University of Pittsburgh

Joseph M. Katz Graduate School of Business

and College of Business Administration

2016 Supply Chain Management Symposium Supply Chain Management in the Digital Age

November 4, 2016
University Club - Pittsburgh, PA



A MESSAGE FROM THE DIRECTOR

On behalf of the Pitt Business Center for Supply Chain Management, I'm delighted to welcome you to the 2016 Supply Chain Symposium: Supply Chain Management in the Digital Age.

Today's symposium is focused on cutting-edge developments where the future is converging with the present. Technological change is revolutionizing supply chains and the operation of organizations of all sizes and types at an almost dizzying pace.

Big data. The Cloud. The Internet of Things. Instant global communications. Social networks. New technologies. All of these are digital and they all have an impact. They are transforming omni-channel fulfillment, customer experiences, dynamic pricing — you name it.



We are fortunate to welcome some of the leading business minds on these topics. I want to thank our distinguished speakers from Gartner, IBM, UPS, Microsoft, REI, and Szilagyi Leadership, and our moderator, Brian Baskin, from *The Wall Street Journal*. Today they will offer us expertise on these topics and more.

The Center for Supply Chain Management is committed to building and strengthening industry partnerships, and the Symposium is a great way to do that. The Center also sponsors a Breakfast Speaker Series that hosts top industry speakers, organizes case competitions with business students where professionals can serve as judges, and supports consulting projects in the graduate school where companies can provide students with a real business problem to work on. Please speak with me if you would like more information about how you can get involved.

I want to express my sincere thanks and gratitude to today's speakers for providing their expertise, despite their busy schedules. I also want to recognize our sponsors whose support has been invaluable — especially GENCO and its former Executive Chairman Herb Shear, whose funding established the center.

I also want to thank my colleagues at the center — Associate Director Eric Paljug and Program Manager Janice Trygar — and the members of our Breakfast Speaker Series Planning Committee and Corporate Advisory Board for their tireless efforts in planning, coordinating, and executing the symposium.

Last, but not the least, I want to thank you for attending today's symposium. This promises to be a fantastic day!

Sincerely,

Prakash Mirchandani Director, Center for Supply Chain Management Professor of Business Administration

EVENT SCHEDULE

7:30 - 8:30 a.m.	Registration, Breakfast, and Networking	Ballroom A
8:30 a.m.	Welcome Dr. Prakash Mirchandani, Director, Center for Supply Chain Management	Ballroom B
8:35 a.m.	Introduction of Brian Baskin, Moderator, and Daniel Gagnon Lisa Scales, CEO, Greater Pittsburgh Community Food Bank	Ballroom B
	Keynote Address: Strategic Implications of Global and Supply Chain Trends Daniel Gagnon, Vice President, Marketing, UPS Global Logistics and Distribution	Ballroom B
9:30 a.m.	Coffee Break	Ballroom A
9:45 a.m.	Introduction of Bill Best Lisa Scales	Ballroom B
	Sustainable Distribution Center Design and Omni-channel Fulfillment Bill Best, Divisional Vice President, Supply Chain Operations, REI	Ballroom B
10:40 a.m.	Introduction of Dr. Markus Ettl Lisa Scales	Ballroom B
	Omni-channel Revenue Management: Pricing and Fulfillment — Two Case Studies Dr. Markus Ettl, Senior Manager, Commerce Advanced Analytics IBM T. J. Watson Research Center	Ballroom B
11:35 a.m.	Lunch	Ballroom A
12:30 p.m.	Poster Competition	Ballroom A
1:15 p.m.	Introduction of Andrew Downard Sandy Turko, North American Strategic Sourcing Category Manager, ABB	Ballroom B
	Get Ready for IoT Order Buttons in Supply Chain Andrew Downard, Research Director, Gartner, Inc.	Ballroom B
2:10 p.m.	Introduction of Sanjeev Khanna Sandy Turko	Ballroom B
	Cloud Infrastructure Supply Chains and Data Analysis Sanjeev Khanna, Senior Director, Microsoft Cloud Infrastructure & Operations	
	Supported by Matthew Fiochetta, Data Platform Specialist, Microsoft	
3:05 p.m.	Coffee Break	Ballroom A
3:20 p.m.	Introduction to Steve Szilagyi Sandy Turko	Ballroom B
	Practicing Leadership in Supply Chain Management Stephen J. Szilagyi, President, Szilagyi Leadership	
4:15 p.m.	Awards Ceremony Chuck Hammel, III, President, PITT OHIO Steve Myers, Vice President, FedEx Ground	Ballroom B
4:20 p.m.	Closing Remarks Arjang A. Assad, Henry E. Haller, Jr. Dean, Joseph M. Katz Graduate School of Business and College of Business Administration	Ballroom B
4:30 - 5:30 p.m.	Cocktail Reception	Ballroom B

SPEAKERS



Bill Best

Divisional Vice President, Supply Chain Operations, REI

At REI, Bill Best oversees network expansion strategy, along with distribution operations and process improvement. He joined the company in December 2012 to lead logistics technology, process improvement, global logistics, and network expansion strategy. At REI, logistics technology supports the integration of supply chain and enterprise systems, and global logistics serves inbound, digital retail, and retail transportation needs. Prior to REI, Mr. Best worked at Cisco Systems and Microsoft.



