



Leveraging AI & ML to Tackle Supply Chain Challenges

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The Garment Industry

- Speed is critical. Buyers prefer to wait until the very last minute to place orders.
- Last minute orders help reduce risk.
- Factories need agile business models
- Greater diversification - sourcing



Indonesia Garment Industry

Indonesia is raising the bar in the global garment and textiles market



Revenue of apparel reaching almost \$16 Billion
(USD)



Indonesian government is targeting to increase
export of textiles and garments to \$75 Billion
(USD)

The case for Indonesia & trends

Where Pay Is Lowest For Cheap Clothing Production

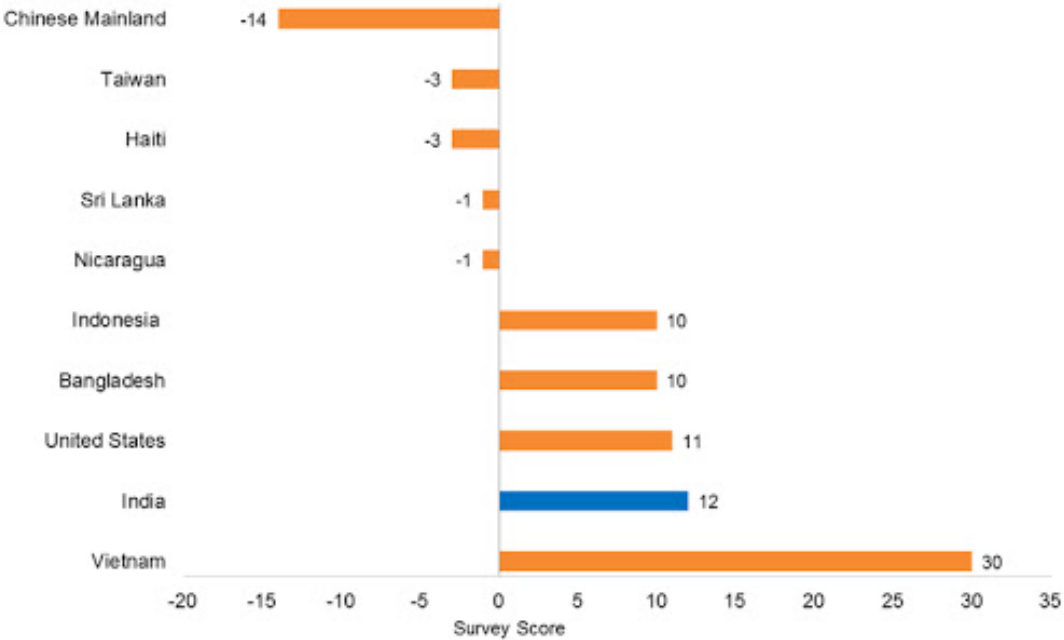
Monthly minimum wage in the global garment industry in 2018 (selected countries)



Source: NYU Stern Center for Business and Human Rights



Expected Sourcing Changes in US Fashion in Next Two Years



Source: 2015 US Fashion Industry Benchmark Study

Opportunities for Logistics Providers

- Logistics -ways to support shorter lead times without raising costs.
- Inventory = Risk + Cost
- Inventories - as low as possible
- Lead times – shorter
- Sourcing diversification- more sophisticated logistics



The Supply Chain Market is Transforming at a Rapid Pace

Innovation is fueled by technology as a service enabler




Alibaba Group

- B2B, B2C, C2C
- 15 Million Ready-to-ship products
- Global Delivery



- 1 Day Prime Promise Fueling Speed to Market Need
- Eliminating 3PLs to move into multi-modal direct transportation



MAERSK LINE

- Blockchain Partnership with IBM
- \$18M Investment in Freight- Matching Startup
- Door-to-Door Service



tokopedia

- E-commerce in Southeast Asia
- B2C



BLUME
global

Leveraging a 'Digital First' approach to enable all supply chain participants to compete in today's transformed market

“On-Demand” Supply Chain



Blume Logistics & Visibility: The Path of the “Green Sweater”

Blume Global provides clear visibility across every move, mode and mile by tracking events, predicting ETA, flagging exceptions and facilitating proactive resolution of disruptions. Unparalleled network visibility and intelligent execution help improve supply chain performance, resilience and responsiveness.

Demand forecasting is challenging. It happens early (up to a year before a season) and demand variables like fashion trends, economic conditions and weather are impossible to predict. Blume solutions enable inventory to be re-routed as conditions change, before it's too late.

Based on the incredibly cold winter season the Southeast region of the United States experienced last year, planners for CompanyX ordered 500,000 sweaters to be delivered to the region nearly September – a 25% increase in inventory compared to the previous year.

