Intro/Outro (00:05):

It's time for supply chain. Now broadcasting live from the supply chain capital of the country. Atlanta, Georgia heard around the world, supply chain. Now spotlights the best in all things, supply chain, the people, the technologies, the best practices and the critical issues of the day. And now here are your hosts.

Scott Luton (00:31):

Good morning, Scott Luton and Greg white with you here on supply chain. Now, welcome to today's show Greg, how are you doing? I'm doing very, very well. We've talked to some really interesting folks today and I'm looking forward to this. This will definitely. So we've done our homework here. We've had some pre-show conversations. This is going to continue in that trend. No doubt. And on today's show, we're talking with a business leader from an industry dynamo that is empowering companies to successfully bridge that gap between plans and reality. And that that gap for some companies is huge and massive for others that get, they're getting a lot better at building that bridge. So we're going to dive into that a lot more of that here momentarily. So stay tuned for a great conversation, but Greg, we've got a quick program note before we dive in with our guests.

Scott Luton (01:17):

We're we're can folks go that they enjoy this conversation as much as we think they will. Let me think about that, Scott. Well, they can go to our website, supply chain now.com or they can go to wherever they get their podcasts from, or my favorite YouTube. That's right. Perfect. So y'all check that out, make sure you subscribe for free. So you don't miss conversations just like this one. So welcome in our featured guests here today. We've enjoyed our conversations thus far, this promises to be another great one. Logan insight, vice president, client solutions with alloy, Logan. How are you doing

Logan Ensign (01:50):

Really well? Doing really well excited to be on with you guys.

Scott Luton (<u>01:54</u>):

We are too. I feel like as we talked about the pre show and talking with you and your team, I feel like I'm an honorary technologist. I've soaked up so much, so much knowledge and we've had a little fun as well, along the way. So excited to share you with our community here at supply chain now. So if we're all buckled in, let's dive right in because on the front end, we're getting to know Logan A. Little bit and he's got some, some really cool stories and some things that you may just not know about one Logan insight. So let's start Logan, where are you from? Tell us about that.

Logan Ensign (02:24):

Yeah, so, so I grew up here in the San Francisco Bay area out here in California. So, um, first 12 years of my life, I was in the East Bay in a town called Castro Valley, like 15 minutes from the Oakland Coliseum. Uh, so grew up going to Raiders games, uh, you know, Wednesday afternoon summers at the Coliseum, you get your whole section for an A's game. And then, uh, for high school moved up to Santa Rosa. So Sonoma County wine country up there. And then I went to school in Palo Alto in the South Bay. So all I've done is just, I dunno, 20 miles. Exactly. And I'm actually back in the East Bay, live out here in, uh, in Concord, everywhere,

Scott Luton (03:04):

But Sausalito basically, right?

Logan Ensign (<u>03:06</u>):

Yeah, no, we've got to get, got to get more cash for that.

Scott Luton (03:11):

So, you know, when you talk about the Raiders back, uh, you know, it, uh, Bo Jackson instantly comes to mind. Now that may be a little bit for your time, Logan, because if it's not, you've got excellent genes by the way, Bo was unstoppable until he went down with a hip displaced or something, right?

Logan Ensign (03:31):

Yeah, yeah. Playing for the Royals too. He was a monster a little before my time, but you know, he grew up a Raiders fan, the nineties aren't too memorable. So you kinda, you kind of learn about when we used to be good. Marcus Allen, Bo Jackson. Yeah. It's a fun condition Al Davis, right? Yeah. I don't think I fit the stereotypical Raider fan. You know how people view us, but just low

Scott Luton (03:57):

It's eminently to happen that you will try to kill me. So you don't fit the stereotype?

Logan Ensign (04:03):

Nah, no, it's, it's, it's safe. It's all fun. You know, my, my four year old daughter, I don't know if you guys know there's, um, a famous sort of NFL films, um, poem and theme song for the Raiders called the autumn wind. Um, and uh, my four year old daughter has memorized it, which is pretty fun. She likes to get her game face on and it's like the Pope.

Scott Luton (<u>04:24</u>):

Well, so is spiked shoulder pads on her holiday wishlist.

Logan Ensign (<u>04:30</u>):

I think I usually had fun dressing up. Uh, you know, as a kid, I remember my uncle would come in from, he lives on the East coast, there's a Raiders fan and he rent a Mustang convertible and we had this big flag with like a skull and crossbones on the top and driving through downtown Oakland. So no, we really, we did it right. It was, it was sad to see them see them go, but it was really a fun community to kind of grow up in.

Scott Luton (04:52):

That's awesome. All right. So now that we have uncovered some of your favorite memories from your formative years, let's talk about one other interesting aspect that you're passionate about. We got to, we got to know a lot more about these geckos Logan.

Logan Ensign (<u>05:07</u>):

Yeah, well, so, so when, uh, when COVID hit, you know, working from home and do a lot of video calls, and so this became sort of my backdrop and early on in March or April on with a customer and they said, Logan, do you grow weed? And so it is good to kind of get the open. No, it's not my pop farm back here. Uh, these are, these are Crested geckos. So, you know, when I was in high school, I got one of

these as a pet. And, you know, they were thought to be extinct until 1994. So they're an endangered species, but not a super common pet. And then, you know, I started to realize like, Hey, these are 200, \$300 a piece. And I got looking into like, Oh, maybe I could breed these and make some real money, especially as, as a high schooler.

Logan Ensign (05:48):

So I went out and I bought a female Crested gecko, and a few months later I remembered it was, it was Christmas Eve. I came up to my room and she, she died. She choked on a cricket and that was sort of the act of, uh, of the start-up there. Um, when I married my wife, you know, she knew this about me, that this was sort of part of my views and I don't even know how we came across it, but we were on Craigslist and I found this listing and someone who was selling 15 Crested, geckos, and all these enclosures and all this. And I texted it over to her and I said, Hey, Kate, like, let's do it. And she's spontaneous the bun. And she's like, yeah, let's do it. And so we kinda like talked ourselves into it and just, but 15 or these geckos and started kind of a hobby together.

