The Supply Chain Company®

Driving Change at Kaiser Aluminum Corporation

Executives at Kaiser Aluminum realized that a value chain management initiative was key to gaining competitive advantage in selected markets. Through its implementation of i2 solutions, Kaiser Aluminum anticipates shortening product lifecycles, making lead times more competitive, and providing more consistent on-time delivery to its customer base.

As one of the smallest aluminum manufacturers worldwide, Kaiser Aluminum sought a way to set itself apart from its competition by positioning itself as the superior company in selected markets.

Executives at Kaiser Aluminum recognized that a value chain initiative was the way to accomplish this goal.

"What drove us to become involved in the supply chain project was the need to further differentiate ourselves from our competition," said Michael Stemm, Kaiser Aluminum's Manufacturing Planning Manager. "What we realized is that we needed a very specific business strategy."

The company was unable to achieve that competitive advantage with its existing legacy system, which presented managers with a lot of data, but required too much time in sorting and interpreting the material.

Why i2?

After looking at a number of solutions, Kaiser Aluminum chose i2 Factory Planner– Discrete Edition,[™] part of the i2 Supply Chain Management[™] (SCM) solution suite.

i2 provides software and services that help businesses make a lasting, positive impact on their profitability. Through solutions for value chain management, i2 delivers innovative ways to increase efficiency and velocity, within the enterprise and across all of its suppliers, partners, and customers.



KAISER ALUMINUM

Challenges

- Differentiate company from its competition by positioning it in selected markets
- Reduce sorting and interpreting time by replacing unwieldy legacy system
- Make more timely and appropriate decisions through increased visibility across the value chain

Solutions

- · Provide visibility of mill load
- Organize system data
- Locate niche in market

Results

- Shorten product lifecycle
- Make lead time more competitive
- · Provide more consistent on-time delivery to customer base

Company Description

Kaiser Aluminum Corporation, operating through its wholly owned subsidiary Kaiser Aluminum & Chemical Corporation, is a leading producer and marketer of alumina, primary aluminum, flatrolled products, and engineered products. Kaiser Aluminum has approximately 7,800 employees, annual sales of more than \$2 billion, and 20 major manufacturing facilities throughout the world.

i2 CUSTOMER SUCCESS STORY

"We looked at a number of solutions," Stemm said. "i2 seemed to be a company that had a strategy that was consistent with ours. It also seemed viable in terms of its long-term staying power. In our research, we found that, while some companies appeared to be strong initially, it did not appear as though they would be in the game long-term."

Factory Planner also provided Kaiser Aluminum with a total solution, unlike other applications the company considered.

"I believe the most long-term value of the i2 implementation will be the change it will drive in the management organization. One thing I wanted was a tool that would drive a paradigm shift within our management philosophies around how we plan and operate our facility."

—Michael Stemm Manufacturing Planning Manager KAISER ALUMINUM

"From a technical perspective, i2 solutions are very appealing because they allow you to continue to improve," said Randy Bayuk, Kaiser Aluminum's Factory Planner Administrator.

i2's Contribution

After a daily download from Kaiser Aluminum's legacy system, Factory Planner sets production schedules and balances the facility's run. That information is then published, enabling the sales force and executives to determine what the load dates are for the specific orders.

"We intend to use Factory Planner for a number of reasons," Stemm said. "First of all, to provide visibility into our mill load. It's a feature we've not had before. We've had mountains of data, but the lack of visibility made it very difficult to make timely and appropriate decisions."

Kaiser Aluminum's Results

Through Factory Planner, Kaiser Aluminum anticipates shortening product lifecycles, making lead times more competitive, and providing more consistent on-time delivery to its customer base.

"I believe the most long-term value of the i2 implementation will be the change it will drive in the management organization," Stemm said. "One thing I wanted was a tool that would drive a paradigm shift within our management philosophies around how we plan and operate our facility."

Factory Planner is enabling plant operators to predict the future by providing the visibility into the impact of increased booking on the entire production process. The solutions are also helping Kaiser Aluminum to correct errors in previous assumptions.

"Previously, we had some centers that were identified as constraints," Bayuk said. "But when you load them into i2 solutions, it's simply not the case. Factory Planner gives a different answer and tells you a different way to run things."

12, 12 Technologies and The Supply Chain Company are registered trademarks of 12 Technologies US, Inc. 12 Factory Planner – Discrete Edition and 12 Supply Chain Management are trademarks of 12 Technologie US, Inc. All other company names are trademarks of their respective owners. ©Copyright 2001–2009 12 Technologies US, Inc. Printed in the United States of America. CSS-6919 (01/02) (09/02) (12/09)



11701 Luna Road Dallas, Texas 75234, USA Phone 1.877.926.9286 Email info@i2.com Web **www.i2.com**