Builds trust in the system



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Procurement – Inventory Trends

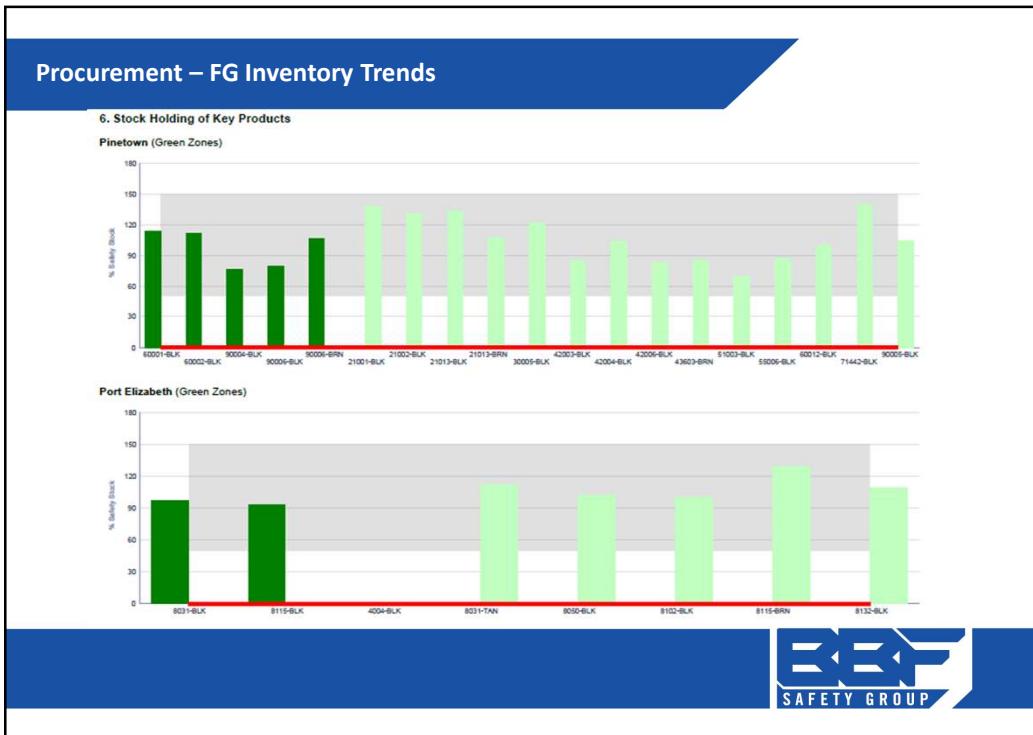
Inventory: Stock Rotation - March 2020 - October 2024



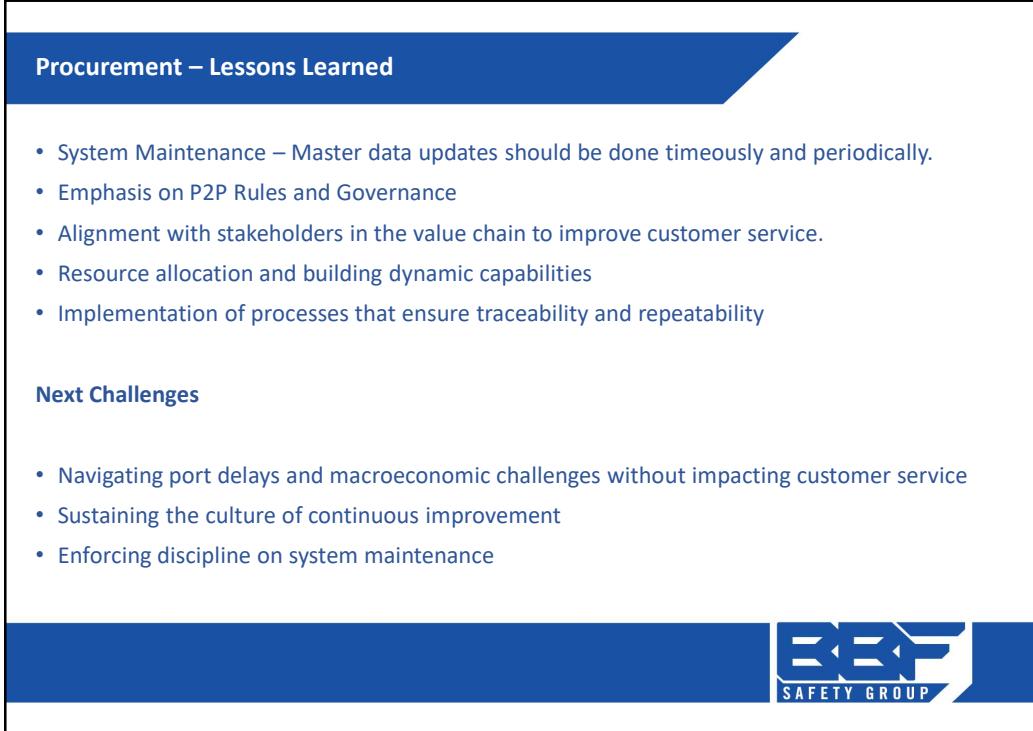
- Rationalization and standardization of raw materials
- Repurposing of aged and slow-moving stock
- Alignment between Sales, Marketing and Procurement on finished goods product run-in and run-out
- Timeous master updates.



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QUESTIONS ?



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QUESTIONS

QUESTIONS ?

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THANK YOU

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