

ANVYL

Unlocking the Next Level in Supply Chain Innovation

A look at the state of today's supply chain and how to turn yours into a competitive advantage.



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An introduction from Anvyl's CEO

After 10 years in supply chain at companies like Apple and Harry's, I have seen the same issues resurface over and over for supply chain professionals and the brands they work for. When I founded Anvyl, our team set out to help them overcome their challenges and elevate supply chain to the level it deserves.

Though supply chain hasn't ever been a glamorous role, new trends in global commerce are finally nudging the field into the spotlight. With the right technology and partnerships, a brand can leverage its supply chain to get ahead of competitors that would otherwise rival them in image and presence.

Still, supply chain is lagging in innovation and recognition. Even as direct-to-consumer models and newer, growth-focused brands pour money and talent into marketing, R&D, and development, supply chain managers at the same companies are still managing logistics for millions of dollars of product in outdated spreadsheets.

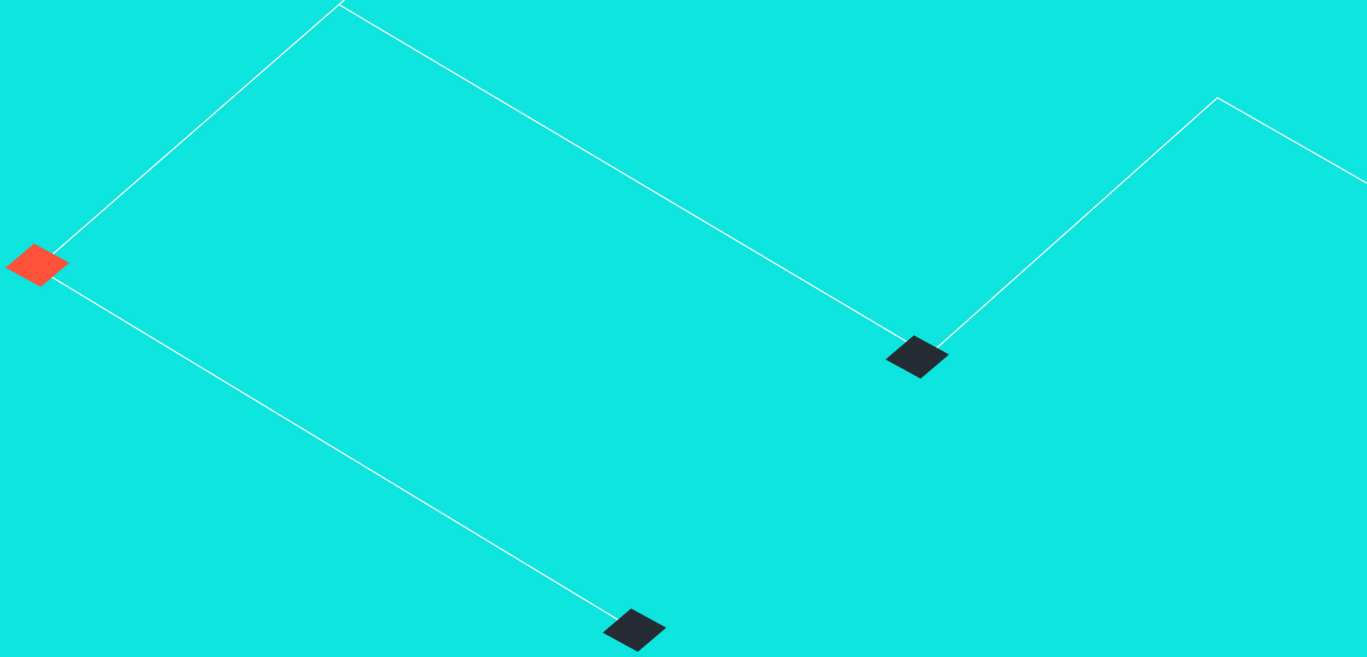
We wrote this guide to explain the defining features of supply chain today, call out the biggest challenges, and discuss ways to break past them. While we built Anvyl specifically to address a visibility gap in sourcing and production, we're part of a larger ecosystem we hope to improve through new levels of ease and automation in the supply chain.