Andrew Downard

Research Director, Gartner, Inc.

Andrew Downard is focused on sales and operations planning (S & OP) and integrated business planning processes (IBP). He examines the broad supply chain coverage and support for supply chain in a variety of sectors and drives research on trends and best practices, with an emphasis on supply chain strategy and transformation. Other roles he has held have included building a commercial excellence function dedicated to optimizing overall performance of the customer-facing organization for a \$3 billion food manufacturer.



Dr. Markus Ettl

Distinguished Researcher
Senior Manager, Commerce Advanced Analytics, IBM T. J. Watson Research Center

Dr. Markus Ettl is one of the IBM research pioneers in applying advanced analytics, machine learning, and cognitive technologies to a broad range of challenges in commerce, including price optimization, procurement fraud prevention, supply chain agility, and real-time personalization and cognitive pricing. Dr. Ettl has had a significant impact on IBM's advances in supply chain management. He is an IBM Master Inventor and a member of the IBM Academy of Technology.



Daniel Gagnon (Pitt ENGR '90, Pitt MBA '99)

Vice President, Marketing, UPS Global Logistics and Distribution

Daniel Gagnon is responsible for global marketing and strategy for all contract logistic business units consisting of mail innovations, finish-goods distribution and post-sales logistics. He has more than 27 years of experience at UPS across segment marketing, new product development, industrial engineering, and package operations. Mr. Gagnon has also served as industrial engineering supervisor, industrial engineering section leader, corporate marketing manager, marketing director, and Europe-region marketing and strategy director for the healthcare sector.



Sanjeev Khanna (Pitt ENGR '92, Pitt MBA '96)

Senior Director, Microsoft Cloud Infrastructure and Operations, Microsoft

Sanjeev Khanna has over 20 years of broad technology experience in successfully building and transforming multi-billion-dollar businesses. He oversees a team that supports Microsoft Cloud Services, which include Microsoft Azure, Bing, and Office 365. His unit is responsible for technology sourcing and supply chain, including server and network hardware, data-center infrastructure, services, and business development for new initiatives. Prior to Microsoft, Mr. Khanna held leadership roles in sales, marketing, finance, and operations at Intel.



Stephen J. Szilagyi

Former Chief Supply Chain Officer, Lowe's Companies, Inc.

President, Szilagyi Leadership

Steve Szilagyi has over 30 years of retail, wholesale, and consumer products supply chain management experience. He is the former chief supply chain officer of Lowe's Companies, Inc. and today is president of his own leadership consulting practice. An engaging leader known for his energy and enthusiasm, Mr. Szilagyi enjoys leading teams to world-class levels of safety, engagement, service, quality, and performance, and taking companies to new levels of growth and success.

MODERATOR



Rrian Raskin

Editor, Wall Street Journal Logistics Report, The Wall Street Journal

Brian Baskin leads a team of reporters and editors who cover supply chain and logistics issues for *The Wall Street Journal*. He previously served as a commodities, FX, and emerging markets editor. Prior to joining *The Wall Street Journal*, Mr. Baskin reported on the oil market for Dow Jones Newswires and business and healthcare for the *Arkansas Democrat-Gazette*. He holds a bachelor's degree in history and political science from Brown University.

SPEAKER ABSTRACTS

Bill Best

Sustainable Distribution Center Design and Omni-channel Fulfillment

REI had a vision for the sustainability of their Arizona Distribution Center DC before they selected partners. The design approach was central to the success of delivering the vision. The newly opened, LEED-Certified Distribution Center was covered in the latest issues of the *DC Velocity* and US Green Building Council publications. Bill will outline REI's integrated approach to building the most sustainable distribution center in the world, including how this technology unlocked "one-touch" omni-channel distribution.

Andrew Downard

Get Ready for IoT Order Buttons in Supply Chain

Gartner defines the "Internet of Things" (IoT) as the network of dedicated physical objects (things) that contain embedded technology to sense or interact with their internal state or external environment and which can communicate information. The IoT creates an ecosystem that includes things, communication, business applications, data analysis, infrastructure, and partners. Growth in this intelligent technology, one that permits direct connections with customer lives, is rapidly changing the competitive landscape. Based on recent research, Andrew will discuss how early adopters of IoT order buttons (e.g. Amazon Dash buttons) are responding to the underlying challenges.