Logan Ensign (<u>06:31</u>):

Um, you know, at its heyday, we done probably a hundred or 150 geckos at a time in our little apartment. And we shifted them 35, 40 different States all over the country. And it was sort of this thing. But fast forward, once we had kids, it was just too much to do. And so we got rid of all of them, but kind of coming back to my four year old daughter, she is super into animals and we were looking for things to do so we've, uh, we've kicked it off again this year. So I think if we meet again next year, maybe it'll be twice grow behind me as we, as we scale. Now, it's, it's, it's an odd hobby, but it's pretty fun.

Scott Luton (07:07):

I gotta ask you Logan. I gotta ask you, uh, when it comes to forecasting, gecko demand, is that how challenging is that?

Logan Ensign (07:14):

We can't keep up. Right. I'm always sold out. I've got pre-orders. And so, uh, uh, maybe a similar problem with some of the folks listening here. It's hard to keep up.

Scott Luton (07:24):

All right. Well, I appreciate you sharing your, so, you know, there's so much more there in what you shared about your upbringing and, and some of your cool passions. We're going to have to have you back and take a deeper dive on some of those passions. But today, Greg, today, we're talking about supply chain leadership. We're talking about retail, we're talking about some really cool his journey and some cutting edge technology right now, right?

Greg White (07:46):

Yeah. Direct to consumer. And, and imagine the lead time on, on replenishing geckos, right? I mean, you have to take lead time into consideration, right?

Logan Ensign (<u>07:58</u>):

So not

Greg White (08:00):

That you have much choice on the yield yield is sort of up to the product, isn't it? But yeah. But before we dive too deep into what you're doing today, Logan, let's hear a bit, first of all, I forgive you for being a Raiders fan. I just want to say that lifelong chiefs fan and worlds collide if they do

Logan Ensign (<u>08:23</u>):

Super bowl. So we'll see how

Greg White (08:26):

She's a real Raiders fan, throwing it down, first thing. Okay. Um, no, let's talk about your professional journey a little bit before you landed at alloy. Tell us a little bit about some of the positions that you held that maybe helped get you to where you are today. And if there were, and of course there always are sort of these epiphanal aha moments in your life and maybe a mentor or two that kind of helped shape your worldview or get you to where you are.

Logan Ensign (08:58):

Yeah. So, so, you know, growing up, my, my dad was a, an R and D engineer at Medtronic. So in the cardiovascular division and, um, so a pure engineer, but he gave me some career advice early on and saying, Hey Logan, whether you like it or not, any job you take is, is sales that skillset, you know, as an engineer or a racer scientist, all the way up to, you know, true, true sales, like it's a skillset that is just critical to be successful professionally. And so straight out of college, you know, I wanted to get that experience and, and took a job in commercial insurance sales. And my first job was full immersion. Right. It was okay, you're going to cold call. And it's 50, 60, 70 calls a day. I, you just got to go and hit the phones and you're measured on the outcome of that.

Logan Ensign (09:48):

Right. And so, you know, I think as you go through that process, and I don't know, I think you learn a lot just early in your career anyway. So I think maybe more epiphanies come earlier in your career than later, but you know, you get into this motion of, Oh, maybe I can get a little more strategic, a little more thoughtful in how I approach these conversations. And yeah, there's always improvements you can, you can make, but there's no getting around the fact that you just gotta do the work, right. You just gotta sit down and make the calls. And that's how you're going to get better from a skillset perspective. But it's also just a critical input in, you know, being, being successful there. So, you know, that was a bit of a grind, but you'll learn a lot about yourself as you get to interact with lots of people.

Logan Ensign (<u>10:28</u>):

I think moving out of that, I stayed in sales at the same company, but I moved more into the field into like a closer role with again in commercial insurance. And I think for that, you know, when you're in a pure sales role role, it can be really, really maddening sometimes because you can do the best job you can do, right. And then ultimately it's up to the other person to decide, are they going to make that decision or not? And at the time I was reading Stephen R Covey and just became enamored with this idea and it's become a mantra of me kind of moving forward on like, Hey, you're going to be most effective when you are focused on your area of influence. And if you are focused on things outside of your area of influence or area of control, that's when you can start to spin and you can drive yourself nuts.

Logan Ensign (11:12):

And so just focus on what you can control, you're going to be effective in what you do and the rest will work out, right. Because why worry about things that you can't control? So, you know, I also learned in that job, I didn't want to be in pure sales, but you also, you know, you learn, you want to be working with people, the relationship components there, you can really start to kind of suss out what's important for you, uh, you professionally. So, yeah, I don't know if those are revolutionary ideas, work hard and focus on what you can control, but I think it's, those are important skills or insights to kind of learn yourself, um, kind of get getting your feet wet and getting, getting into that a little bit. Yeah.

Greg White (11:46):

Well, you had me at Stephen Covey. I mean, there's so much that can be learned there. And, and particularly, I mean, if you think our world today, not, not to, we don't want to go that broad, but if you think about our world today, I think more people would be more satisfied if they focused on their circle of influence. So, you know, it's funny because I think of all the usual suspects begin with the end in mind and that sort of thing. But, um, that circle of influence is a very, very important concept. So very good. And to have learned that at a really young age is that's a gift, frankly, you know, that, that sets you up for your journey really strongly. Right?

Logan Ensign (<u>12:21</u>):

Absolutely it, you know, it's not, I don't know if it's in a lot of people's nature to take that approach. So it's, I think it's a good one to have on the forefront, like remind yourself, like, why am I worried about this? Right. Like this is not something I control, what, what are the elements of this that I can do today to feel a little bit different about it? So, yeah.

