

Creating Managing & Protecting

The IP of Your UNIQUE Supply Chain

By Alex Zelikovsky

- Architect of Amazon.com' Global Distribution Network
- Architect of the only Mass-Customized Supply Chain in the Beauty Care Industry (for Reflect.com, a Procter & Gamble Company)

The Problem...

- The only products we are not likely to sell, are cement and gasoline... but don't hold me to this...
 - Jeff Bezos, CEO & Chairman of Amazon.com (1998)
- Our vision is to make unique products for each woman, helping her create her individual beauty. We need to build a supply chain to execute on this business model.
 - A.G. Lafley, CEO & Chairman of Procter & Gamble (2000)

Creating a Unique SC...

- Linking the 'new SC' with the overall company strategy
 - Lowest Unit Cost – is no longer the goal
 - Agility and Flexibility, framed in terms of Cost vs. Service
 - Senior Management buy in
- Organizational Challenges
 - Clarity of Objectives
 - Innovation and Iteration
 - Systems and Q&A
 - Procedures & Controls
 - Integration and Scalability
- Implementation Challenges
 - Connecting the 'dots'

Reflect.com (P&G Company)

Modular Manufacturing & Distribution – ‘PAR’ Plug and Run

- Innovative Manufacturing
 - Line set-up
 - Clean out and sanitization
 - Staging raw materials
 - Labor management
 - Batch control... and more
- Rigorous yet Agile QA
 - Risk vs. Performance
 - Stability and micro-contamination controls
- Modular Distribution
 - A step beyond ‘Kitting’
 - Agile Layout
 - Flexible Labor
 - Process and Quality Controls
 - Systems
- SC integration
- Potential Future State – Make Products Directly at Retail?!

Protecting Your IP

New and Unique Capabilities Created – What Do We Do Now?

- Which elements of your unique SC give you the competitive advantage? And, why?
- What proprietary technology should be licensed? (vs. 'Protected')
 - How to think about your IP?
 - What is worth protecting?
- Provisional Patents (prior to commercial use)
 - SC technology
 - R&D Technology
 - Unique Breakthroughs
- Trade Secrets vs. IP Protection
 - Can you keep a secret?