

LexisNexis® Purchasing & Supply Chain Solution Packages Up Strategic Intelligence for Procter & Gamble

For over 165 years Procter & Gamble (P&G) has been providing consumers with some of the world's most trusted brands – from Tide®, Pantene® and Pampers® to Folgers® to Crest®. As a company with nearly 98,000 employees in over 80 countries, one can imagine the vast amounts of information required to compete in such a diverse global marketplace. From information on current trends in the consumer packaged goods industry to developments in chemical engineering staying up to date on this intelligence can be extremely valuable.

Since 2000, P&G has launched an increasing number of initiatives focused on expanding the use of Web in support of its conduct of day-to-day business. These efforts include the implementation of Internet technologies that could change the way information and knowledge are gathered and shared on a daily basis.

The Challenge: Managing Information

One group that has made notable progress in getting its workers and work processes more extensively “webified” is P&G’s worldwide Purchasing Community – made up of the various organizations and individuals responsible for purchasing the variety of goods and services required by P&G across its various business units. Individuals within P&G’s central Corporate Purchasing group work with technology suppliers and P&G users to identify information needs and to test and develop possible solutions. One of these individuals is Rob Patton, P&G Purchasing Group Manager, whose current responsibilities focus on knowledge management needs

throughout P&G’s global purchasing community. Mr. Patton and his team have pioneered an effective solution to source, manage and archive external business intelligence.

According to Patton, the case for undertaking this effort was simple. “Those of us who have done Purchasing work for more than a decade or two have witnessed a major transformation. Years ago most of us had trouble finding enough useful information specific to any given spending area. We spent a lot of time searching for reliable sources that could provide much of the information we needed to analyze supply markets and industries, do price forecasting, develop sourcing strategies and generally plan for future market developments. Today, we have too much information coming from way too many sources. The challenge now is managing the flow of information effectively and efficiently. Mastery in this area, we believe, is becoming more and more a source of competitive advantage.”

The Decision: A Trusted Partner

In deciding the criteria for a solution, Patton set forth one main objective: it had to be able to address the specialized needs of the purchasing discipline across each P&G spending pool. According to Patton, “We found that in general when it comes to news and information in the public domain, there is not a whole lot of it on the surface that targets the kind of topics and issues that we are most interested in. The really valuable information requires fairly rigorous digging and searching.” The purchasing group relied mostly on print based materials, but this was time consuming and inefficient.



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Materials were not always archived and users couldn't easily search for content.

Secondly, as a relatively small functional area within P&G, the group could not afford the resources required to develop and support unique stand-alone Web solutions in this area. An important criterion was LexisNexis' ability to deliver targeted info via P&G's Corporate Intranet portal.

In deciding on a vendor for this solution, P&G opted to build on a successful model already in use within one of its work groups. Working with LexisNexis, this group was successfully delivering customized news feeds to end-users' e-mail boxes using LexisNexis' customized Trackers product. Based on the positive results, Patton was convinced that LexisNexis was the partner of choice for adding value through a strategic business intelligence tool across the entire purchasing community.

LexisNexis Solutions

In the spring of 2002, P&G's purchasing community began a trial of the LexisNexis™ Intranet Publisher product. The lead team fine-tuned the system through feedback provided by user focus groups. This included developing topics relevant to all spending pools (several specific raw materials, packaging materials and services). In the end, the result was that all the key groups could customize their Purchases Community page with relevant and valuable information specific to their needs.

The system was rolled out globally in the summer of 2002 and today approximately 1,000 purchasing employees across the globe have the capability to use the system

to share information. Distance learning tools helped to train and educate users about the new service at the comfort of their own desks or via downloadable audio and video documents that could be accessed at any time. The goal has been to integrate the system into everyday workflow to help accelerate development. Praise has come from across the different business units.

For example, the marketing purchases group was in need of information on a particular type of advertising agency. The information fed out to them by the publisher product provided them with data that they had been unable to get anywhere else. Another Purchasing group now has daily access to key macroeconomic information on emerging third world countries that is proving extremely valuable. In yet another Purchasing group, information on a new chemical feedstock plant was discovered thanks to the LexisNexis tool, long before the news reached the front page of any major publications.

"Our expectation is that most of the articles from the daily news feeds are of some interest to someone. Many of them are of vital interest. The idea of simply expecting each individual to search the Web to get this kind of information on a regular basis is simply not practical. Ultimately P&G Purchasing people are looking to get competitive advantage by being better knowledge workers, i.e. managing knowledge and information more effectively and efficiently; thereby enabling better sourcing decisions and enhancing the ability to make connections that aren't obvious, especially when thinking about sourcing new materials or services." To P&G, this is the power that LexisNexis can provide.

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