

Trust Your Supplier (TYS)

A Blockchain solution to provide a trusted source of digital identity for suppliers

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Blockchain is a distributed, shared ledger that can solve complex Multi-Party Processes.



Shared Ledger

Append-only distributed system of record shared across business network



Smart Contract

Business terms embedded in transaction database & executed with transactions



Privacy

Ensuring appropriate visibility, transactions are secure, authenticated and verifiable



Consensus

All parties agree to network verified transaction

Blockchain holds records of digital transactions to make them accessible and visible to multiple participants in a network, while keeping them secure.

- The digital shared ledger is updated and validated with each transaction, resulting in a secure, permanently recorded exchange.
- It results in faster, permissioned, trustable, and auditable B2B interactions between parties such as suppliers, buyers, seller, customers, users and logistics providers

How can we apply Blockchain to mitigate pain points in the Electronics Industry Supply Chain?

1 Trust your Supplier - TYS

A service to securely exchange supplier information, to avoid the need for suppliers and customers to continually go through a process that has already been executed multiple times. Assist both suppliers and customers in the electronics ecosystem to transfer key "master data" to set them up in their systems and provide validation.

2 International Shipping - TradeLens

TradeLens is a digital platform that empowers businesses and authorities along the supply chain with a single, secure source of shipping data, enabling more efficient global trade. It tracks shipments in real time via 120+ dynamic events published direct from the source. It Improves data sharing and collaboration with shipping partners through blockchain encryption and powerful permission-based sharing.

3 Provenance / Counterfeit Prevention

Electronics OEMs care about provenance to (1) maintain high quality, (2) ensure returns are valid, and (3) avoid excessive costs of potential recalls. Blockchain can provide an unbroken chain of custody for critical components by building a capability to verify that components are valid by storing key data (e.g. serial numbers and other identifying factors) in a blockchain data base.

4 Responsible Sourcing

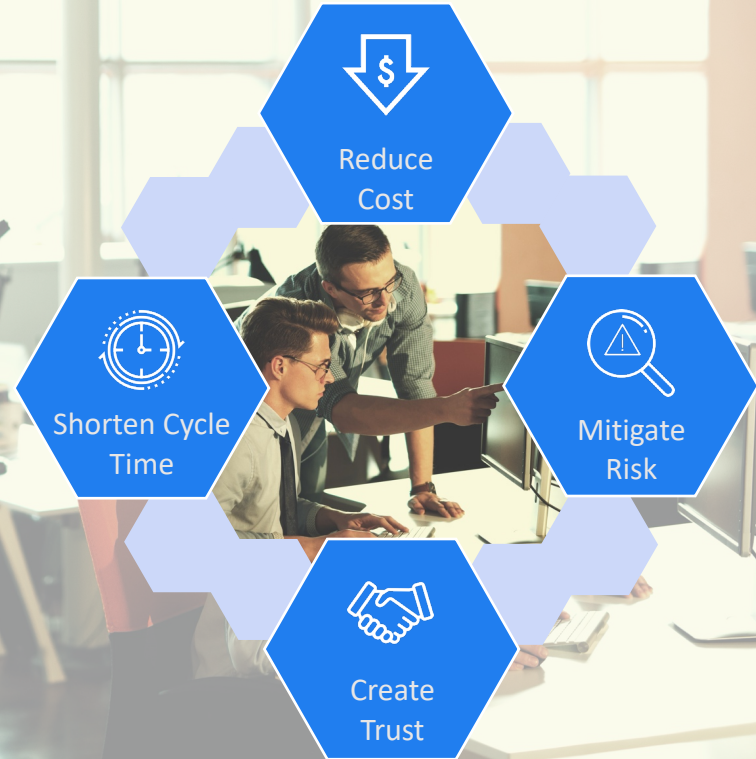
A provenance tool, to verify that materials used in electronics products were sourced responsibly. The tool will allow a manufacturer to trace the materials used in its products all the way back to a responsible source.