Greg White (12:37):

So how did you land at alloy? Tell us a little bit about that story. Cause I mean, you, you have a, I mean you have an impressive past, I mean, an impressive resume, right. So tell us a little bit about how you landed at ally.

Logan Ensign (<u>12:48</u>):

Yeah. So, so I jumped into SAS. I've been in SAS software as a service kind of software for a while now, but in my last role, you know, about three years ago, I was living down in Southern California with my wife. She was seven months pregnant at the time we had a two year old, she was about to defend her dissertation in, in neuroscience down. There was never enough work for her. Is there exactly. Yeah. And so, you know, we just, we're not looking to move. I was happy where I was. Um, but I think, you know, you kind of develop in your mind sometimes what do I want in my next role? What do I need that to look like? And I really determined that I key component of my next role. I needed to find a company that had a strategy really squarely in product first.

Logan Ensign (<u>13:35</u>):

Right. And there, there a lot of great ways to build a software company, but I think philosophically, I wanted to be really confident that the organization was over-investing in development design. And really the primary objective of the company was we're going to build a really usable, intuitive value adding product for the, for the user. Right. And, and the reason that was important to me is my job could look a lot of different ways depending on the product. Right. I mean, sometimes people in my position have to spend all their time just trying to convince people like, please just log in, please just use

the tool and dragging them along. Right. And what I wanted to make sure was kind of the dynamic is K, the tools speaks for itself. How can we take this to the next level? Like help me understand your business processes, help me understand your pain points.

Logan Ensign (14:25):

And let's sort of collaboratively work on that sort of problem solving. So that was super important to me. Um, so I got put in touch with Joel who is our CEO and he comes from a product background and yeah, you know, he sat with me for an hour, maybe two and we just talked the product, he showed it to me and I was just blown away with how ahead of schedule it felt. Right. And then learning that the company at that time was 80% engineers. Um, just kind of check that box for me. So that was a big one. I think the other two pieces that were really compelling as I started to get to know alloy and what we were about, I just started getting excited about supply chain. And I don't know if I'd admit that to just anyone, but I feel like this is a safe space

Greg White (<u>15:09</u>):

20, you probably could have admitted it and nobody would have known what you were excited about.

Logan Ensign (<u>15:15</u>):

Yeah, exactly, exactly. But, but as we really started to think about this, it's like, man, this is a, this is a space that's just right for, for technology. It's a great place to apply technology and it's a place full of people interested in data and it's this big, big, complicated optimization problem. So kind of that data nerd, it just really appealed to me as, as sort of a space that's just right for it. It's a great place to build a software company. And then, you know, the last

Scott Luton (<u>15:42</u>):

Can I butt in for a second later and I've been in for a second, do you believe that, especially with the types of sales you were involved in earlier in your career graduating into being that closer, were you already a data nerd that used that to close deals? Or did you have an epiphany? You got to tell us as a fellow nerd?

Logan Ensign (16:03):

No, it's a great question. Yeah. I was probably always a little bit of, well, not to say that salespeople aren't, can't be data nerds. Right. But it's not necessarily what you associate, but no, I even even super early in like how many calls does it take me to, you know, get a second call to get, you know, what's the average deal size? Like all those sorts of inputs. Yeah. Have always been interesting to me. Right. Even as a kid with, with going back to the sports thing, like your money ball and kind of all that statistics and appeal, I, I think it's always been part of me, but it's really fun to apply it professionally. Right. Because there is just a lot of value often in coming back to the numbers and understanding like, well, what causes, what and how do I, how do I better make decisions on how to spend my time? Right.

Greg White (<u>16:51</u>):

Yeah. I think that that's a really interesting sort of crossover and on Moneyball real quick, is anyone excited about the possibility that about Billy Bean and his organization buying the Boston red Sox? We wouldn't pay him enough that he would take the job. How about that? That's a way to get yourself a job is to buy the company. Right. I love it.

Logan Ensign (<u>17:12</u>):

No, it's, it's, it's a fun saga, right? I think he's he's yeah. He's a fun, uh, fumbling to follow Moneyball two is coming

Greg White (17:20):

Well. And you, so you talked a little bit about your role. So first, I mean, we know what your title is, right. But often that belies what your day-to-day is. So tell us a little bit about alloy and then do tell us a little bit about how you spend your day, because I would think that somebody with your sales gifts and your awareness of, of the roles, that role, that data and the various points of view play in the sales process, I bet you get pretty engaged the sales process, but I want to hear it from you.

Logan Ensign (<u>17:51</u>):

Yeah. So should we start with the role or alloy? Cause I can yeah, maybe start, it might be, feel a little backwards, but start with the role maybe first dally. So, so from a role perspective, as the VP of client solutions, you know, my organization's responsible for the second a customer becomes a customer on, right? So once a customer becomes a customer, we've got to go and get in the weeds of data implementation and project management, but also training enablement programs, support. And then probably on top of that is how do we create a really vibrant user community? How do we think about best practices and making sure that we're providing that value for customers? And so, so that's sort of the broad, broad brush strokes of the team. I'll say you're right. I do still stay really involved with a good number of specific projects.

Logan Ensign (<u>18:49</u>):

I think that that's just a super gratifying part of the job and you never want to lose touch of what the actual customer or user experience with, with alloy and like how we can improve also say just selfishly, like I love, you know, my last, my last role and not to disparage it. I love my last company, but like oftentimes we were selling software to other software companies, right? So you're implementing software at a software company and there were days when you just feel like, man, I'm pretty removed from the real economy here, right? Like we are on top of something on top of something what's really cool about being able to be involved with, with our customers is our customers make things. They make things that I buy that my friends know about. And that's super gratifying because we find a lot of people are really passionate about it. You know, one of our customers is Ferrero Rocher. They make the tele and crunch FARs and tick tacks. And you know, you may look at that and say, Oh, well, you know, is that really earth shattering to get chocolate to people? But yeah, actually it's real. Right. And,

Greg White (19:53):

And Butterfingers, by the way, important supply chain puts that on the shelves, getting us through the pandemic, come on. I don't think that you can overestimate the importance of chocolate, particularly in this day and age. I appreciate your contribution to the goodness of society through supply.