STEP 1 500,000 Green sweaters are being manufactured for CompanyX in China with its final destination in Savannah, GA.

Contrary to earlier projections, record high temps are recorded in Savannah

STEP 2 Motor carrier from factory in Shanghai, China to port

Local celebrity wears green sweater and shares on social media. Demand spikes in Chicago

STEP 3 Vessel to port in Busan, South Korea

Port-congestion in Savannah may cause a late arrival, causing an 8% surcharge on COGS. Expedite vessel from port to get ETA back on track.

STEP 4 Vessel to Savannah, GA

Unseasonably cold in Dallas, demand spikes

STEP 5 Motor carriers to six distribution centers

Forecasted that sweater would be popular with 25-35 %YO but it trends with 50-65%YO > reroute to Florida

STEP 6 Motor carrier from distribution centers to 500 stores

RESULT

Inventory is rerouted to Chicago, Dallas and Miami and inventory in Savannah-area stores is reallocated to meet real-time demand. Predictive ETA's, real-time track and trace, impact analysis and automated problem resolution allow you to easily connect, monitor and respond on one platform, preventing significant financial loss due to inaccurate projections, exceptions and changing business conditions.

Digital transformation is impacting supply chain operations particularly in relation to supply chain visibility. 33% of all manufacturing and retail companies will be disrupted by digitally-enabled competitors within the next three years.

87% of CSCOs say it is extremely difficult to predict and manage disruptions, 84% of CSCOs cite the lack of visibility as their biggest challenge.

Forecasting inaccuracies Retailers typically have a six-month merchandise plan. For example: A six-month plan beginning in February is prepared and finalized the previous August.

Warehousing space is in high demand. Renting your container as a moving warehouse allows you to react to real-time demand faster. Industrial availability rate – a measure of properties that are vacant or soon to become vacant – has reached its lowest point in nearly two decades.

Accuracy of demand forecasting is improved with the use of technology (AI). AI turns data into competitive advantage. Companies with highly digitized supply chains and operations can expect efficiency gains of 41% annually and revenue uplifts of nearly 35% annually.

The Path of the “Green Sweater”

Some demand variables are impossible to predict



STEP 1

500,000 Green sweaters are being manufactured for CompanyX in Indonesia with its final destination in Los Angeles, CA.

Contrary to earlier projections, record high temps are recorded in Seattle



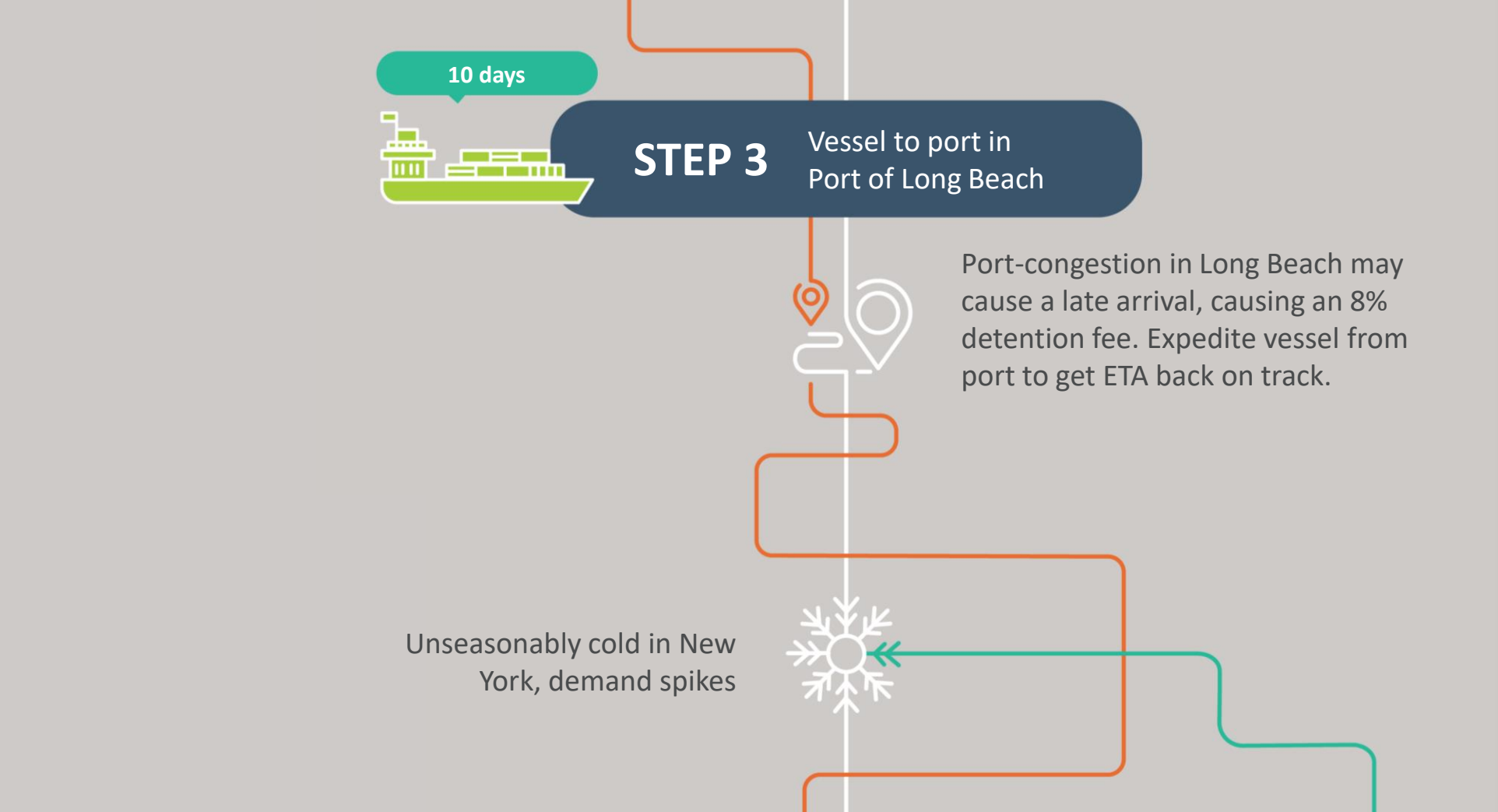
The Path of the “Green Sweater”