Vision

Create a Trusted Source of Supplier Information and Digital Identity

that simplifies and accelerates

Supplier Qualification , Validation and
Lifecycle Management



SUPPLIER INFORMATION MANAGEMENT CHALLENGES

Qualification

- Difficult to ensure supplier identity
- Hard to discover quality suppliers



Validation

- Cumbersome process
- Reliant on multiple 3rd party verifiers
- Costly, manual web checks
- Limited access to trusted supplier certifications and history



On-boarding

- Limited integration of SIM providers to P2P/ERP systems



Lifecycle Management

- Absence of real-time supplier information updates
- Need for ongoing, multi-source intelligence to assess third-party risk

Slow and Inefficient Process

- Time to first transaction is often 30+ days
- Suppliers provide nearly same data to every buyer
- Buyers independently manage data which is often stale
- Bank accounting info and certification fraud

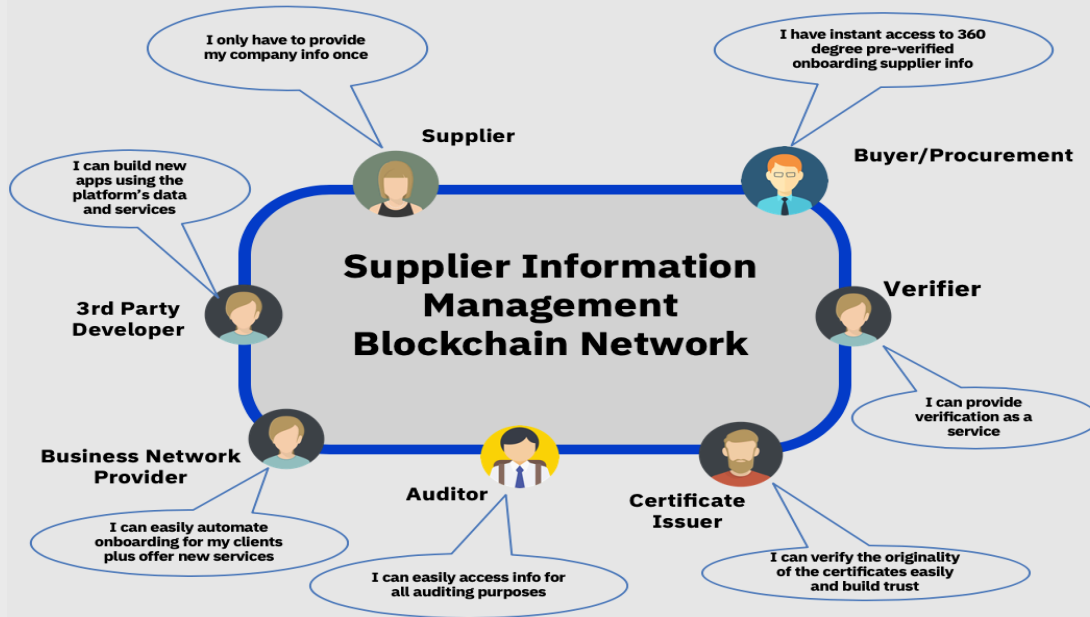
Dynamic Regulatory Requirements

- Need for increased supply chain agility
- Increasing compliance requirements, audits, and penalties

Technology Gap

- Existing technology limits ability to receive real time updates
- Siloed systems don't work across enterprises

Trust Your Supplier Blockchain: Future State



Trust your Supplier(TYS) Blockchain is a **trusted source of digital identity for suppliers**

- With Blockchain, suppliers can provide permissioned access to their regulatory, compliance, environmental, legal, etc information to Buyer organization

Decentralized Original Information Sources provide data directly onto the blockchain

- **Verifiers** such as D&B, T&R (financials credit, adverse media, etc)
- **Certificate Issuers** such as ISO, diversity agencies (quality, insurance, compliance, etc)
- **Banks** validate accounting information
- **Auditors** (factory, financial, quality, etc)
- **Government** (OFAC, business registration, etc)

TRUST YOUR SUPPLIER: FEATURES

Suppliers Information

- Geographic and Industry specific supplier requirements
- Rated and reviewed suppliers
- Custom questionnaires
- Real Time supplier information

Validation and Verification

- Validates and authenticates supplier information leveraging 3rd parties
- Banks validate supplier account information
- Financial , credit , Insurance and indemnity validation
- Embargo and watch list screening

Certifications

- Access to verified industry standard Certifications :
 - ISO , Diversity, etc
 - Slavery – sweatshops, Conflict Minerals – 3TGs, etc
- Real time certification updates

Insights

- Personalized dashboard on supplier data
- Actionable insights



SUPPLIER DATA HIERARCHY

Common, standardized supplier data content and questionnaire detail is key to the networks value proposition



BUYER

<5
%

Supplier information specific to the Buyer
Custom questionnaires provided by Buyer
Information revealed only to Buyer; not available to others on network