Logan Ensign (20:15):

Well, and the teller is a different level for a lot of people too, right. That's not just a, a nice commodity. That's a, that's a must have

Greg White (20:23):

In Europe, that's a basic breakfast food. Right. You can heart, you can hardly eat anything without Nutella and in Europe.

Logan Ensign (20:32):

Exactly, exactly. And so, yeah, I mean, staying involved in the day to day, being able to see those customer problems. Um, and then we're also, you know, making sure we're operating at scale. Right. And so that's, that's part of the day to day as well, but it's a little bit of everything keeps, it, keeps it, I think pretty, pretty exciting. Pretty fun.

Greg White (20:50):

Very good. So I'm curious about, as you go through your day, what's the kind of favorite or most energizing thing that you do in a day?

Logan Ensign (21:00):

Yeah, that's a good question. I still just love, and I know I've already sort of mentioned this, but getting on directly with supply chain operators now, oftentimes for the first or second time and being able to kind of introduce them to alloy and sort of customize it with them because I know this is going to seem promotional, but it's also true. The feedback is, is always, wow, this, this is, this is awesome. Right. Um, and so it's really gratifying to be able to come in and, you know, make, make people's lives a little bit easier because I do feel for kind of the current supply chain tech stack. Like there's a lot of old systems, there's a lot of old process it's not built to be consumer-facing really. And so, you know, moving from maybe really monolithic ERP systems into, into this is just a really fun sort of experience. It's easy for me because all I have to do is kinda hit, you know, sign up and they can jump in and, and get that experience. So I think that's really energizing. Um, uh, for me, you know, I we're, we're kind of, I also have the chance to get into like pre-sales conversations. Those are pretty fun when, when prospects or prospects like asking about aloe and we're kind of doing discovery, um, that's a pretty fun process as well as you kind of get things kicked off.

Greg White (22:16):

Hmm. I love your passion for the product and the value that it delivers that it is so important, particularly with what you, you all do to get so much joy and gratification out of, out of the benefit that your customers get out of your product. So we probably ought to get to that at some point. So do tell us a little bit about how, how the marketplace uses your product and what it does, the main benefit that it offers, right.

Logan Ensign (22:46):

Yeah. And happy to. Absolutely. So, so at the highest level, aloe is a platform that's designed to be essential nervous system for supply chains. So really getting

Greg White (22:56):

Central nervous system for supply chain. I was drinking that in Scott

Logan Ensign (23:01):

Neuro, a little neuro neuroscience influence there.

Greg White (23:05):

I love that he's a Stanford grad Scott. So we are outclassed he's way smarter than we are. Right.

Logan Ensign (23:12):

So exactly right. It's that end to end supply chain visibility, right? That, that supply chains are complicated. And being able to stitch that together is, is really critical. And then on top of that, you know, we recognize that organizations just need to be able to respond to, to change in as near real time as possible. And the key to us is how can we avoid the bullwhip effect? Um, how can we make sure that we are really staying on top of a dynamic sort of consumer behavior, um, and, and just drive that decision making as a result. You know, I think just a broader context, we all know that there's been a big shift in, in commerce, right? Markets are super global. There's a lot of sort of non-traditional competitors. I mean, Amazon's the really big disruptor, but there's a lot more going on. That's driving change in consumer behavior.

Logan Ensign (24:10):

And then, you know, COVID has just accelerated a lot of this and added uncertainty and kind of change. Right. We have a lot of conversations with our customers around, well, are these new consumer preferences going to stick? Um, what magnitude are they going to stick at it to me? I don't think we know. Right. I mean, we could take our educated guests, but I think it's much more maybe area of concern, area of, of influence, right. It's much more important to keep a close watch on that point of sale and make sure you've got that infrastructure to respond accordingly. Right?

Scott Luton (<u>24:43</u>):

Yeah. Along these lines. I think it's really interesting, you know, coming out of NRF where we had, uh, several breakout sessions, there's, there's a lot of research that points to some of, some of the different generations and their preference preferences and how, just how sustainable they're going to be post pandemic. When we really break into that in a very meaningful and widespread way. I saw one article by robotics firm that pointed to research specifically around BOPUS buy online pickup in store. And there's still plenty of companies, unfortunately, that have just haven't gotten that right. And it pointed to companies are going to leave based off one, maybe two experiences. But as the discussions were putting out there into the, the, the feed, a lot of folks were saying, well, if company a doesn't get it right, they're just going to go find a company B or company C that does get that particular method. Right. And they're going to cultivate that loyalty. So it, it really is, you know, from a behavioral consumer behavioral standpoint and preferences standpoint, and sustain that, you know, how sustainable these, these preferences are going to be. It's a fascinating time right now to study retail and it, Logan

Logan Ensign (<u>25:46</u>):

Absolutely. Yeah. Talking to a consumer electronics brand, you know, the head of sales there thinks this is going to be a really consistent sort of drastic shift in consumer behavior for his vertical, because, you know, are people going to go back to best buy and put on the headset? Right. I mean, there's some really real shifts in behavior. That's just hard to, hard to predict, but I think we have to acknowledge that there's going to be shifts and, you know, we gotta, we gotta make sure we get in front of that. Yeah.

Scott Luton (<u>26:15</u>):

Yeah. My hunch would be one other things that clearly stood out and a lot of our recent conversations is that pace of digital transformation and, and just how, you know, we've seen that great quote, Greg on

one, a live stream where the gentleman talked about what we were thinking, what businesses were thinking about doing in 2025, thinking about doing is being implemented in a year like 20, 20 or 2021. And that's, you know, for, for a model like alloy and, and, and please, uh, let's make sure folks know exactly how, you know, what that does. I bet. I bet. Y'all you just can't deploy the armies and the platform fast enough.