Unpredictable demands can change any time



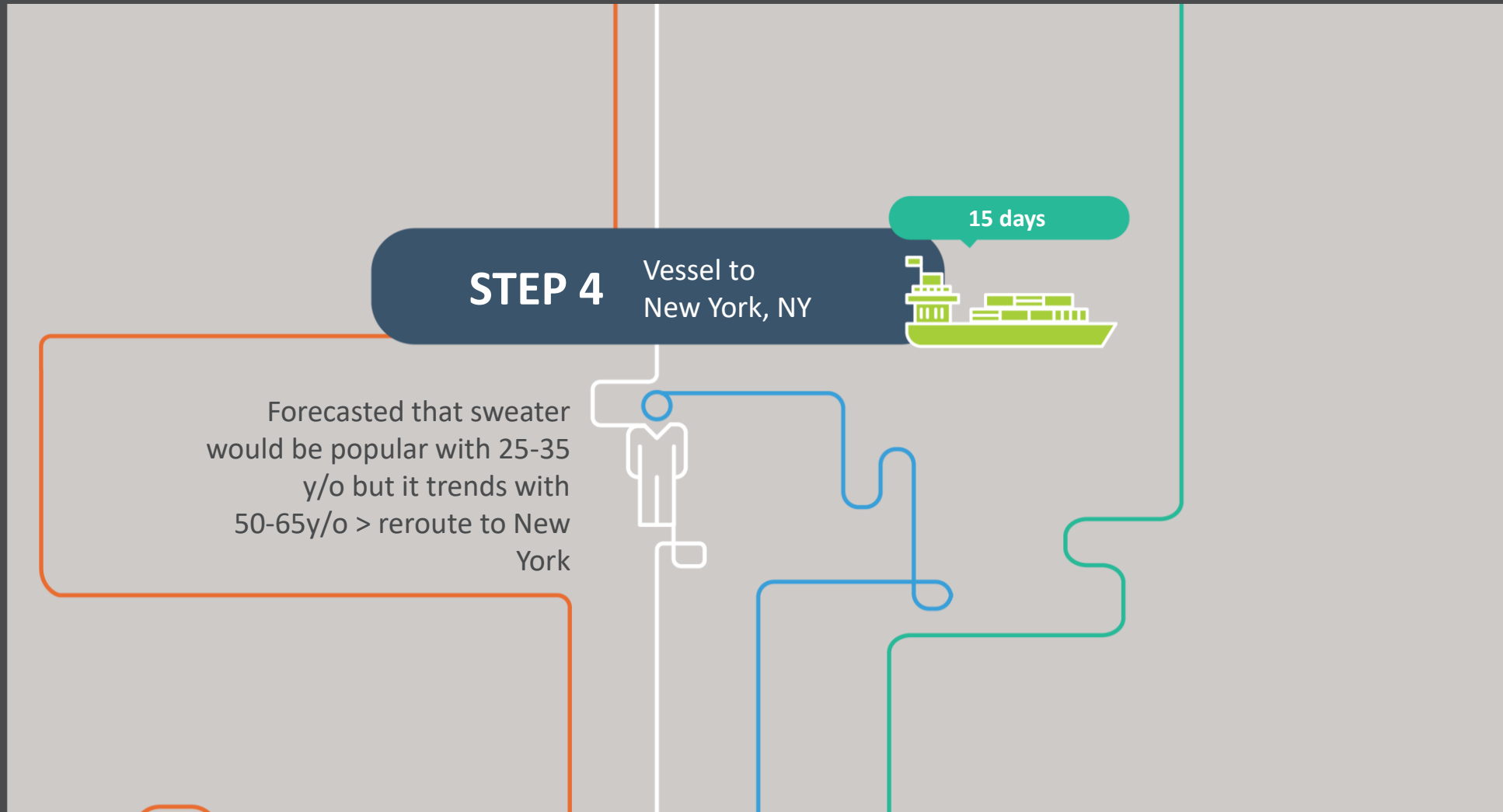
The Path of the “Green Sweater”