I hope this piece will give you actionable ideas for transforming your supply chain. Feel free to contact us anytime if you want to learn more about how Anvyl can help.



Rodney Manzo
CEO and Founder at Anvyl

Rodney Manzo



The state of supply chain

An overview of the circumstances surrounding today's global supply chain and how they affect your company.

After decades of only marginal innovation, supply chain is feeling the effects of significant shifts in technology and global commerce. In this section we'll take a look at the latest trends and pressures that will push brands to refocus on their supply chain operations and invest in the tools they need to be better than competitors.

The good

Cheaper, better technology

The same technology that has skyrocketed companies like Salesforce, Google, and Amazon to the top of their domains is now readily available to supply chain professionals. This includes:

- **API-based interconnectivity** that uses easy-to-maintain integrations between cloud-based tools and doesn't require expensive implementations.
- **Powerful databases** that can process real-time streams of event data and return instant results from complex queries.
- **Automation tools** that make development, testing, and other workflows far faster and more accurate.
- **Machine learning models** that fuel AI-driven optimization and more actionable insights from user data.

The affordability of these tools mean SaaS vendors are building high-quality products that supply chain and product managers can invest in with lower risk.

The B2B sharing economy

The ease with which you can order a pizza on Uber Eats also translates to the supply chain. Industry giants like Amazon, Alibaba, and Walmart have paved the way for smaller companies to use existing logistics infrastructure and partnerships to move product quickly.

Amazon's own Fulfillment by Amazon lets companies without strong logistics networks outsource packing, storage, and [fulfillment using shared warehousing space](#), alongside competitors like Flexe or FlowSpace that extend those [services to other channels](#).

As brands scale they can leverage third-party logistics providers (3PLs), who provide transportation and storage of goods at competitive rates using shared logistics networks. Newer competitors in the space have seen record funding rounds, like Flexport with its [\\$1 billion injection in early 2019](#).

Environmental and social consciousness

Consumers are demanding more transparency and social responsibility from the brands they buy. In a [survey of over 2,000 consumers, 56% of them said they would be loyal to a brand for life if it provided complete transparency](#).

This desire affects every step in the supply chain. Stamps of approval from organizations like Fair Trade or a public commitment to a responsible supply chain can boost sales and loyalty, and a lack of background information on products can be interpreted as your company hiding something. This trend is good for the world—less so for brands using questionable suppliers and practices in hopes of short-term financial gains.

An upsurge in the D2C model

Direct-to-consumer (D2C) brands have found their stride in the last five years, building shorter supply chains and forging direct connections with their customers. They've been able to disrupt stagnant industries, like [Casper did with mattresses](#), and grow massive databases of consumer preferences and behaviors by starting without a physical presence or alternate distribution channels.

These brands often expand into more traditional channels as they grow, but with the added efficiencies of a company that was born agile. It's what makes them so attractive to aging corporations—for example, the shaving startup Harry's was recently acquired by Edgewell (owner of Schick) for \$1.37 billion.

An added bonus for D2C brands is that consumers seem to want to identify with the products they buy, engaging heavily on social media and even creating content for brands they trust. Warby Parker exemplified this level of engagement with their wildly successful campaign around home "try-ons", where customers uploaded YouTube videos of themselves trying on Warby Parker's glasses by the thousands.

The bad

Fragmented supply chain operations

Most supply chains have at least dozens of products, suppliers, and fulfillment strategies relying on hundreds of people in different countries using disparate systems to manage operations. It's a recipe for missed communications, poor data quality, and hidden costs at every point of inefficiency. The availability of technology hasn't solved this—leadership teams at companies have to make the leap and invest in change.

"It's still very hard to identify the exact point where a supply chain breaks down. So while you know there are issues, it's difficult to see where to implement change because no single application can track a product's entire journey."

