



Cisco Smart+Connected  
Manufacturing Solutions

## Create long-term competitive advantage through continuous innovation, operations excellence, supply chain agility, and customer intimacy

### The Network Is the Platform for Success

For manufacturers, market conditions in today's economy are changing at an unprecedented rate. Regardless of size, your company is feeling the pressure of increased global competition, faster product cycles, rapid changes in demand, and reduced access to capital at the same time as opportunities in the economy are once again growing. Optimizing your business in response to these trends may have fragmented your value chain across global suppliers, customers, and channels, making it more difficult to navigate the economic turbulence. To simplify and address these complexities, you need solutions that intelligently connect all parts of the value chain to quickly and easily share information with every department, employee, partner, and customer.

During the worst global recession in decades, manufacturers focused on cost cutting and improving their ability to react to rapid changes in demand by managing inventories and capacity utilization. As markets recover, future market leaders are making bold strategic moves to gain share. Investments in faster, more targeted innovation and improving the customer experience will position your company to fully capitalize on economic growth and fundamentally strengthen your long-term competitive position.

### Cisco Smart+Connected Manufacturing

Cisco® Smart+Connected Manufacturing solutions provide intelligent, timely information and collaboration in context to transform manufacturing businesses through continuous innovation, a differentiated customer experience, supply chain agility, and operations excellence. Close interrelationships between these areas mean investments in one area drive further improvements in the others. The result is more efficient operations with successful new products and loyal customers that drive higher revenue and sustainable competitive advantage.

*"In the here and now, new technologies and technology adoption is setting the stage for novel business models that portend disruptions as great as those of past downturns."*

—McKinsey & Company, *Using technology to turbocharge innovation in a downturn*, August 6, 2009

## Create Ongoing Market Success Through Continuous Innovation

Increasingly, success in the marketplace goes to the company that can minimize the distance between a new idea or vision and realization of its value. By collaborating with geographically dispersed customers, design teams, and ecosystem partners, manufacturers can bring new products to market more effectively and efficiently, all while securing intellectual property. As customer relationships evolve to business partnerships, both manufacturers and their customers will win through faster innovation that better meets market needs. Using new digital collaboration platforms, manufacturers can radically reduce the cost and time required to innovate, setting the stage for dramatic improvements in competitive positioning.

## Grow Revenue Through a Differentiated Customer Experience

Customers' differentiated and positive experiences with the company are core to customer satisfaction. To gain and retain your best customers and turn them into advocates, manufacturers must be responsive, through the ability to act on requests quickly, using accurate and up-to-date information. Cisco Smart+Connected Manufacturing solutions

### Cisco Smart+Connected Manufacturing

#### Continuous Innovation

- Accelerate time to market up to 30 percent
- Increase rate of innovation
- Increase product pipeline success rate
- Improve new product vitality
- Expand intellectual property and patent portfolios

#### Customer Intimacy

- Create a consistent, differentiated customer experience across organizational silos
- Collaborate with customers to create winning products
- Accelerate sales cycles

#### Supply Chain Agility

- Leverage global emerging markets
- Adapt your supply chain to changing markets in real time
- Improve decision-making
- Reduce disruptions and shorten duration from weeks to hours

#### Operations Excellence

- Improve plant efficiency
- Align the factory closely with customer and market needs
- Locate inventory, assets and personnel in real time

## Cisco Smart+Connected Manufacturing Case Studies

### Toyota

**Challenge:** Globally dispersed design team

**Solution:** Cisco Unified Communications

**Result:** Improved product quality and 10–15 percent reduction in development costs

### Adept

**Challenge:** Replacement parts business losing money

**Solution:** Cisco Unified Communications Integration to CRM for inventory checks and upsells

**Result:** Increased revenue and profitability

### Alcoa

**Challenge:** Operators lose time and productivity checking product information

**Solution:** Cisco Call Control to the Factory

**Result:** Increased production by 25 percent

deliver the communication and collaboration tools needed to stay in touch with customers and respond knowledgeably to their orders, queries, product issues, and service requests. By providing real-time access to expertise and information around the globe, sales and service can respond quickly and accurately to customer requests or issues, providing a positive customer experience that leads to increased revenue and competitive advantage.

## Harness the Power of an Agile Supply Chain

Communication and information are crucial to an efficient supply chain. Securely extending access and visibility throughout the supply chain allows an integrated workflow that promotes innovation, efficiency, and collaboration and decreases business risk. The agile supply chain is market-driven, with faster development and product or service introduction cycles.

A borderless network allows information and decisions to flow through the supply chain and organization quickly for immediate response to market demands. The result is better compliance and control, reduction of excess inventory and logistics costs, increased responsiveness to customers' needs or sudden changes in demand, and better business decisions. Cisco Smart+Connected Manufacturing solutions bring together capabilities such as Cisco Unified Communications, industrial Ethernet connectivity, and wireless to transparently and securely connect suppliers, partners, and customers.

