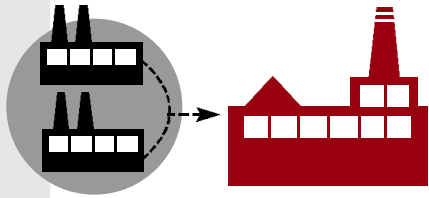
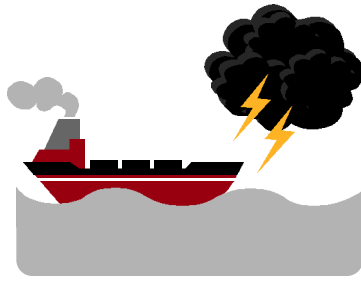


P&G's Agent-Enabled Supply Network in 2008

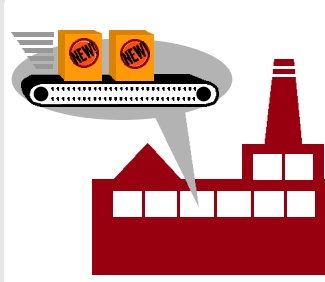
By 2008, P&G will have shortened the end-to-end replenishment cycle for a box of Tide from four months to one day. Here's how:



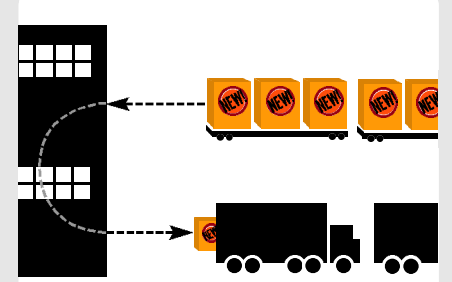
1 It's 2008, and P&G has replaced its numerous specialized plants with a few "flexi-plants" – highly versatile facilities with quick turnaround capabilities



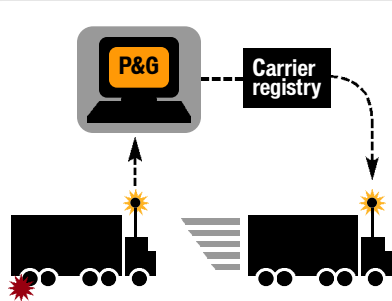
2 Software agents of a key supplier detect a looming hurricane that threatens a Puerto Rico operation. They alert P&G's software agents and work with them to create an alternative delivery schedule so P&G's Miami plant doesn't face a material shortage.



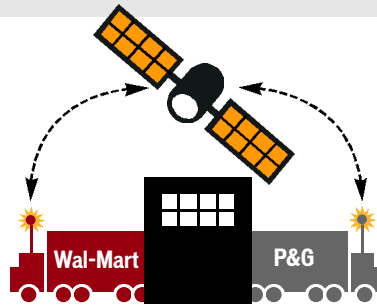
3 The Miami facility, like every P&G plant, bids via software agents for its next production run based on its capability to deliver its current job, its queued work orders and its just-in-time materials supply capability. Its low-cost bid to produce Tide wins.



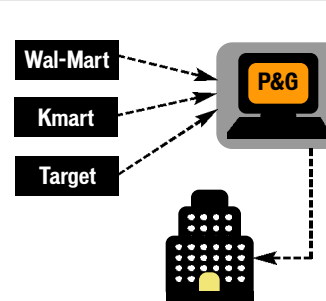
4 When pallets of Tide reach P&G's distribution centers, they're dynamically dispatched, with priority given to retailers whose inventories are very low.



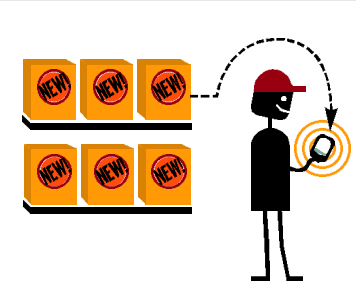
5 When a tire blowout threatens to delay a shipment of Tide, P&G's agents detect it and prequalify an alternative trucker, who picks up the product and delivers it to Wal-Mart just in time.



6 Wal-Mart has replaced all of its costly warehouses with docking facilities it shares with suppliers. These docking/distribution facilities ship products like Tide to stores within hours of receiving them.



7 Software agents collect real-time sales data on each P&G product from multiple retail stores. They aggregate it and relay it to P&G's sales and marketing for trend analysis.



8 Wal-Mart's smart shelves alert a stocker to immediately retrieve Tide from the back room and place it on the shelf. Tide is restocked just seconds before the last box would have been taken off the shelf.

