

CAT[®] PRISM

Proactive Integrated
Supply Management



CAT® PRISM FOR MINING

An end-to-end, collaborative supply chain forecasting and delivery solution for Cat® aftermarket components and parts

Caterpillar Resource Industries is pleased to introduce Cat PRISM (Proactive Integrated Supply Management) for Mining — a supply chain optimization solution based on a collaborative approach to aftermarket components and parts forecasting, planning and fulfillment.

Cat PRISM unites mining customers, dealers and Caterpillar through visibility, planning and fulfillment processes that use a common digital platform. This breaks down siloes, reduces waste and increases supply chain performance.

The result? Higher machine uptime, lower overall costs and improved performance through mining cycles.

A NEW WAY OF DOING BUSINESS

Cat PRISM is a new way of doing business. It transforms the components and parts supply chain to a more lean and seamless solution to deliver breakthrough performance.

Developed in partnership with three Cat dealers and one of the mining industry's largest companies, Cat PRISM connects the supply base to the mine face. The solution uses standardized processes and is powered by a global digital platform that introduces collaborative planning and proactive constraint alerts. Visible KPIs set performance goals and enable optimization opportunities.

The business value is significant:

- » Higher on-time delivery of components and parts for increased machine availability at a lower cost.
- » Proactive supply chain alerts that keep mine sites informed about potential delays and shortages—and more focused and effective action from Caterpillar and dealers to reduce constraints.
- » Planned repairs and asset optimization, which helps keep the supply chain in line with the rebuild forecast.
- » Stronger dealer supply chain performance and qualification for excellence programs.
- » Closer relationships to improve business performance through the mining cycles.
- » Continuous improvement opportunities identified through a common view of end-to-end supply chain performance.

PROGRESSIVE CAPABILITIES

Cat PRISM follows a progressive approach, which provides benefits that grow with each level of implementation.

BUILD THE FOUNDATION: GET CONNECTED

Entry-level requirements leverage familiar Caterpillar supply chain tools that improve parts availability, enable demand planning and automate e-business processes. These include Plan for Every Serial Number (PLESN), Parts Inventory Collaboration (PIC) and Integrated Procurement (IP).

Benefits

- » Higher quality inventory
- » Increase in planned repairs
- » More effective procurement

LEVEL 1 // BROADEN THE VIEW: END-TO-END VISIBILITY

Cat PRISM Level 1 makes it possible to better understand current planning and fulfillment performance. This level includes two online digital dashboards—one that captures Caterpillar and dealer planned parts, and another for customer-forecasted parts. Updated regularly, these dashboards establish a common view of current performance—the first step of a lean journey toward sustainable improvement.

Benefits

- » Greater awareness, accuracy and timeliness of current performance
- » Better risk mitigation
- » Identification of continuous improvement opportunities

LEVEL 2 // IMPROVE DELIVERY & REDUCE COSTS: COLLABORATIVE PLANNING

This collaborative solution is powered by Cat PRISM Connect—a state-of-the-art, end-to-end global digital platform for data sharing and collaborative planning. This platform enables aligned monthly planning for major mining components that begins with a customer forecast.

Benefits

- » Improved performance for delivery of components and parts
- » Proactive alerts to potential supply disruptions
- » Reduced costs for expedited delivery
- » On-time delivery commitments

LEVEL 3 // ACHIEVE WORLD-CLASS PERFORMANCE: SUPPLY CHAIN OPTIMIZATION

Through supply chain integration in Levels 1 and 2, Level 3 enables identification of supply chain optimization opportunities. Examples include integrated inventory planning and machine data analytics.

Benefits

- » Better fleet availability
- » Lower procurement costs
- » Gain-sharing opportunities

COLLABORATIVE SALES, INVENTORY & OPERATIONS PLANNING (SIOP)

The key to success in Levels 2 and 3 is collaborative Sales, Inventory & Operations Planning (SIOP)—a dedicated monthly planning cycle to produce an aligned and executable plan.

The SIOP Cycle provides a four-stage planning and execution framework.

1. **Demand Review.** The customer and dealer review the customer's 24-month demand forecast. They collaborate to discover demand abnormalities, identify changes in repair strategies and correct data exceptions—and then follow an exception-based process to establish an aligned forecast.
2. **Dealer Supply Review.** The dealer assesses capacity and capability, reviewing inventory and excess stock. The dealer then works to identify potential supply chain constraints that may affect a forecast order.
3. **Integrated Supply Review.** Caterpillar and the dealer assess the future forecast, working to identify supply constraints and parts at risk and then implementing actions to increase on-time delivery.
4. **Hub Review.** The dealer and Caterpillar update the customer on any risks and agree on solutions to address demand and supply imbalances and risks.

GET STARTED

Are you ready for this new era in
mining supply chain performance?

Contact us at PRISM@cat.com.