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LIDD INSIDER

News & Insights for Supply
Chain Leaders

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Business Insights

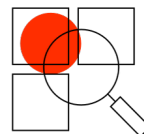
Supply Chain Planning

This quarter's LIDD Insider focuses on supply chain planning and operational resilience. In an era of constant change, staying ahead requires more than just reacting to challenges; it demands proactive planning to navigate uncertainty and optimize operations. We explore how businesses can move from reactive "firefighting" to a more resilient, "fireproofing" approach.

This edition features insights into crucial strategies for navigating unpredictable market dynamics, including the increasing role of AI and advanced analytics in real-time decision-making and risk mitigation. We'll explore how organizations are building stronger, more adaptable supply chains through enhanced visibility, improved collaboration, and strategic operational leadership. From lessons learned through historical planning evolutions to the cutting-edge capabilities of AI-driven platforms like Kinaxis, this newsletter provides practical guidance to help you optimize resource utilization, streamline processes, and stay ahead in 2025 and beyond.

KINAXIS®

Kinaxis is a global leader in modern supply chain management. Their software is trusted by global brands in every industry to provide the agility and predictability needed to navigate today's volatility and disruption.



Business Insights

Strategies for Proactive Planning and Navigating Uncertainty

Technology & Trends

Planning At The Speed of AI

Partner Feature

Kinaxis Meastro™

From Firefighting to Fire Proofing

A Modern Playbook for Operational Resilience

Author: Vivi Tran Lynch

The past few years have revealed just how brittle global operations can be. From COVID-induced supply chain breakdowns to ever-shifting tariffs and economic turbulence, businesses have had to navigate a new era of uncertainty. In these moments, one truth has become abundantly clear: the companies that emerge stronger are the ones that **plan—early and often**.

The Trap of “We’ve Always Been Fine”

For many businesses, especially those that have operated profitably for years without robust operational leadership, there’s a temptation to maintain the status quo. The logic often goes:

“We’ve never needed this before—why now?”

But as companies like Yonex, a \$950 million manufacturer with virtually no executive leadership in operations, begin to move into more complex growth strategies—think large-scale brick-and-mortar expansions or direct-to-consumer (D2C) models—the cracks start to show. These companies excel at creating great products, but entering unfamiliar territory without a strong operational foundation is a recipe for significant losses.

What COVID Taught Us About Planning

The pandemic was a stress test for operational resilience. Many businesses were caught off guard, responding reactively rather than strategically. But the most successful companies treated the disruption as an opportunity to modernize. Take McDonald’s, for example: instead of simply reacting to the crisis, they accelerated automation efforts that had likely been in the pipeline for years, rolling out self-service kiosks nationwide. This is the kind of proactive thinking businesses need now.



The Plan Is the Starting Point

So, what should a company actually do in times of uncertainty? The answer is deceptively simple: **start planning.**

But don't just plan for what's already burning. Tariffs, supply delays, cost increases—those are symptoms. The most effective plans anticipate the unknown, and they begin with understanding what you can and can't control.

Here are **three foundational tools** to help your organization plan smarter:

1.

Risk Assessment Across the Supply Chain

The first step in any plan is understanding your vulnerabilities. Where are you exposed? Is it in sourcing? Logistics? Labor? Performing a supply chain risk assessment and an operational audit gives you clarity on where to focus, and where the real threats lie. This is especially critical as companies explore D2C models or expand into physical retail—both of which bring their own operational complexities.

2.

Double Down on What You Know: Build Centers of Excellence

In uncertain times, lean into your strengths. What does your team do exceptionally well? Whether it's product development, customer service, or data analytics, build internal centers of excellence that can scale with your business. Excellence in one area provides stability while you work on improving others.

3.

Strategic Leadership: Not Optional Anymore

Operational excellence doesn't just happen. It's led. As startups grow, they often outgrow their founding structure. A brilliant product founder is not automatically a great CEO or COO. And that's okay. That's why career executives exist. Bringing in strategic leadership with operational expertise can bridge the gap between vision and execution—and prevent costly missteps as you scale.