Logan Ensign (26:49):

Yeah, no, I do think, you know, especially the last six, nine months, there's just been a lot more focus or urgency around real digital transformation of the supply chain. Right. And you know, it's just not to your point, Scott. It's not, it's not acceptable to be able to say, Oh, well, things are going okay. Right. Maybe service levels are where they need to be maybe on shelf availability, where is where it needs to be, but the world's changing. Right. And, and, you know, retailers are providing way more data and, and, you know, they do that with an expectation. The expectation is you're going to use it. Right. And so with all this data and transparency brands have a lot more on them, uh, to go and execute and compete. Right. So, no, I absolutely agree that, that there's a lot of sort of acceleration happening sort of in this, in this context.

Logan Ensign (27:40):

Um, and so the, the bottom line from, from my experience and perspective is just supply chains. Aren't responsive enough. You know, you've got lost sales from out of stock. You maybe you've got some channels that are overstocked, your service levels are suffering. And that retailer expectation of, of, Hey, you got to go and deliver at a higher level. So I guess, you know, to come back to okay. Central nervous system, that's all good. And well, I think in a bit more specificity where alloy fits, you know, we're all about connecting data and teams to make sure products where it needs to be and how that works is we started from building a really impressive data platform, because from our perspective, that's the hardest piece to solve for a cause. You've got potentially, you know, dozens, if not a hundred plus retail channels, you've got your distributors, you've got your own networks, you've got your own product identifiers, you know?

Logan Ensign (28:35):

So, so being able to bring all of this data into one place and allowing it to kind of talk with each other, that's a hard problem to solve. And that's where we start, right. Which is, we know you need all of these data inputs to make meaningful data-driven decisions. And the reason you aren't in most cases is because, you know, your ERP uses your own product identifier and maybe talks about it in cases. And, and then your retailers have thousands of stores and their own identifiers and fiscal calendars. And it's just a daunting task to say, how do we, how do we get all this to kind of come together? And so once we have all that data in place and it's coming in real time and it's harmonized, well, then it's just the, sky's the limit, right? Oftentimes we have supply chain operators leading us along.

Logan Ensign (<u>29:23</u>):

I'm like, Whoa, now I can do this. Now I can do that. Um, and so it's, it's, once it's all in one place, now we're all about, you know, how do we sense opportunities throughout the network? How do we prioritize those based on purchase orders at risk or loss sales from out of stock or service levels. And then, you know, how do we diagnose the issue and solve it? Right. Cause that's, that's what it's got to get to, is we've got to go up to the highest value issues. We gotta, we gotta be able to diagnose why it's an issue. And we have to be able to go, go and solve,

Greg White (29:53):

Love that. So Logan, if I'm, if I'm walking down the hallway in my, in my company and I'm scratching my head, what's the scratching, my head moment or the painful issue. That's going through my head that makes me go, I need to call those folks at alloy. What, yeah. What is that thing? Right? What, what is the pain I'm running away from?

Logan Ensign (<u>30:13</u>):

I think everybody knows, and maybe it's a little presumptuous, but I think everybody knows academically that this is all fueled by what's happening at the cash register at the point of sale. Right. And so many pain, so much pain in supply chain is caused because I don't have a grip on really what's going on at the point of sale. So, Hey, why didn't we know about this sooner, it took us a month to adjust forecast, or why are we cutting this order and not that order. And so, so fundamentally I think that there's an understanding that, Hey, at the point of sale, that's what matters and what people are doing. And I think that when you look at kind of the common way, supply chains, approach, they're managing their network is, is around selling, right? What am I shipping in? What am I fill rates?

Logan Ensign (31:02):

How do I minimize, you know, transportation costs, carrying costs, but ultimately that's all, those are all sort of secondary measures. And so, you know, I think the supply chain leaders who want to be more responsive based on consumer demand and not be blindsided by sort of supply chain firefighting, that's really what you're solving. If you're spending so much of your time, just fighting fires, trying to get answers, right. If the argument is, does Walmart have an on-shelf availability issue or not? If that's the argument and not, Hey, Walmart does have an on shelf available ability issue and we need to solve it. Then that I think is a pain that, that you can get past by bringing aloe in.

Greg White (<u>31:42</u>):

You're speaking to the folks that put product on the shelves at Walmart, just to be clear. Right.

Logan Ensign (<u>31:49</u>):

Kind of both. Right. So an example here, you know, uh, coming back to Ferrero, um, they launched a new product, uh, the kinder joy egg, and it is a fun story because man, that's been around for years globally, right? One of our founders is from Italy and grew up with this, but it's the kinder, a chocolate egg with a toy inside of it. But the U S FDA doesn't want, you know, toys in food. Right. And so Ferrero worked to kind of get this product launched. Um, and it was a massive product launch right now, product launches just exaggerate these issues even more, right? Because it's so much harder to forecast and predict what it's going to look like, and you're going to do your best, but there's always going to be that need in real time to manage that. And what happened was kind of an executive meeting and what came up with a broader executive audience was, Hey, a major retailer just placed a massive order for kinder joy, right?

Logan Ensign (<u>32:44</u>):

Massive order that everybody felt like this is not what we expected the load in to look like, what do we do? Right. And at that point, you know, Ferrero had alloy and the VP of supply chain within the call in the call was able to say, all right, I know what's going on at the retailer. I see their order forecast. I see their POS forecast. I see their inventory position. This is a load in, but it's going to go back to normal because I can see the weeks of supply right away, kind of dynamically in real time,

Greg White (33:15):

You know, they're piling up 90 days supply. So they're not going to have to order for the next 90 days or whatever

Logan Ensign (<u>33:21</u>):

A reality. It's like, Oh, let me, let's get off the call. Let me go back to this team. Let's collate the data. Let's debate the weeks of supply methodology and let's come back. And in the meantime, we're all panicked because do we need to go and adjust production? Do we need to go and expedite freight? And so that's, that's really all these different levers. Yeah, exactly.