87% of supply chain managers say it’s extremely difficult to predict & manage disruptions



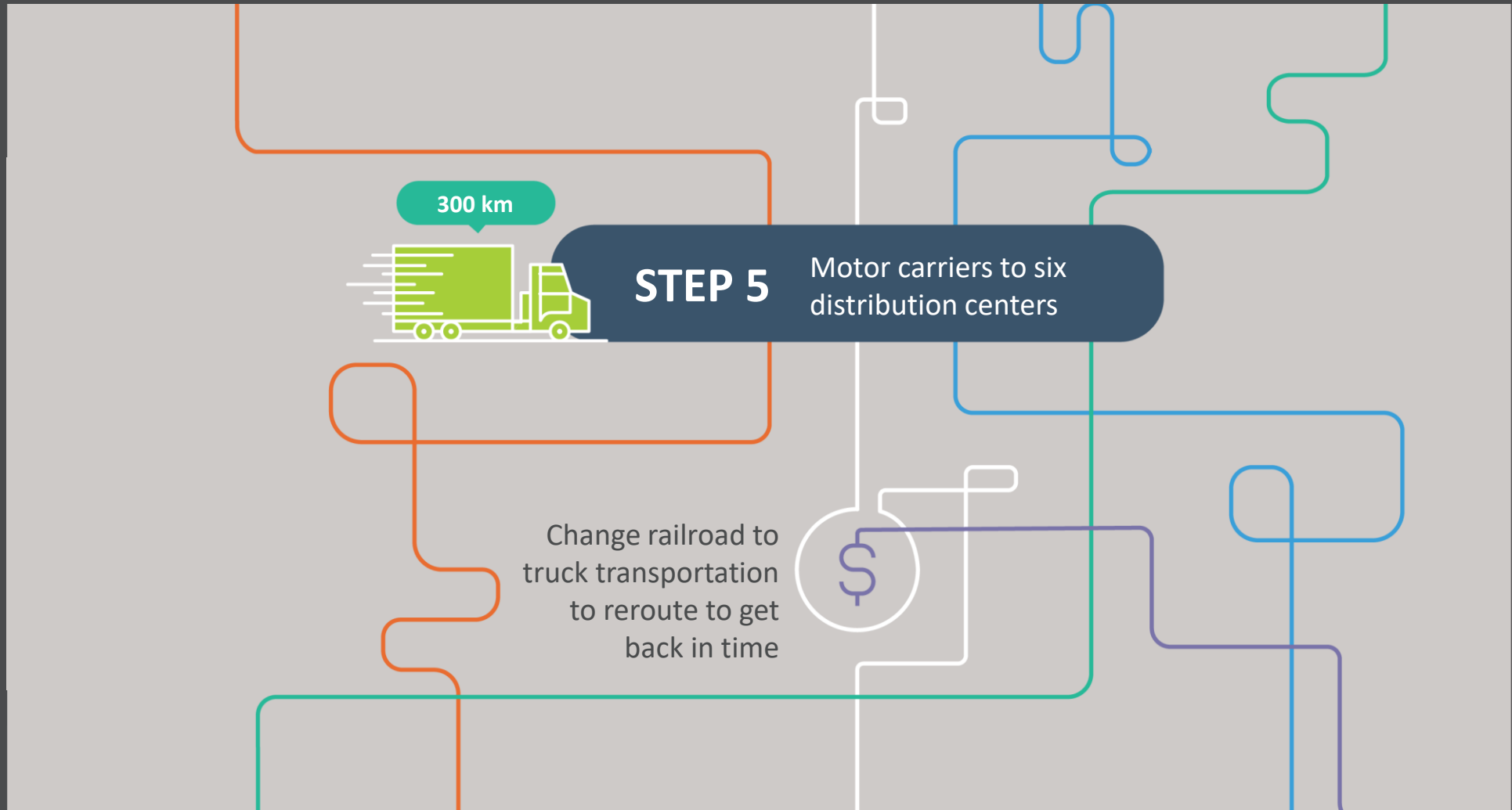
The Path of the “Green Sweater”

