



TRUSTED SOURCE OF SUPPLIER INFORMATION  
AND DIGITAL IDENTITY

**Simplifying and  
accelerating supplier  
on-boarding and  
lifecycle management**

with blockchain technology

# SUPPLIER MANAGEMENT CHALLENGES



## QUALIFICATION

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



## VALIDATION

- Cumbersome process
- Reliant on siloed 3<sup>rd</sup> party verifiers
- Costly, manual checks
- Limited access to trusted supplier certifications and history



## ON-BOARDING

- Limited integration of Supplier Management and ERP systems
- Manual, email and spreadsheet based processes



## LIFECYCLE

- 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 to 90 days

Suppliers provide nearly same data to every buyer (cumbersome)

Buyers independently manage data which is often stale

## 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

# SOLUTION HIGHLIGHTS

Focused on building a consortium and development of a blockchain platform for supplier identity management

## ❖ SOLUTION CONCEPTUALIZATION

Consortium approach with experts from different industries participating early in the definition of requirements

## ❖ PLATFORM DEVELOPMENT

Phased release of the platform with digital supplier identity on the blockchain to enhanced supplier information with AI

## ❖ GOVERNANCE SCOPE

Steering the roadmap, network operator expectations, operational rules, and business model

## ❖ CONSORTIUM GOVERNANCE

Initial governance by the creators and anchor participants with milestones for additional decentralization

## ❖ NETWORK DEVELOPMENT

Buyers, suppliers and third parties form the network with a possibility of non-user representatives like standard bodies