The Bottom Line

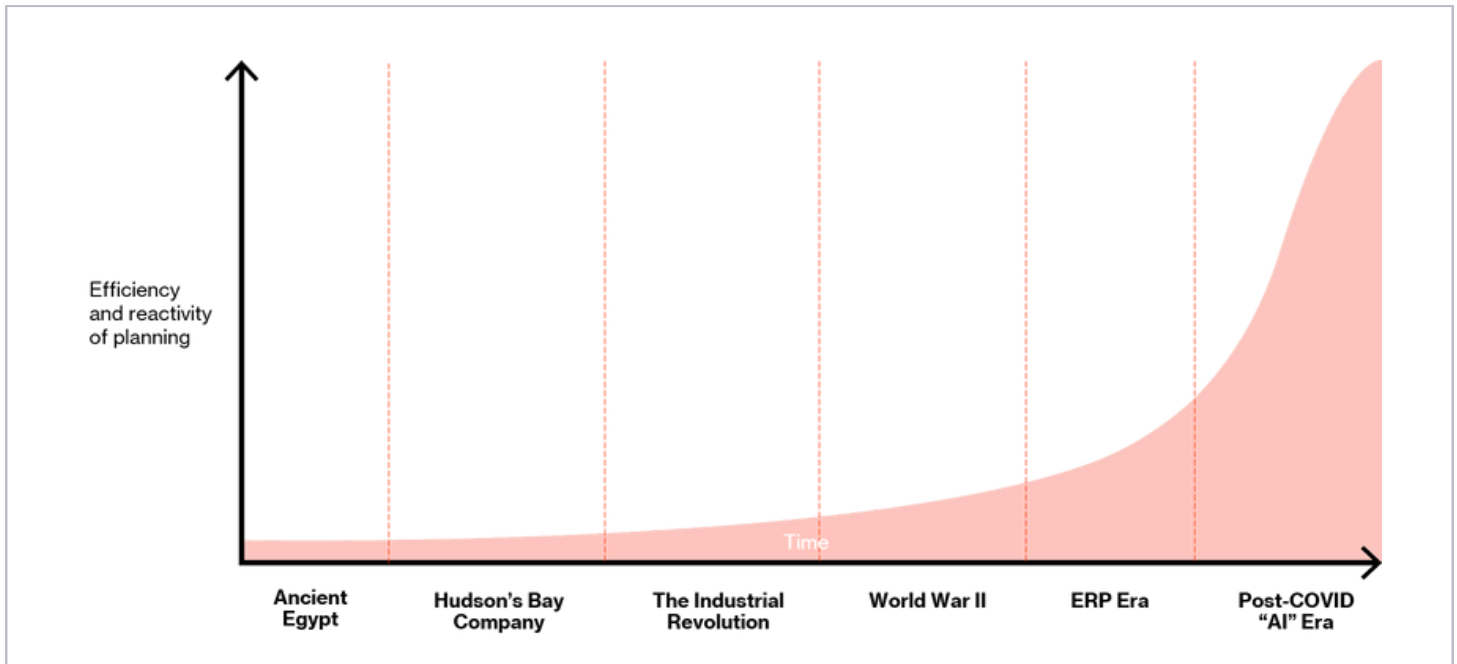
Waiting for a crisis to force change is no longer viable. Companies that invest in strategic planning, identify operational risks, and bring in leadership to guide the process are the ones that will emerge stronger from periods of uncertainty.

This isn't just a lesson from COVID—it's a **playbook for resilience.**

So ask yourself: Are you planning for what's next? Or are you just putting out fires?



A 4,000-Year Journey from Grain Silos to Autonomous Agents



By: Emilio Colangelo

Supply chain planning can be traced back to the most historic of roots. At the core of it all, how to get the right stuff, to the right place, at the right time. This has always been the challenge of supply chain planning – and across history, every major leap in planning has reduced the capital required to meet that challenge. From ancient civilizations stockpiling grain to AI agents predicting shortages in real time, the arc of planning has always bent towards efficiency, agility and smarter use of resources.

This arc isn't just a story of technical evolution – it's an economic one. And it has profound implications for how businesses grow, invest, and compete today.

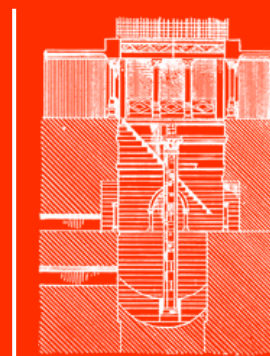
The Planning Imperative: A History of Working Smarter



Ancient Egypt: Planning Origins

The biblical story of Joseph is history's first recorded case of long-horizon supply chain planning. After interpreting Pharaoh's dream of seven years of abundance followed by seven years of famine, Joseph advised Pharaoh to store one-fifth of the harvest annually,

stockpiling grain during years of abundance. This foresight led to the development of sophisticated systems. The Egyptians built vast granaries—early forms of centralized storage—and employed scribes who meticulously documented everything from harvest yields to river heights. This wasn't just record-keeping; it was data-driven decision-making, allowing them to link taxation to agricultural output and manage resources on a grand scale.



Agriculture yields in ancient Egypt were entirely dependent on the Nile's annual flooding cycle. They used **nilometers**, special structures for measuring the river's water level during the flood season. This data was their natural forecast: good flood, strong yields; poor flood, future scarcity.

Over 4,000 years ago, they were tracking KPIs like river height, maintaining ledgers, and planning inventory turnover.