Accuracy of demand forecasting can be improved by using AI technology



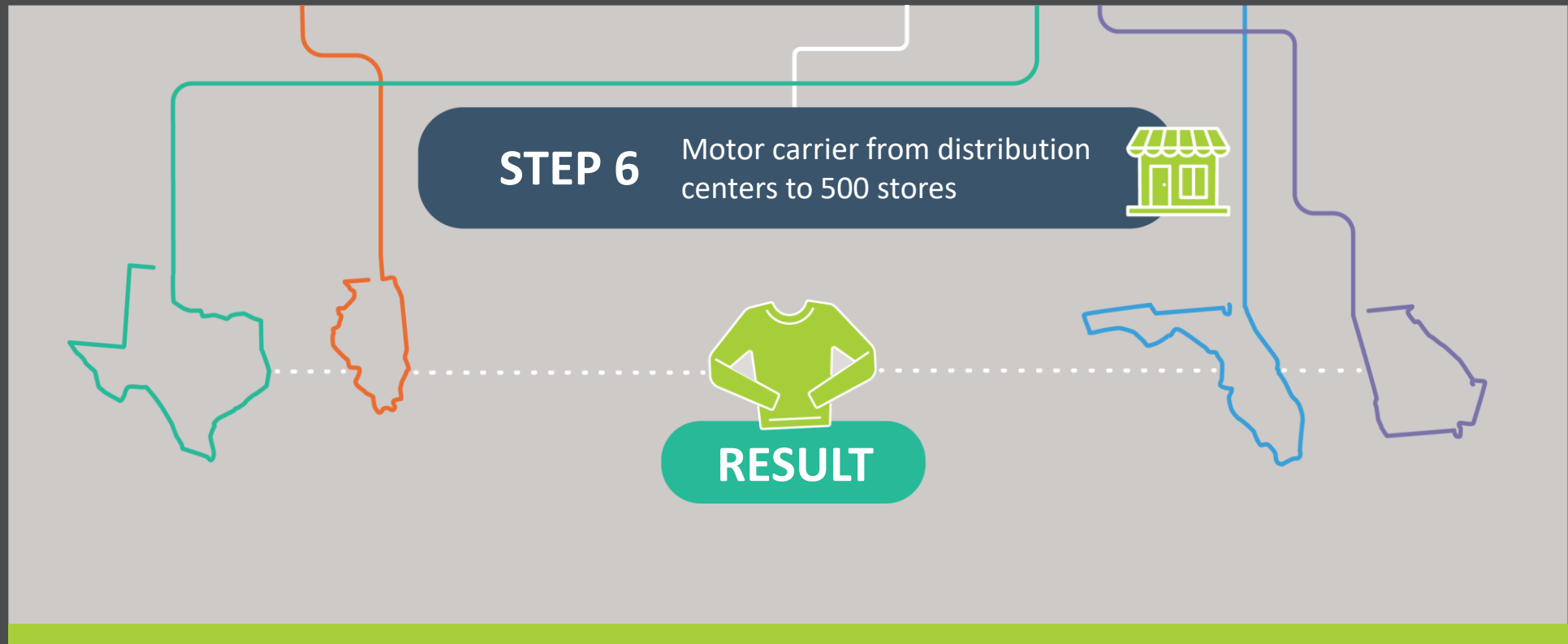
