

Fabless Semiconductor Post-Merger Supply Chain Integration

Highlights



- Successfully integrated a network of plants and distribution centers from the two legacy supply chains
- Rapidly migrated B2B and customer interfaces to the new systems, developed custom reports and executed a production data migration
- Instituted a process and application support model to quickly escalate and address any go-live issues
- Executed on time and on budget within six months
- Enabled the client to plan and execute the combined supply chain and achieve growth targets laid out in merger

The Challenge: After the acquisition of a rival firm for \$1.5 billion, a fast-growing fabless semiconductor manufacturer had an aggressive timeline to operationally integrate the two companies. The objective was to integrate a network of plants and distribution centers from the two legacy supply chains to leverage one seamlessly integrated supply chain in time to support a critical Q4 sales period.

The project was extremely global in nature with the two companies being headquartered in Silicon Valley and Israel, most manufacturing occurring in Asia, and distribution throughout the world. With growth demands limiting the amount of time key operations personnel could devote to the effort, the client needed a trusted partner to manage the integration effort and chose Spinnaker to lead the project for operations.

The Approach: The scope of the operations integration managed by the Spinnaker team included the end-to-end supply chain including Forecasting and Supply Planning, Sales Order Management, Manufacturing, Inventory Management and Purchasing. In order to execute the merger integration as quickly as possible, a strategy of migrating the acquired company's operations onto the client's processes and systems with as little customization as possible was adopted.


A global core team of business and IT representatives from the acquiring and acquired companies was formed to educate the acquired company's personnel on the to-be business processes


and conduct a rapid fit/gap analysis to identify any critical gaps. On the technical side, the team rapidly migrated b2b and customer interfaces to the new systems, developed custom reports to minimize unnecessary business process disruptions, and executed a production data migration for all master and transactional data into the acquiring company's systems. To ensure the project was a success a process and application support model was put in place to quickly escalate and address any go-live issues.

The Results: Spinnaker's project management and oversight enabled the project to progress in a rapid manner while ensuring that processes and systems were integrated end-to-end to minimize risk to the operations of the integrated company. The project was executed on-time and on-budget within six months of initiation. Successful completion of the project allowed the client to plan and execute the combined supply chain in a coordinated fashion during the critical Q4 timeframe and achieve the growth targets specified when the merger was announced.

About Spinnaker: Spinnaker is a supply chain services company that helps clients grow, manage risk, reduce costs, and improve customer service by developing world-class supply chain capabilities. Our services help clients develop the right supply chain strategy for their business challenges and implement the process and technology solutions to improve Demand/Supply Planning, Procurement and Sourcing, Logistics and Warehousing, and Reverse Logistics business performance. Spinnaker offers a unique service delivery model that combines the strength of deeply experienced management and technology consultants with a seasoned team of business process outsourcing (BPO) and 3rd-party logistics (3PL) professionals. Founded in 2002, Spinnaker has offices in Boston, Columbus, Denver, Houston, Memphis, Pittsburgh, London, and Singapore.

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