Greg White (<u>33:42</u>):

And it probably takes two to three weeks to do what you just described in a lot of scenarios, right. Using spreadsheets or whatever the other mechanism planning mechanism may be. Right.

Logan Ensign (<u>33:50</u>):

And you don't know what w what it's going to be. Right. So the flexibility to come in and kind of investigate is super important. Um, and it's that second question that again, typically results in another week or two cycle, right? Like I got you your answer from the data, but now I have that followup question. I can go back to the drawing board with a team of analysts to get to that next step. And so really trying to just massively accelerate, um, those iteration cycles to get to the right answer.

Scott Luton (34:20):

And that week, or two can be deadly. I mean, that week or two could, could, could mean empty shelves in, in hundreds of locations, perhaps huge loss sales opportunities amongst them.

Greg White (<u>34:31</u>):

Yeah. I mean, it could destroy the launch, frankly, when you're launching a new product, you can't afford to be out of stock because it could literally kill the product. And it happens all the time.

Scott Luton (34:40):

So I want to shift gears here for a second, if that's all right with you, I want to talk about relationships. And, you know, as we all learned as many learned, perhaps more painfully than others, relationships mattered in droves in the year, like 20, 20, right. Especially when it was so challenging to really vet potential new relationships. So, so now that you were stuck with who, who brought you to the dance, but in many ways you kind of work, but there's long standing relationships proved in so many cases to be incredibly value valuable. So I want to talk about, you know, we're talking about bridge building, right? And there's, there's so many, we've been a part of so many conversations around kind of the generalize, a bit, the supply chain side and the sell side. Right. And there's plenty of other shareholders around the table, but we we've had a lot of fun with this type of conversation going back years and years from our earliest days in one particular industry association. So in the, in the spirit of building bridges, let's talk about building bridges between sales and supply chain, but let's do so first Logan set the table a bit because these two different shareholders are looking for different things. They have different motivations, and there's some, there's some differences speak to that first. Yeah.

Logan Ensign (<u>35:46</u>):

Yeah, no, I, I think we run into this pretty often. Right. And probably starting with, Hey, these groups have different incentives, different motivations, um, and it's not all bad to not be completely aligned. Right. You get checks and balances built in there, but, you know, starting with that sales side, their job is, is really fundamentally to drive that, sell in and manage those retailer relationships. And I just can't imagine, you know, I sold insurance, right. But I can relate to how hard it is to source and negotiate and close a deal. I can't imagine how maddening it would be at the end of that to turn around and just not have product to complete the sale. Right. And so, and so you've got this, this strong entity and organizations with a really justified goal of, Hey, we got to go hit, sell in and have high and have high fill rates.

Logan Ensign (<u>36:43</u>):

Right. But then on the flip side, you know, you've got supply chain and yeah. They want to have high service levels. Absolutely. But there's also other factors, right? Minimizing those transportation costs, minimizing carrying costs, you know, some organizations there's freshness, avoiding spoils returns that they take into account here. Right. Um, and, and this is often where a lot of the disagreements happen. You know, we had kind of an interesting project we did with, with a fortune 50 company that I think is a pretty good example of, of, of how these incentive mismatches play out. Um, so this, this fortune 50 company, they brought us in, into their hair care division. And the project was a little different. We went upstream. So, Hey, we're the hair care division. We manufacture the product, we have a raw materials supplier, and we're not collaborating like we should. And so what we want to do is as the brand manufacturer, we want to give access to the data of our, um, usage forecast and our inventory levels.

Logan Ensign (37:48):

And then what we want in return from this raw material supplier is their inventory levels, their allocation and their plans. And, you know, as we got to the individual contributors, everybody's terrified, right? Because, well, I don't want to show my cards and if you really boil it down, but what does the brand manufacturer really want? The brand manufacturer wants? Whenever I order a product, whatever I want a product, I want it there. I wanted there on the day that I want it. Right. Like that's what they want. Similar sort of that sales mentality. And then on the, on the supplier mentality, it's, I've got other customers, I can't carry too much inventory that costs me money. I can't be expediting freight every other day. And so you have these two entities and what we found is we brought the data together. Everybody's a little uncomfortable and that's okay.

Logan Ensign (<u>38:37</u>):

Right. Because what you introduced to the equation now is an objective referee, right? What is the objective referee? Well, I know where you're at, you know, where I'm at and now, instead of arguing about that or spinning that we can all be on the same page and get to the next conversation, which is what do we do about it? Right. And so, yeah, I think it's, it's helpful to acknowledge that difference, um, of, of incentives from a supply chain and a sales perspective, and then using kind of that understanding where people are coming from. It's a good first step to start thinking through how we can maybe better collaborate or more effectively collaborate.

Scott Luton (<u>39:14</u>):

Perfect. I thought, I just knew you were going to say that they were going to be part of the same central nervous system. It was a perfect opportunity there to Logan. I'm going to stick with that because in my mind, that's a wonderful visual and I love the neuro neuroscience connection there to Kate. Right. All

right. So let's go back to bridging the gap. And I love that phrase right now because we need, we need bridge builders in so many different ways across, not just industry, but, but civilization. So let's talk about what bridges, some of the gaps that you've just illustrated.

Logan Ensign (39:45):

Yeah. I think the first thing is it meant you got a problem. Right. And we talked a little bit about this, but status quo or just okay. In this regard, isn't, isn't going to cut it. Right. You can always improve, you know, bring it down. I mean, Otis fines are so such a big topic with a lot of our customers. Like this is because [inaudible]

Scott Luton (40:05):

Time in full. So delivering the entire order when it's expected, completely filled. Yeah. Yeah. Perfect.