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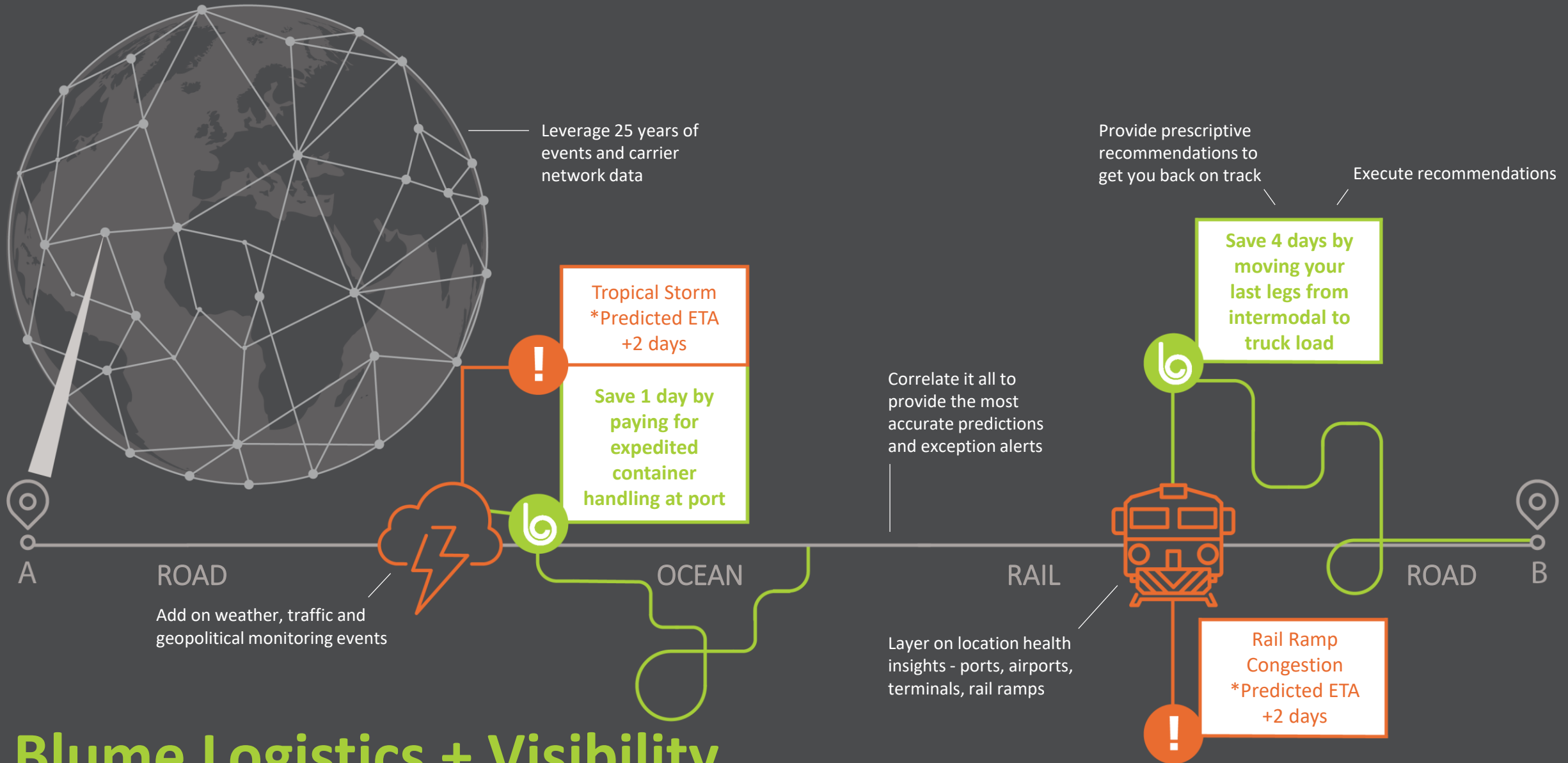
Manage your exceptions real-time as disruptions occur



