

#084 WHAT ARE THE FIRST LESSONS YOU ARE LEARNING FROM THIS HEALTH CRISIS?



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I would divide my answer to the question into two time horizons: short term and medium term.

In the short term, the covid-19 crisis has caused an upheaval in the Group's operational management. The processes and tools calibrated for monthly management proved unable to keep pace with the rhythm imposed by the crisis. We therefore quickly switched to an alternative management method, first daily then weekly, led by the Supply Chain Department, which was given a clear mandate to align all stakeholders. The objective is to find the best balance between resources, customer service and inventory reduction and thus preserve the company's cash. We will capitalize on this new steering mode to improve our agility to respond to increasingly volatile markets.

The crisis has also highlighted the fragility and/or lack of responsiveness of our major global supply chains and we will work in the coming months to analyse and improve their resilience. This starts by reducing our end-to-end leadtimes and promoting short circuits which are virtuous in terms of service and stock but also in terms of carbon footprint. Beyond the reduction of leadtimes, several key factors of success are

necessary: diversification of the areas of sourcing, supplier redundancy, plant versatility, multiplicity of plans This is a holistic approach that aims to improve the performance of our Supply Chains not only in normal times but also and especially in times of crisis.



| About ASLOG

ASLOG brings together more than 400 companies from all sectors, with 2,000 professionals working together to promote and build tomorrow's Supply Chain. ASLOG is a neutral and independent association that addresses Supply Chain issues.

As early as 1972, visionary men sensed that this function would be decisive for all companies. For almost fifty years, professionals in the sector have made ASLOG the reference partner.

ASLOG is the privileged interlocutor of institutions and public authorities on all questions relating to the sector.

| #supplychain4good

The **#SupplyChain4Good** community was created at the initiative of Michelin and ASLOG, as part of the Movin'On ecosystem, in favor of a more sustainable mobility of goods.

#SupplyChain4Good's ambition is to federate the actors who work for Supply Chains that are simultaneously good for the planet, the people and the business performance. The members of this community are «shippers» (industrial and commercial companies), «operators» (transporters, logisticians, shipping companies, ports...), «support functions» (academics, consultants, information systems, regulators, NGOs...).

They cover all economic sectors and all regions of the world. Their work takes place throughout the year and culminates in the annual Movin'On Summit, the world summit on sustainable mobility.