Logan Ensign (40:14):

And a lot of retailer relationships will find you as an organization, if you're consistently cutting their orders or you're late. And this has become a really kind of big piece for a lot of supply chains. So, so you've got kind of that, that headwind, but then you've got, you know, this expectation, you're going to use the data and just lots of your competitors now taking more and more advantage of this. Um, so I think, you know, to me, organizations probably already are spending a lot of time and resources to try and solve this. And, and so it's not just about improving business results, but it's also just saving, becoming more efficient. Um, because you know, a month long SNOP process just costs a lot of money in terms of time, effort, energy. But yeah, I guess, I guess fundamentally, I may I'll share a story because I think it's an interesting one that maybe sets the stage a little more here when we were first building out are more like supply chain oriented use cases and functionality.

Logan Ensign (<u>41:12</u>):

Part of that process was we did kind of general discovery. So you want to go and meet people, learn more about what they do learn more about their pain points. And I remember a conversation we had with the demand planner who, you know, was walking us through their SNOP process and, you know, it's, Hey, week one, we bring the data together, week two, we kind of come up with some initial insights of what to do week we bring in stakeholders and we all argue and then week four, maybe we go and take action. Right. So it's a big process, lots of investment. And so one of my team asks like, well, that sounds great. Like, how good is this process? Like how often do you have to change the plan after you've made it? And he said, I changed the plan in month, every single day, every single day I change it.

Logan Ensign (<u>41:53</u>):

Right. And so then the up question, kind of these naive, Hey, let's start to get a feel for the space. Was w w why do you spend so much time trying to predict the future in sort of this monolithic process, when you know, you're going to be wrong? And he said, I've been asking that my whole career. Right. Good question. And then not to minimize, like SNOP processes are critical, right. And you should be looking to get better at forecasting predicting the future of collaborating together, but you're never gonna predict the future perfectly. Right. And we find that organizations aren't investing enough time in the other piece of this, which is knowing that our plans aren't going to go according to plan. Are we ready? So, so can I come back to that original question? I like to think about it across three dimensions, right?

Logan Ensign (<u>42:44</u>):

Like how do we better help sales and supply chain collaborate effectively towards a kind of common goal? The first we've kind of already talked about this, but it is data. So, you know, we're all looking at different numbers, different sources of truth. And only part of the picture, you know, supply chain teams are looking at ERP is planning tools, forecasting tools, you know, the retail teams and the sales teams are looking at their spreadsheets and their portals. And whenever one has a question or wants to have a conversation, there's this really cumbersome and sometimes sort of impossible process to enable that to happen. So I think the other piece to this cause we've talked a fair amount about the data component is, is around incentives, but then also around, you know, team structure and process. So another example I, that was really fun to see from as kind of a vendor was another one of our customers.

Logan Ensign (<u>43:39</u>):

You know, they say a consumer electronics company, and I don't want to intimidate, you know, people who are listening because you don't have to be as radical as this brand to really make an impact. Um, but I thought it was a really cool way of approaching this problem. So first they brought, um, Alloway in to kind of just bring it all together, right? So now we've got common data we've solved that, that data problem, but then the next step that the sales leader took, um, cause this was a sales driven sort of transformation was, Hey, let's not compensate. Let's change our comp structure in the past. The sales team had been comped on sell in. Let's change it because that's, maybe we can, maybe we can now let's actually comp our salespeople on sell through. So, so what that did right away was really align the organization on, okay, now we're only interested at the point of sale, so that just helps get everybody a little bit more aligned.

Logan Ensign (44:31):

You know, this wasn't just a change on paper. I can remember as we were going through this. So we've been working with this customer for six, nine months. They're going through this change on the comp plan. And, um, I got an email and I was CC'd on it. And the subject line, um, this was from the head of sales. All it said the subject line was worst in the world. That was it. And then in the body of the email, it had a screenshot from alloy, which was lost sales from out-of-stock. So at the point of sale, each retailer and the email was to the number one kind of out of stock, violator retail team. I never met these guys. It's not a great way to be introduced to people like, Hey, you're, CC'd on this email where my boss is saying worst in the world, but it was, it was like, Hey, we're going to, we're going to buy into this.

Logan Ensign (<u>45:15</u>):

Like, we're going to shift incentives a little bit and we're gonna be focused collectively at the point of sale. And then the last sort of shift they made after this sort of took root was, well, we've got a bunch of retailers that we sell through, but we only have maybe 10 or 15 that represent 80% of our business. So, so they restructured their organization a bit to have retailer specific sort of task force teams where now they were a lot more aligned organizationally where the major retail team had someone from supply chain, from someone from sales, someone from finance. And it was, I think, really transformational, right? I mean, we saw in-stock rates go up considerably. We saw forecast accuracy, go up a lot of efficiencies gained and kind of narrowing, narrowing that in terms of like the process and the teams that were involved.

Greg White (<u>46:02</u>):

I want to get Greg involved here for a second because, you know, Greg, we talked about, uh, well, we've talked about it through almost 560 something episodes. Now, your, you know, your retail background, your automotive industry background, I bet Logan is, is bringing some memories based on your time there, especially earlier in your career. What do you, you know, as, as, as Logan's talking about some different ways to bridge these gaps, what's a couple of things that really stick out that maybe folks need to really wrap their heads around. Well, I think that what they need to understand is that it is a very penalizing culture right now in the retail world. You know, I was in retail more than two decades ago. And if you're a community member, you know what that means? That's right. I remember doing that exact thing. I remember one thing Logan said was spinning, spinning a problem rather than addressing and resolving the problem, or sometimes even actually trying to hide the problem I've seen vendors do that.