The Path of the “Green Sweater”

Prevent financial losses by managing your exception real-time on one platform



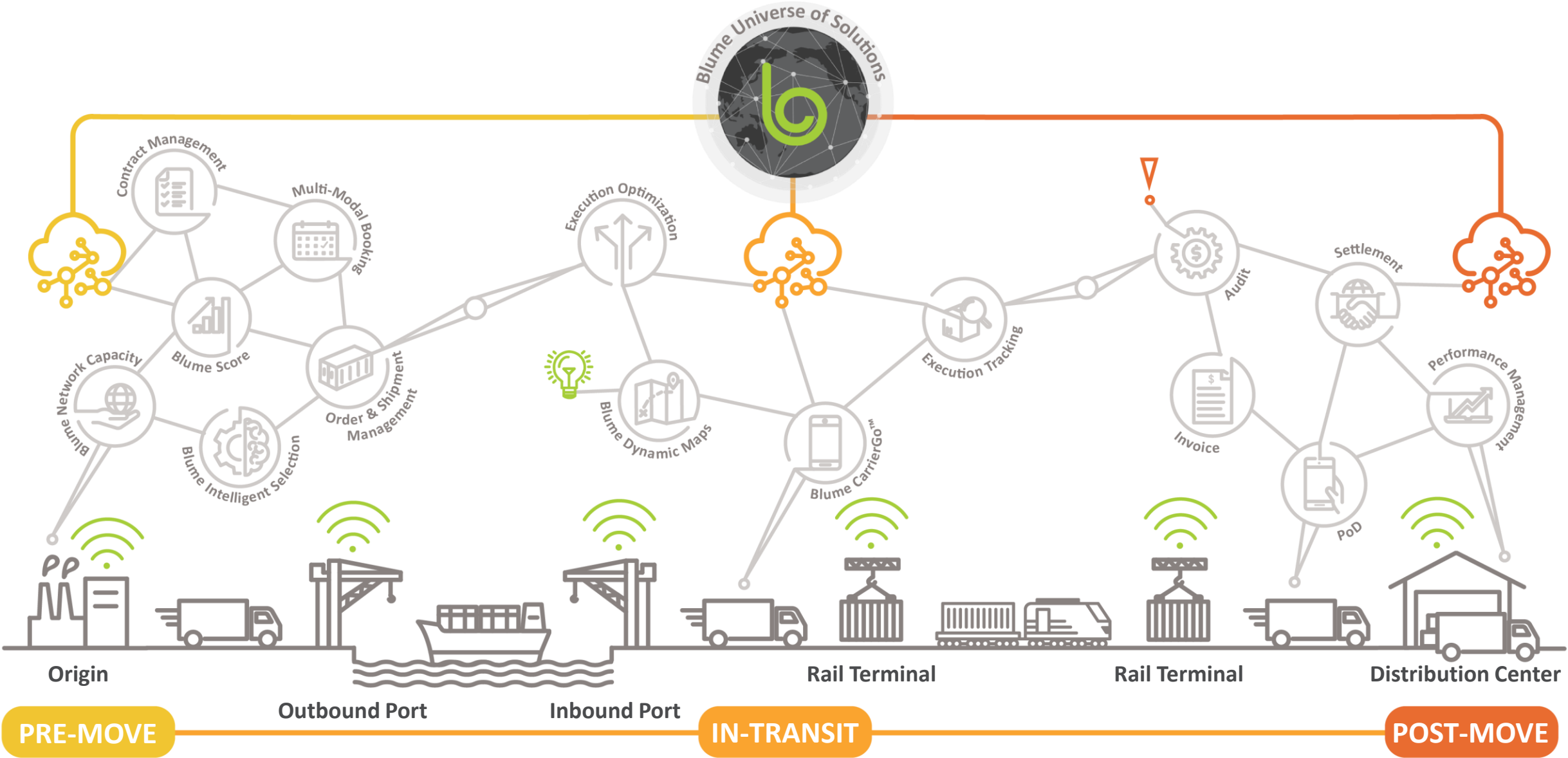


Blume Logistics + Visibility

Billions of data points over 25 years

About Blume

Multi-Modal Ecosystem on a Collaborative Digital Platform



Targeted Solutions for Every Point of a Shipment's Journey

Our Play: Converged Solutions addressing all players in the global supply chain ecosystem



Blume can manage ULDs and other air assets, obtain information regarding flight status



Blume enables All U.S. Class 1 railroads including Union Pacific, Norfolk Southern, CSX, Canadian National, BNSF, Kansas City Southern Lines, Canadian Pacific



Blume enables 14 ocean carriers include Hapag Lloyd, ACL, ONE, CMA CGM, Evergreen, COSCO, etc

Enabling all modes and nodes of the Physical, and Financial supply chain:

- All Transportation Assets: Chassis, Container, Gensets
- Multimodal Logistics Execution: transportation booking, customer facing UI, predictive ETA
- Financial Services: invoicing, audit, settlement



International Service Providers Including 3PLs, LSPs, IMCs, NVOCCs, Freight Forwarders, 4PLs
Blume enables Expeditors, Khuene & Nagel, BNSF Logistics, Coyote Logistics, JB Hunt, CH Robinson