Dr. Markus Etti

Omni-channel Revenue Management, Pricing and Fulfillment: Two Case Studies

Today's dynamic omni-channel retail environment is creating new order fulfillment and pricing challenges, and many leading retailers are in the process of implementing advanced analytics and omni-channel research to revamp their existing pricing and fulfillment processes. In this talk, Markus discusses two recent case studies that use Big Data analytics for optimizing omni-channel retail operations. First, he will describe a real-time, cloud solution that optimizes online order-fulfillment to balance multiple business objectives. This system resulted in shipping cost reduction of over 7 percent at a large retailer. Second, Markus will discuss a newly developed omni-channel pricing and cross-channel fulfillment optimization system that led to an improvement of more than 6 percent in markdown revenue at a major consumer electronics retailer.

Daniel Gagnon

Strategic Implications of Global and Supply Chain Trends

Global mega changes, occurring at an increasingly rapid pace, are affecting demographics, technology, and population growth. The implications of these changes, along with the trends in supply chains themselves, are dramatic, and these developments are transforming supply chains in ways that were unthinkable just a few years ago. Newer technologies and newer customer fulfillment methods are being developed and implemented. How do these changes affect business strategy, supply chain strategy, and tactical execution? Dan will address these supply chain developments and the underlying challenges and opportunities.

Sanjeev Khanna

Cloud Infrastructure Supply Chains and Data Analytics

Microsoft has invested over \$15 billion in building a highly scalable, reliable, secure, and efficient globally distributed data-center infrastructure. These data centers house over 200 online services that support productivity and data analytics. Delivering services at cloud-scale requires a radically different approach to designing, building, deploying, and operating the supply chain. Sanjeev will discuss how Microsoft is addressing the challenges of planning and managing a cloud infrastructure supply chain. He will be assisted by Matthew Fiochetta, data platform specialist at Microsoft, who will discuss analytics and IoT tools that run on the cloud infrastructure and are available for use in client supply chain support systems.

Stephen J. Szilagyi

Practicing Leadership in Supply Chain Management

What does it take to be an effective supply chain leader in today's dynamic world? What values might you inculcate for your success in work and in life? In this session, Steve Szilagyi will lead us through an exhilarating journey of how he motivated his teams to achieve world-class levels of safety, engagement, service, quality, and performance. Steve is a passionate and engaging leader, known for his service and commitment to excellence. Whether you are a senior leader serving thousands, or a front-line leader with a much smaller team, Steve's memorable delivery and story-telling will leave you lifted and inspired to practice and develop your leadership to better serve others.

ABOUT THE POSTER COMPETITION

Graduate and undergraduate students were able to explore their areas of interest in supply chain management through the Poster Session.

The Poster Competition will be held at 12:30 p.m. in Ballroom A of the University Club. Additionally, there will be an exclusive meeting of the judges and the poster competition participants in the afternoon.

Undergraduate Division			
Team	Poster Title		
Jeremy Cooper	Government Supply Chains		
Teresa Leatherow	Business: A Platform for Environmental Change		
Miles Royer	Omni-channel Food Delivery Effects in the New "Gig" Economy		

Graduate Division		
Team	Poster Title	
Husseyin Ayyildiz Nupur Gupta Rohan Pande	Zara: The Agile Supply Chain	
Huaxia Chen Wenjia (Anna) Huo Corbin Powlus	Reshoring iPhone Manufacturing to the U.S.?	
Christopher Staten	The Importance of Efficient Supply Chain Management in Building Brand Reputation	
Svea Bottcher Yatish Oli Visal Rajendran	Reverse Logistics in the E-Commerce Era	
Priyank Khanna Roseena Malhotra	Mitigating Communication and Information Problems in Supply Chains	

PRIZES

Graduate Poster Entries

- \$750 for first place
- \$400 for second place
- \$200 for third place

Undergraduate Poster Entries

- \$500 for first place
- \$200 for second place
- \$100 for third place

All poster authors will be entered into a drawing for a \$100 gift certificate

JUDGES

Undergraduate Division

Chuck Hammel, III - President, PITT OHIO

Dr. Jayant Rajgopal - Professor and Graduate Program Director, The Swanson School of Engineering

Ann Sokalski - Manager, UPS Supply Chain Solutions

Graduate Division

Dr. Markus Ettl - Distinguished Researcher and Senior Manager, IBM

Steve Myers - Vice President, Central Region, FedEx Ground

Dr. Jen Shang - Professor and Director, Business Analytics and Operations Area

Thank you to the Symposium **Supporters and Sponsors**

Pitt Business Business Analytics and Operations Area



















Special thanks to:

Brian Baskin (The Wall Street Journal) for moderating the sessions, and Lisa Scales (Greater Pittsburgh Community Food Bank) and Sandra Turko (ABB).

Breakfast Speaker Series Planning Committee

The Center is also grateful for the support of its Corporate Advisory Board and Faculty Board.



The Katz School is a **Top 20**Graduate Supply Chain Management Program
(Gartner, 2016)

Get Involved

Center for Supply Chain Management

Prakash Mirchandani, Director Eric Paljug, Associate Director Janice Trygar, Program Manager

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www.business.pitt.edu/katz/scm

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The Center was established with funding from GENCO and its former Executive Chairman, Herb Shear.