2

Hudson's Bay Company: Remote Risk and One-Shot Planning

In the 1600s and 1700s, the Hudson's Bay Company (HBC) ran isolated fur trading posts in Canada. Ships from England resupplied them only once a year. Their success depended on managing this long, difficult supply chain.

SKU Count
100-300

HBC exported a significant volume of SKUs, such as guns and kettles

Their biggest challenge was an 18-month full cycle time. This was due to the harsh weather and remote locations. Goods left London in May, reached Hudson Bay by late summer, and were stored over winter. The next spring, they were taken inland for trade. Furs collected would then return to the coast the following spring. To make trading fair, furs were given a standard value using "Made Beaver" (MB), a type of trade currency.

3

The Industrial Revolution: Transportation Changes Everything

Starting in the late 18th century, the rise of railroads and steamships enabled shorter lead times and planning cycles. Businesses could now receive materials multiple times per year, thanks to mass production and scheduled deliveries. The typical planning horizon shortened to 6-12 months.

People started making goods to sell, not just to survive.

However, this era also brought a foundational shift from making goods only when ordered (Make-to-Order) to mass production for stock (Build-to-Stock). Manufacturers began producing speculatively, guessing demand based on past trends or wholesaler feedback. This created the first significant supply/demand mismatch: goods had to be stored in warehouses for months, making overproduction a real risk that tied up capital and expensive space.

4

World War II: Operational Research and Agile Logistics

The global war effort demanded new levels of coordination, involving vast supply routes (like the Northwest Staging Route to the USSR) and the production of 640,000 JEEP's as early globally distributed vehicles.

This need for global management led to the development of a tiered supply chain structure, spanning from raw materials to component manufacturing and final assembly, and spurred significant innovation in wartime logistics.

The Allied forces utilized early computing and operational research for operations like D-Day and managing frontline supply chains.

The Mulberry Harbors, portable docks used in Normandy, enabled flexible offloading, allowing planners to respond tactically in near real-time.

This led to agile planning cycles, with horizons shrinking to as short as 1 to 3 months.

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Wars have been won or lost primarily because of logistics.

– General Dwight D. Eisenhower

5

ERP Era: Digital Planning Arrives

By the 1970s, systems like MRP and ERP began replacing manual planning with digital processes. This allowed companies to coordinate entire supply chains across countries—e.g., forecasting U.S. demand, producing in Indonesia, and shipping globally, all within one system. Companies could now plan production monthly. Recalculations were often slow and batch-processed overnight, making planning centralized but not yet highly responsive as forecasting was still largely manual. Nevertheless, this era cemented planning as a dedicated discipline, giving rise to specialized roles and processes like Sales & Operations Planning (S&OP).

6

Post-COVID Era: Shift from Efficiency to Resilience

The COVID-19 pandemic severely tested global supply chains, proving that long-standing plans built on lean efficiency (like Just-In-Time) could rapidly collapse. Ports stalled, production halted, and demand signals wildly reversed. This shock, making supply chain a societal concern, forced a critical shift: from prioritizing pure efficiency to building resilience.

This meant moving from static planning to real-time replanning and exploring local/nearshoring. Companies with AI-driven platforms adapted effectively, continuously analyzing demand, capacity, and disruption. This shrunk planning cycles from weeks to hours, making advanced planning capabilities a defining characteristic of global leaders.

Today's Frontier

Planning at the Speed of AI

We are now facing a new frontier: planning at the speed of AI. Models are evolving from predictive to adaptive. AI "agents" continuously monitor all supply chain facets, from demand to disruptions. These specialized agents feed insights to a "super agent" that synthesizes information and provides actionable options, enabling real-time, context-rich decisions. This isn't science fiction; it's where advanced platforms—like Kinaxis, for example—are already delivering results. Unlike traditional approaches that often layer solutions on top of disparate systems, Kinaxis's platform is built as part of the core infrastructure, enabling it to continuously learn, analyze, and respond faster than human teams can. The agent is part of the whole orchestrated system, leveraging all data accessible within the platform.

The Kinaxis Approach: Unified Supply Chain Orchestration

Kinaxis delivers a unified platform that enables planning at the speed of AI. It integrates human intelligence with AI to allow companies to anticipate future scenarios, monitor risks, and respond swiftly. This approach facilitates a move away from isolated decision-making toward a more unified supply chain management strategy.

At its core, Kinaxis keeps your entire supply chain synchronized. A single, shared data model means any change—from a demand shift to a supply disruption—instantly updates across all planning areas: demand, supply, inventory, and production. This keeps everything in lockstep, cutting out delays from disconnected systems, and continuously optimizing key performance indicators like service levels, inventory, transportation, and costs.



“

"Real-time visibility across the full order lifecycle and network collaboration and coordination over the flow of all supply chain activities."