Mike Corbo

Colgate-Palmolive
Chief Supply Chain Officer

Lack of innovation

The status quo is a dangerous place to be in supply chain. While supply chain professionals might be accustomed to spreadsheets, email chains, and faxes to confirm crucial milestones in production and fulfillment, the price of inertia is steep. According to a recent PWC study of over 200 companies with a global supply chain footprint, [20% of respondents cited changing technology as the greatest risk to their supply chain.](#)

Low levels of recognition

Supply chain management can feel like a thankless job, relegated to a collection of operational tasks rather than strategic, impactful decision-making. Supply chain leaders are often blamed for losses but don't get recognition when things go well, stifling their incentive to try new things that might improve their efficiency.

Today's supply chain professionals demand more, and the shortage of talent in the industry highlights this fact. Brands that want to be successful must fight harder for the digitally savvy, in-demand workforce by offering them access to innovative supply chain solutions and empowering them to make bold decisions.

Big visibility gaps

Two distinct parts of the supply chain are still fairly opaque. One is the last mile, where tracking detailed ground logistics and the customer delivery experience can be difficult. The other is during sourcing and production—brands struggle to monitor supplier activity, keep track of SKU-level and part data, and know when finished goods will arrive at their warehouses and distribution centers.

The latter is where we'll focus for the remainder of this guide. However, many of the same issues occur throughout the supply chain. Transforming sourcing, production, and inbound logistics will inevitably change the way you approach the entirety of your operations.

The goal: digitize and optimize your supply chain

Companies should be ready to invest in significant changes to stay competitive. Here's what you can expect to gain by adopting better technology and rethinking your supply chain workflows:



Spend less on air freight costs to make up for late or missing product



Better forecast your expenses



Have more trust in your suppliers



Demonstrate reliability to distribution partners



Proactively improve supply chain operations

In the next section you'll learn what a modern, high-functioning supply chain looks like and how Anyvl can help you get there.

What does transformation look like?

There are many tools available to take advantage of supply chain advances and overcome the challenges we've mentioned. In this section we'll go over the most impactful changes you can make and how we facilitate them for our customers.

If you're not an Anvyl customer, you can still put most of these ideas in motion—it just might demand more time and budget to do on your own.

Customized, integrated supply chains

There are now affordable SaaS platforms for everything from product design to freight forwarding. Just like software developers combine their favorite frameworks and tools into the perfect technology stack for their product, you can assemble an arsenal of supply chain solutions that make life easier.

What should you look for?

- **Agility** - your vendors push regular features and fixes to production and provide clear documentation of the changes.
- **Security** - vendors can easily communicate security and privacy policies and prove that they're actively working.
- **Extensibility** - the software doesn't have dependencies on legacy code and can connect to other applications via REST APIs.
- **Flexibility** - you aren't locked into an outrageously expensive contract, limited by capacity issues, or dependent on a niche team of engineers if something goes wrong.

Approaching supply chain technology on a use-by-use basis lets companies invest at their own pace, filling the most important visibility and productivity gaps early and investing in additional solutions later on. It also allows them to sunset products that aren't a good fit without risking business continuity.

Where Does ERP Fit In?

Enterprise Resource Management (ERP) software does a good job of connecting companies' financial and supply chain operations and can greatly improve overall visibility. However, many brands can't afford the hefty investment in their earlier growth stages—they need a transitional product to fill the gap between their product development tools and enterprise financial software.

You can learn more about how ERP fits in with modern supply chain technology [here](#).

A hub for production and logistics data

To know what's happening in your supply chain you need a centralized place for data on suppliers, parts and products, and the entire production process. If you're still rummaging through physical paperwork, calling suppliers in different time zones, and managing your company's most valuable data in convoluted spreadsheets, this is the place to start.

By consolidating your data in one system, you:

- **Stop missing information when your primary supply chain owner is unavailable**
- **Collaborate with team members and suppliers without doubting your data**
- **Make educated decisions based on useful supply chain analytics**
- **Easily pipe data into other systems to create a fully visible, integrated supply chain**

Anvyl offers visibility into all of your production data at once, including details on supplier activity and performance.