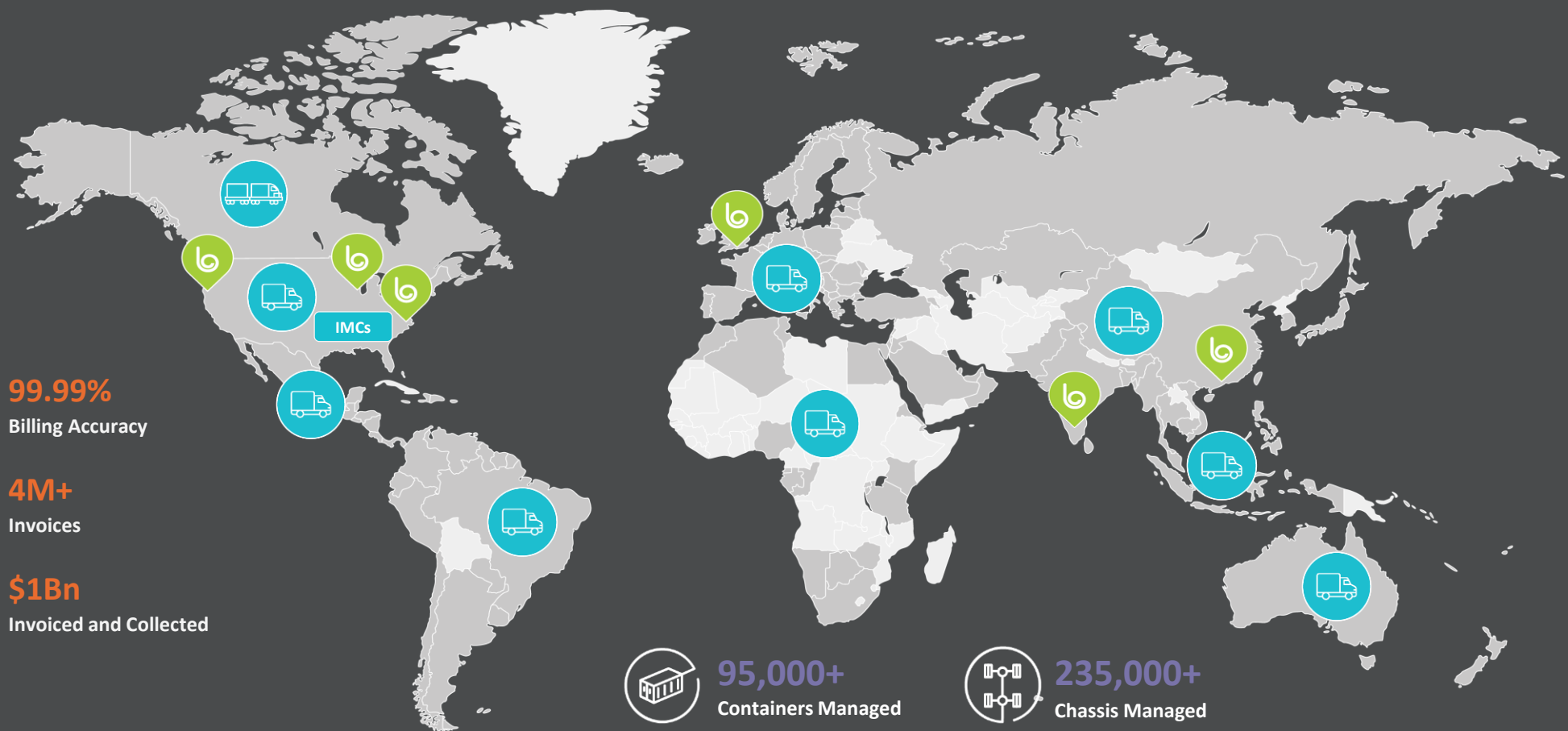
Blume enables a "white label" customer UI for major LSPs servicing the world's largest Retailers & Manufacturers



8000+ global motor carrier companies

A Growing, Intelligent, Connected Map for Global Trade

119 Countries **22** Languages **181M+** Annual Events **70+** TMS Integrations **All** Class 1 Railroads **1100+** Terminals Depots Rail Ramps **6** Offices Globally



24/7/365

Customer Support

9,100+
Motor Carriers

Top 19
Ocean Carriers

200+
Air Cargo Carriers

90,000+
Daily Flights

99.99%
Billing Accuracy

4M+
Invoices

\$1Bn
Invoiced and Collected

95,000+
Containers Managed

235,000+
Chassis Managed

● Modes and Nodes on Blume Network ● Physical Assets ● Network Strength ● Blume ● Connected Countries



Our Customers Reflect the Network Effect of Our Platform

3PL



KUEHNE+NAGEL



IMC

300+ IMCs in our network including...



C.H. ROBINSON



SUNTECKtts

WERNER

Ocean Carrier



Matson

Motor Carrier

8,000+

Rail Road

All Class 1 railroads



BCO



Top US Retailers



Top Agricultural Equipment Manufacturer

Port Logistics



Partners



Infosys

Software Partners



ORACLE



Terima Kasih! Thank You!

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