GEOGRAPHIC

10-15%

Supplier information specific to the location which business is conducted
Standard questionnaires and content based on geographic presence
Information revealed only to Buyers operating in those regions



INDUSTRY

20-25%

Supplier information specific to the industry which business operates
Standard questionnaires and content based on industry
Information revealed only to Buyers operating in those industries



COMMON

>50%

Supplier information specific to the location which business is conducted
Standard questionnaires and content based on geographic presence
Information revealed only to Buyers operating in those regions

OUTCOMES: BUYERS

- Provides immediate access, real time to supplier data at a fraction of cost
- Greatly simplifies current technology and process
- Minimizes supplier risk and ensures compliance
- Accessible, permanent record of supplier claims to improve compliance and speed audits

~90%

Real-time updates
to supplier information

70-90%

Reduction
in cycle time to onboard new
supplier

50+%

Reduction
in cost to onboard new supplier



OUTCOMES: SUPPLIERS

- Eliminates redundant submission of same information multiple times to different buyers
- Reduced time to first transaction
- Improved discovery for buyers on the network

~80%

Elimination
of repetition and redundancy

70 -90%

Reduction
in cycle time to onboard as a
new supplier

50+%

Reduction
in administration cost
maintaining status &
collateral across buyers



Blockchain Advantage :

Better Technical Foundation

- Immutable supplier information record to improve compliance and speed audits
 - Access to supplier history and real-time updates from suppliers and 3rd parties
 - Designed for trust and secure trading
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Decentralized Governance

- Shared ledger among multiple participants leading to reduction in cost , cycle time and bringing in efficiency
 - Shared governance aligns system to the buyers and suppliers needs
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IBM TYS is live, you can use it.

IBM and other companies launch new blockchain network for supply management

Gertrude Chavez-Dreyfuss

3 MIN READ



NEW YORK (Reuters) - International Business Machines Corp ([IBM.N](#)) announced on Monday a new blockchain network aimed at improving manual and cumbersome supply chain management.



*Alongside **IBM**, the Trust Your Supplier network's founding members are also [American](#) brewing company **Anheuser-Busch InBev**, tech companies **Cisco**, **Lenovo**, **Nokia**, **Schneider Electric**, [British](#) pharmaceutical company **GlaxoSmithKline** and telecoms company **Vodafone**. The product is built on the IBM Blockchain Platform and aims to eliminate manual time-consuming processes and help reduce the risk of fraud and errors. Trust Your Supplier creates a digital passport for supplier identity on the blockchain network that enables suppliers to share information with selected buyers on the network.*

IBM & Chainyard are working with SAP-Ariba to get TYS and Ariba solution suite work seamlessly together. This chart shows the additional value prop offered by TYS solution compared to Ariba.

Trust Your Supplier & Ariba

- TYS and Ariba solves different business challenges and this chart highlights the additional TYS value compared to Ariba
- TYS complements SAP Ariba in automating Ariba onboarding process in a touchless manner with the trusted information resident in the supplier digital identities of TYS Blockchain

Comprehensive validated supplier Information

Supplier Profile +
Certifications +
Industry Template

Real-time Supplier
Updates powered
by WATSON



Track & Trace

Immutable
Supplier History

Ratings & Discovery

3rd Party supplier
rating

Verifications and Validations

- 3rd Party authentication (Financial , Adverse Media , etc)
- Bank account validation
- Embargo , anti-fraud screenings



TYS Resources



Why Blockchain ? <https://www.youtube.com/watch?v=P-KF1hMkhxQ&t=203s>
<https://www.youtube.com/watch?v=Hs8PiQFLmM0#action=share>

TYS Overview w/ IBM CPO Bob Murphy: <https://youtu.be/RqdrQhb65CA>

Trust Your Supplier YouTube Channel: https://www.youtube.com/channel/UCFhx_499YETEMu3OMb56JZg

2 min Value & Benefits: https://youtu.be/_jrVclOUoVE

Brief Demo - Buyer persona: <https://youtu.be/Lz2-Loj-49k>

Brief Demo - Supplier persona: <https://youtu.be/3eig22-noRE>

Press release :

<https://newsroom.ibm.com/2019-08-05-Leading-Tech-Telecom-Pharma-Beverage-and-Manufacturing-Companies-Collaborate-with-IBM-and-Chainyard-to-Simplify-Supply-Chain-Management-Using-a-New-Blockchain-Network>

Website: <https://www.trustyoursupplier.com/>