- Upload a bill of materials (BOM) and attach design files to create a record of all parts data. Store information about cost breaks, minimum order quantities (MOQs), lead times, or detailed pack out instructions.
- Upload existing suppliers, add factory locations, tag their capabilities, identify key points of contact, and add attachments or private notes.
- Queue up draft orders and issue them to suppliers. Track purchase orders (POs) throughout production and keep a full record of change history.

— [Learn more](#)

Automated milestone tracking and follow-up

Most supply chain professionals spend hours every day following up on various stages of production. This isn't just stressful for the people who do it—it steals time away from more strategic functions and slows down the entire supply chain.

Anvyl automates follow-up for four key stages of the production process, including milestones that confirm a product is being built, completed, and shipped. Customers get alerted when delays are likely or important documents are missing, while suppliers receive automated emails asking for confirmation of each crucial point in the product lifecycle.

Pre-Production

Ordered 1/1/2019

Production

Started 1/3/2019

Pre-Shipment

Complete 2/3/2019

Shipment

 *Confirm Address*

What do our customers do with all of their additional free time? Hear it from [the team at S'well](#), who used their reclaimed time to launch three new product lines.

Responsible, reliable suppliers

Companies can no longer look the other way when it comes to supplier practices. If you're serious about quality and ethics (and you should be), you'll need to make someone responsible for carefully vetting new manufacturing partners.

If you plan to do this in-house, here's a list of what to look for:

- **Environmental impact** - Can they clearly map their upstream supply chain to environmentally-friendly practices? Do they understand their carbon footprint? Are they using sustainable materials? Look for transparency about both their materials and n-tier supplier contacts.
- **Health and safety provisions** - Does the supplier track whether their environments are up to code, follow local or industry health and safety standards, and provide support to employees if an incident occurs?
- **Social responsibility** - Does the supplier offer ample sick days, maternity leave, reasonable working hours, and other ethical employment practices? Do they have a policy that protects against discrimination and illegal labor?
- **Quality control** - How do they guarantee quality? How do they remedy any lapse in quality? Ask for detailed quality stats and reports before you choose them.
- **Production capabilities** - Do their factories, equipment, and headcount add up to the capacity they claim? Make sure suppliers can handle the size of your orders before you sign a contract and ask about their use of subcontractors.

Anvyl's supplier marketplace vets and certifies the top 1% of suppliers for customers to access. Brands can submit Requests for Quote (RFQs), get quotes, and see when a supplier accepts new purchase orders on the platform. [Learn more about sourcing on Anvyl.](#)