*"We save tens of thousands of hours and hundreds of thousands of dollars in labor costs during a typical two-year project. Sometimes the greatest ideas are the simplest."*

—Ed Flavin, CIO, Modec

## Improve Production Efficiency and Flexibility

Cisco Smart+Connected Manufacturing solutions improve production efficiency and flexibility through secure, real-time availability of information for better business decisions. With superior communication abilities from the factory floor to enterprise IT, key personnel have immediate access to asset and inventory locations, potential product problems, safety and compliance issues, and energy usage to swiftly resolve downtime and production issues and lower costs.

Cisco Unified Communications makes worker training available on an as-needed basis and helps improve worker empowerment and retention. Cisco and partner integrated solutions add communications and data to business workflows, plant systems, applications such as Manufacturing Execution Systems (MES), and business systems such as enterprise resource planning (ERP) to identify exceptions and mitigate operational risk.



## Cisco on Cisco

### Continuous Innovation

#### New Product Introduction

- Saved \$10 million in development costs on a single product launch
- Reduced launch costs 90 percent
- Exceeded quality targets

### Supply Chain Agility

#### Cisco rated top 5 on AMR Research's Top 25 Supply Chain Rankings

#### Collaborative Supply and Demand Planning

- Negotiate/validate reorder points
- Improved matching of demand and supply

#### Supplier Qualification

- Savings of \$25 million
- Improved component quality

#### Global Supply Management

- Faster issue resolution

### Operations Excellence

#### Lean Manufacturing

- Accelerates product introductions
- Drives out waste from entire process

### Customer Intimacy

#### Customer Access to Sales Teams

- 40% increase in customer interactions
- 22% increase in sales productivity
- 19% increase in time spent on strategic activities

#### Accelerate Sales Deal and Review Process

- \$30 million in increased sales productivity
- \$15 million in increased partner productivity
- Improved customer experience

#### Integrated, Multichannel Customer Support

- \$661 million in cost efficiencies
- 85 percent of support cases resolved through the web
- Decreased average talk time 32 percent
- Increased customer satisfaction from 4.0 out of 5 to 4.78 out of 5

## Now Is the Time for Smart+Connected Manufacturing from Cisco

With the economic recovery underway, now is the time to make bold strategic moves. Investments to speed innovation and improve the customer experience will position your company to fully capitalize on economic growth and fundamentally strengthen your long-term competitive position. Companies that invest in technology platforms

that create borderless networks, collaboration, and virtualized systems for information access throughout the value chain will change the market landscape. Cisco Smart+Connected Manufacturing positions your company for success.

For more information, please go to [www.cisco.com/go/manufacturing](http://www.cisco.com/go/manufacturing)



**Americas Headquarters**  
Cisco Systems, Inc.  
San Jose, CA

**Asia Pacific Headquarters**  
Cisco Systems (USA) Pte. Ltd.  
Singapore

**Europe Headquarters**  
Cisco Systems International BV  
Amsterdam, The Netherlands

Cisco has more than 200 offices worldwide. Addresses, phone numbers, and fax numbers are listed on the Cisco Website at [www.cisco.com/go/offices](http://www.cisco.com/go/offices).

CCDE, COENT, CCSI, Cisco Eos, Cisco HealthPresence, Cisco IronPort, the Cisco logo, Cisco Nurse Connect, Cisco Pulse, Cisco SensorBase, Cisco StackPower, Cisco StadiumVision, Cisco TelePresence, Cisco Unified Computing System, Cisco WebEx, DCE, Flip Channels, Flip for Good, Flip Mino, Flipshare (Design), Flip Ultra, Flip Video, Flip Video (Design), Instant Broadband, and Welcome to the Human Network are trademarks; Changing the Way We Work, Live, Play, and Learn, Cisco Capital, Cisco Capital (Design), Cisco.Financed (Stylized), Cisco Store, Flip Gift Card, and One Million Acts of Green are service marks; and Access Registrar, Aironet, AllTouch, AsyncOS, Bringing the Meeting To You, Catalyst, CCDA, CCDP, CCIE, CCIP, CCNA, CCNP, CCSP, CCVP, Cisco, the Cisco Certified Internetwork Expert logo, Cisco IOS, Cisco Lumin, Cisco Nexus, Cisco Press, Cisco Systems, Cisco Systems Capital, the Cisco Systems logo, Cisco Unity, Collaboration Without Limitation, Continuum, EtherFast, EtherSwitch, Event Center, Explorer, Follow Me Browsing, GainMaker, iLynX, IOS, iPhone, IronPort, the IronPort logo, Laser Link, LightStream, Linksys, MeetingPlace, MeetingPlace Chime Sound, MGX, Networkers, Networking Academy, PCNow, PIX, PowerKEY, PowerPanels, PowerTV, PowerTV (Design), PowerVu, Prisma, ProConnect, ROSA, SenderBase, SMARTnet, Spectrum Expert, StackWise, WebEx, and the WebEx logo are registered trademarks of Cisco Systems, Inc. and/or its affiliates in the United States and certain other countries.

All other trademarks mentioned in this document or website are the property of their respective owners. The use of the word partner does not imply a partnership relationship between Cisco and any other company. (0910R)