## BUSINESS CONSIDERATIONS



By-laws or articles of engagement among consortium members



Governance Process



Governance Structure



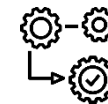
Financial Model



Incentive Model



## TECHNOLOGY CONSIDERATIONS



Network, Topology & Operations



Operations Management



Standards & Guidelines



Auditing & Control



Change Control Board

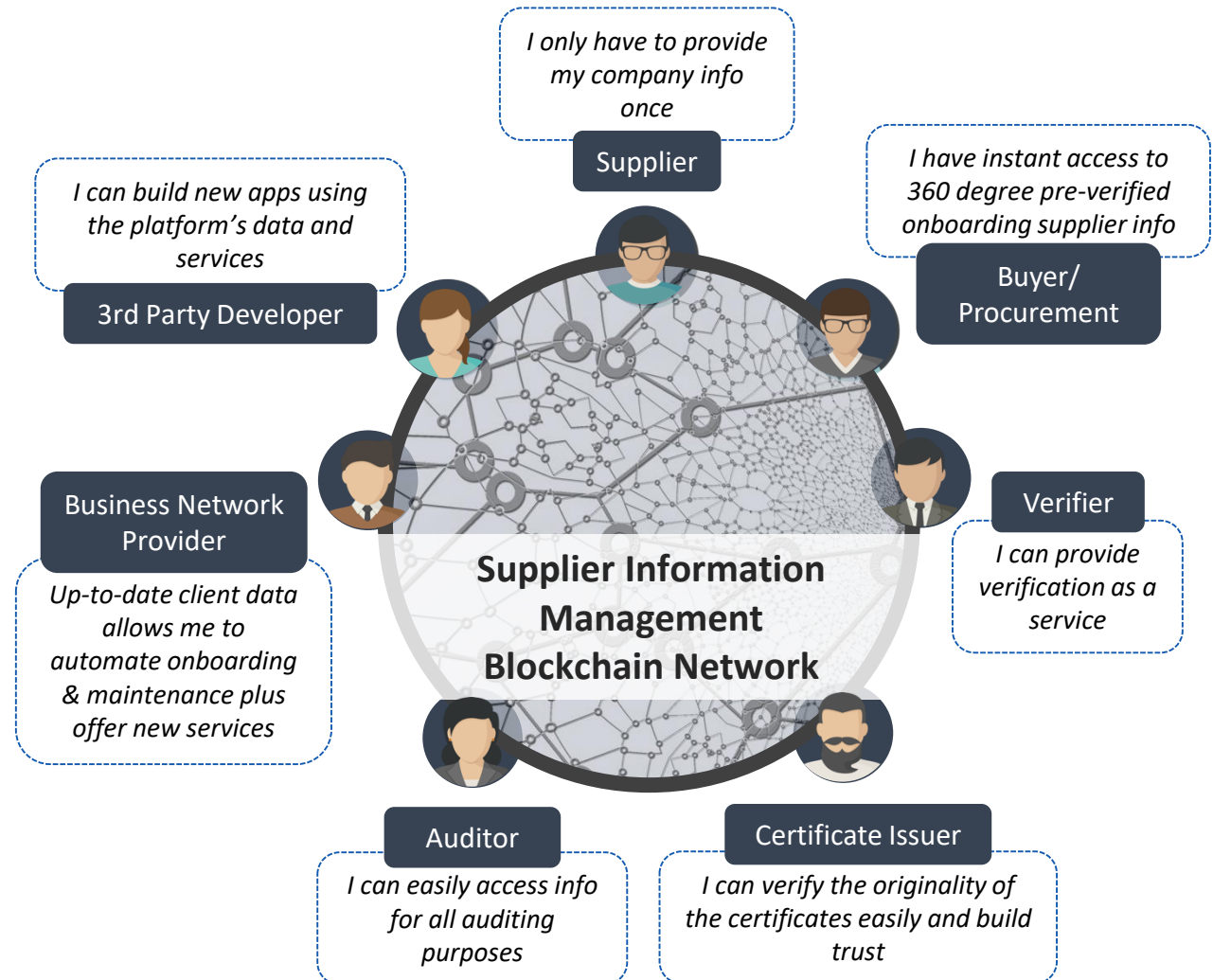
# SOLUTION WITH BLOCKCHAIN

Trust Your Supplier™ is a **single trusted source of digital identity for suppliers**

With blockchain, suppliers can provide permissioned access to their regulatory, compliance, environmental, legal, and other information to buyer organizations

Decentralized original information sources **provide data directly onto the blockchain**

- Verifiers such as Dun & Bradstreet, Rapid Ratings and EcoVadis
- Certificate Issuers such as ISO, government agencies and diversity organizations
- Auditors (e.g., factory, financial, quality)
- Government (e.g., OFAC, business registration)





# OUTCOMES

**Real-time access to supplier data and reduced cost of administration**

for buyers and suppliers with a trusted source of supplier information using a digital passport

**~90%**  
ELIMINATION

**OF REPETITION & REDUNDANCY**



**TIME TO ON-BOARD A SUPPLIER**

**70–90%**  
FASTER

**~50%**  
REDUCTION

**IN ADMINISTRATIVE COSTS**



**NETWORK**

**14**  
GOVERNANCE  
MEMBERS

# SUCCESS AND TAKEAWAYS

Establishing a blockchain network requires expertise in bringing together parties who work together to solve an industry problem and share the benefits



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## BUSINESS MODEL FOR VALUE TO ALL STAKEHOLDERS

- **Buyers** benefit from the improved & efficient supplier on-boarding process
- **Suppliers** benefit from reduced costs and the potential to expand business faster
- **3<sup>rd</sup> party firms** benefit from the ease of operations and services expansion

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## CONSORTIUM GOVERNANCE FOR HIGHER CONFIDENCE

- **Governance model & hierarchy** to enable different levels of participation
- **Business & technology** governance for optimal network performance
- **Guidance & methods** to ease the member on-boarding process

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## A ROADMAP FOR CONTINUOUS IMPROVEMENT

- **Platform** evolution from core blockchain solution to leveraging AI
- **Foundational** platform for developers to extend the solution
- **Active participation** of members to expand the network