Success Story

For Jamieson Wellness, a leader in vitamins, minerals and supplements across Canada, fragmented legacy systems meant a lack of real-time visibility, hindering accurate demand forecasting and complex raw material management for their intricate product formulations. Recognizing this, Jameisons Wellness's VP of Global Supply Chain Andre Teixeira led a strategic shift, partnering with Kinaxis to implement its AI-infused platform.

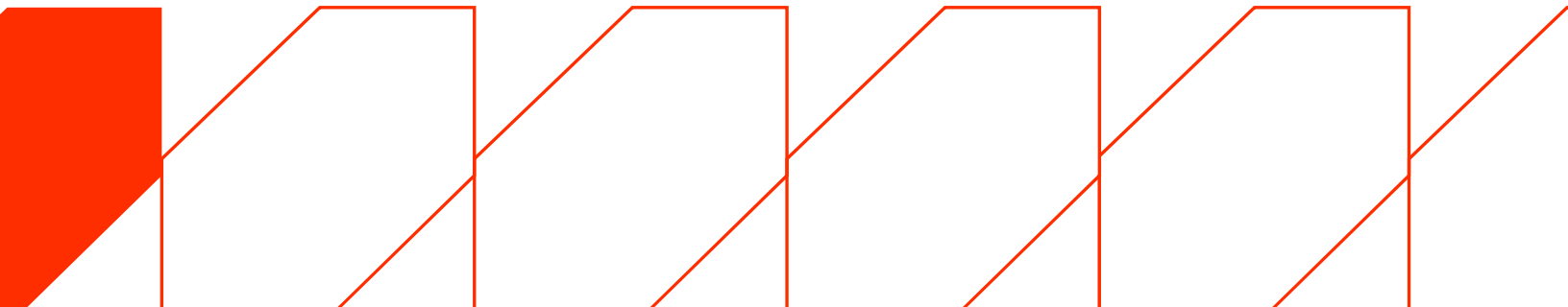
Within one month, Jamieson Wellness established and consistently improved forecast accuracy KPIs, creating a single, unified stream of demand data that fostered robust collaboration between sales and supply teams. They gained the critical ability to easily 'peg' raw materials to complex production orders, a capability their old ERP system lacked. This was crucial for efficient production scheduling, reducing delays, and ensuring materials were available on time. Beyond raw material pegging, they also saw benefits on material and supply through enhanced capacity leveling which optimized production schedules and balanced task and resource allocation. These improvements enable proactive responses to demand spikes and reduced market risks — lowering costs and boosting accuracy, inventory turns, and in time service levels.

These are powerful illustrations of the AI-driven planning frontier. It's a narrative of leveraging technology not just for incremental gains, but to fundamentally reshape how a complex global operation manages its supply chain—boosting efficiency, enhancing transparency, and ultimately, delivering greater value to its customers.

From History to Opportunity

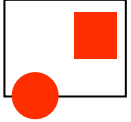
The entire history of supply chain planning tells a clear story: shorter planning cycles lead to lower inventory, lower capital, and better outcomes.

So the question becomes: **Where are you on the curve?** And just as importantly: **What's your next step?** Because while we can't all become AI-native overnight, we can plan better tomorrow than we did today. And that starts with understanding the journey—so we can take the right step forward.



LIDD Supply Chain Consulting

LIDD is a full service, global operations and supply-chain consulting firm. Our industry leading team of design, strategy, and technology experts optimize operations, enhance productivity, and build intelligent infrastructure for sustainable business growth.



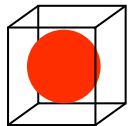
Supply Chain Strategy Consulting

We carefully consider your entire organizational structure. Our data-driven solutions are tailored to your specific business challenges, change management requirements, and future needs.



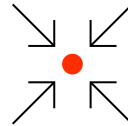
Supply Chain Technology

We select, implement, integrate, and support business management and supply chain execution software.



Distribution Center Design

Whether you're running out of space, operating inefficiently, or struggling with labour costs, we can help you reconfigure or automate your location to drive efficiencies.



Facility Implementation

Build ready-to-use facilities on time and on budget. We handle the entire transition process from RFP to equipment selection and implementation.



LIDD & Kinaxis

LIDD's office serves as a hub of supply chain expertise, delivering innovative solutions to businesses across North America. This quarter's newsletter was created through the concerted efforts of the LIDD team, in collaboration with our strategic partner, Kinaxis.



Vivi Lynch

Managing Director,
Consulting
vivi.lynych@lidd.com



Emilio Colangelo

Partner,
Supply Chain Planning
emilio.colangelo@lidd.com



Jeremiah Shiff

Manager,
Consulting
jeremiah.shiff@lidd.com

Contact Us

Learn how to build world class supply chain operations.
Visit LIDD's website or reach out to our industry experts.

+1 (844) 215-7244
contact@lidd.com
www.lidd.com

240 Richmond Street W,
Suite 6-105
Toronto, ON, M5V 1V6 Canada

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