Stronger partnerships with suppliers

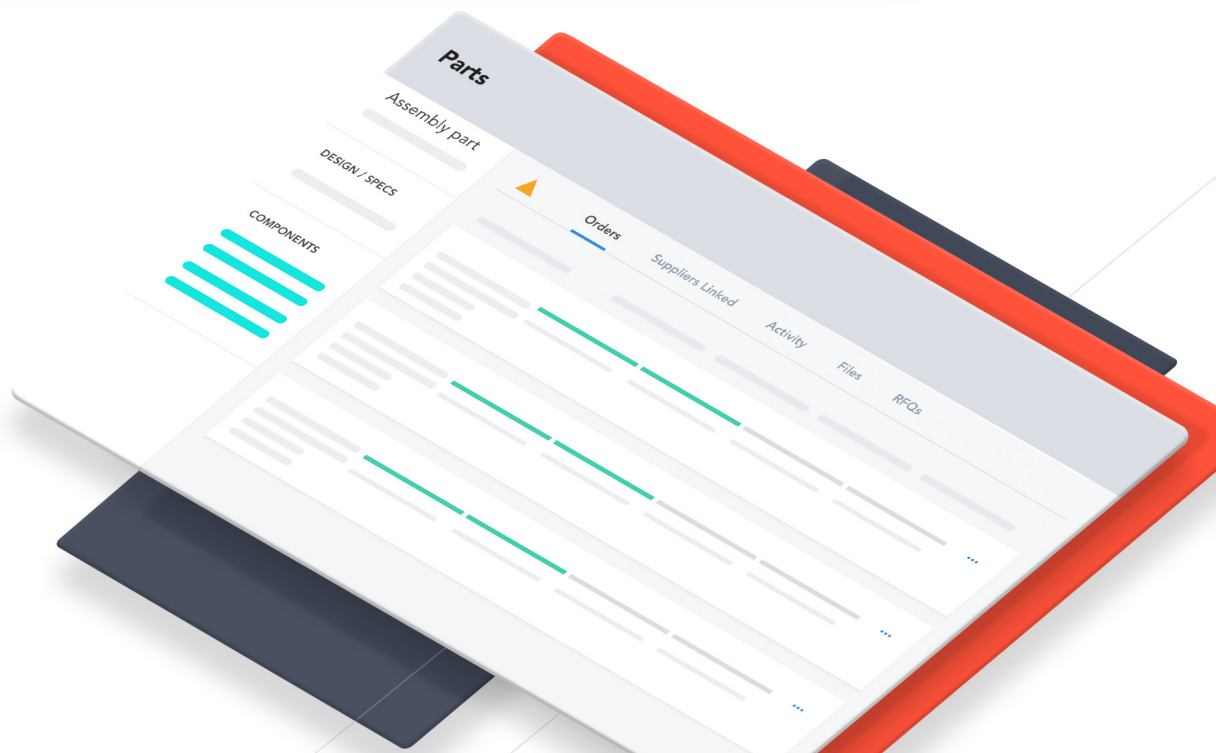
Just like brands, suppliers are becoming more sophisticated. They're looking to fill capacity, be more connected, and increase business with high-value customers.


Anvyl supplier Salazar Packaging explains: "As a supplier, we're looking for customers with user-friendly systems we can adopt quickly. We want to be able to communicate the status of production at any time, easily check back on their product specs and any agreements we have, and generally bring us into closer collaboration with the brands we work with." The more you can build a collaborative relationship with your supply chain partners, the more both sides benefit.

Given the current economic uncertainty around tariffs and global trade regulations, having reliable partnerships throughout the supply chain will help you minimize risk. You'll also be able to leverage alternatives when exploring new market opportunities or trying to find better cost structures.

Anvyl customers can add their existing suppliers to the platform and share important data and documents with them. Both can quickly reference Service Level Agreement (SLAs), contracts, audits, and price breaks so there's no confusion over what was agreed to.

Anvyl's supplier portal creates a collaborative space to review order details, easily give production updates, and upload important files like quality inspections, bills of lading, and invoices.





The result: growth, scale, and an edge on the competition

Investing in a more modern, nimble supply chain can pay dividends for years. By making some or all of these changes, brands will pave the way for faster growth and smoother scale.

Here's how some of today's top brands have benefitted from supply chain optimization on Anvyl:

- **Mixlab met its stronger-than-expected demand growth and prevented inventory stock-out issues.**
- **LOLA found multiple options for a hard-to-procure material and produced the order in under a third of the time.**
- **Hims takes products to market in just one month, vs a 4-6 month industry average.**
- **Native found new suppliers and launched a body wash to build on the success of its popular natural deodorant.**

With so much available technology at hand and a breadth of competitors in almost every product category, no brand can afford to maintain the status quo. Luckily, the barrier to leveling up is low—and once you leave the old way behind, you'll never want to go back.

Learn more about Anvyl's production hub and supplier marketplace

Anvyl supports rapid growth and expansion with lightweight, intuitive software that automates and streamlines crucial stages of the supply chain. Leave spreadsheets and phone calls behind for a solution that makes it easy to manage hundreds of suppliers and product lines.

— [Request a Demo](#)

— [Learn More](#)

hims

LOLA

HARRY'S

NATIVE


LADDER™

S'well®