Greg White (47:02):

I can't tell you the number of times I had to get on a plane and fly to somewhere, to meet with the vendor in person to get to the bottom of the issue. Right? So, and what we tried was we tried the carrot first and if someone didn't respond, then we tried the stick. What we've never really tried. And admittedly, this was a lot of years ago in retail, but we never really tried was to really very, we did a few times, but to get together and collaborate, there were a few vendors. I mean, we were the biggest customer of a number of our vendors. So there were a number of vendors where we did that. But yeah, I mean, what I think this technology does and the approach, particularly the approach that Logan and his team take is to open up the data flows to open up the information other than data flows, you know, and to start the more collaborative relationship.

Greg White (48:01):

In fact, back in the nineties, there was this thing called CPFR collab, collaborative planning, forecasting, and replenishment. Yeah. It was an incredible flop. It only worked for the company that started at Walmart and only because they were Walmart, but other than that, it was an incredible flop. Why? Because Walmart could spend \$400 million a year supporting it and no one else could. Now we have effectively democratized collaboration among enterprises with technologies like Alloway and others out there that, that connect their data, that connect their people that identify the initiatives and allow resolution sometimes even on the platform.

Scott Luton (<u>48:42</u>):

Yeah. Love that. I appreciate your perspective there. I think that brings it home for many folks that may still be wrapping their head around Logan and alloy and the platform and some of the needs and the application. So I love that. All right. So Logan, I know that it's tough to do what you do and alloy justice and an hour long conversation before we talk. There's a couple of things we've got coming up, but I want to make sure, you know, is there any other anecdote that you'd like to share before we move on to what really cool thing y'all got coming up on February 18th?

Logan Ensign (49:15):

Well, it kind of dovetails into that, right? Cause I don't know if I've mentioned Valvoline yet and I'd be remissed there, there are a lot of fun, uh, during COVID I, I grew up my, my beard, believe it or not. And uh, I got on a call with those guys and they gave you the name, Joe, the nickname, Joe dirt. Cause they, they can really, I couldn't, so I'm sorry

Scott Luton (49:35):

One are nicknames. That's a good one

Greg White (<u>49:38</u>):

Oil buyer at one time at the, at the auto parts chain I worked for and Valvoline was by far our best vendor. I mean that, you know, I can't say, I can't say anything about where they are now, but they were always so much more aware of what we didn't even call supply chain, just replenishment, whatever. Right. They were so much more aware of that than any of the vendors we had at any of the other vendors. And we carried all of the usual suspects in terms of oil. So,

Scott Luton (50:08):

So, so Logan, you earned a nickname, which is always a great sign term term of endearment. So give us some backdrop for this, this February 18th event.

Logan Ensign (<u>50:18</u>):

Yeah. I know Val Babel has been a customer for awhile and I would just echo that, you know, Greg did kept the momentum going, right. They're just super, I think, great collaboration, cross sales and supply chain. And we've done some really cool work with them, you know, more, more fundamentally on how do we, how do we best manage at the retailer level? Um, and, and some cool stories there on, you know, one example where a retailer came in or a bunch of inventory that same day, the whole organization was on the same page. We can't fill this order. And the sales team was able to go back to the vendor or to the retailer and say, Hey, you don't need this order. Look, look, you've got plenty of coverage. Can we, can we bring this down? Um, so, you know, it's just great, great sorts of collaborations.

Logan Ensign (<u>51:03</u>):

It's an exciting event. You know, they've taken us to the next level where we do a lot around, Hey, show me where I'm hurting in the supply chain more generally. Um, so the director of supply chain here at Rossi, great thought partner, and that's really how he's taking advantage of, of alloy. We're helping him in VMI relationships. We're helping him do a lot more projection into the future. So a simulate for me when I'm going to have a problem three weeks from now, six weeks from now, 12 weeks from now. Cause I don't want to spend my time with issues that have already happened. I want to prevent those issues into the future. One pack that more with Eric, but it's a really cool sort of next gen way. You can take advantage of a tool like aloe as you bring in your ERP data, your forecast and your point of sale.

Logan Ensign (<u>51:45</u>):

So no very much, uh, endorsed, uh, joining with, with Eric, you know, we're going to be doing that. Let's see. I think we have the date on that February 18th. Yeah. You've got it there for Scott. So, and, and then I think we shared the link here or can share the link here to that one, but really excited to hear more about it. And yeah, it's just a, I think a good story and a good, a good kind of industry thought leader to be able to, to hear more about how they're taking advantage of Alibaba, just more generally how they're managing, um, in, in sort of a unique time, you know, with a seasonal product that has maybe less predictable than it's been in the past. Um, and, and how you can kind of walk us through how they manage that.

Scott Luton (52:25):

Love it. I mean, you know, as a brand, any car driver will instantly know and, and it's always been cool. I think since, you know, for the 15, 20 years I've been in supply chain uncovering, you know, the, the supply chain and the operations and the leadership behind these brands that you've, you've had their products in your hands. So many times in your lifetime, you know, Logan going back to the thing you love working with companies that make stuff right. Keep the economy moving to make consumers happy thing. I think it's fascinating. So February 18th at 12 noon Eastern time, we're going to have the link in the show notes, uh, make it easy for folks, one click to check it out and then register. So check that out and they can bring their questions to the, uh, to the event. I'm sure Logan, right,

Logan Ensign (<u>53:07</u>):

Exactly. Yeah. And I'm just moderating, so you don't have to hear me talk anymore. It's going to be going to be Eric. So absolutely there'll be a Q and a, and you'll be able to have more of an interactive sort of dynamic with Eric there.

Scott Luton (<u>53:19</u>):

Awesome. Well, uh, love checking back in with what the alloyed team has been doing. They've been on the move. Uh, if you may not remember, no, this, um, Logan Joel was on a webinar way back when, in our earliest days. In fact, I think before we even were podcasting and it's neat to have put our finger on the pulse as all have continued to grow and innovate and help more organizations. And we've got some things moving forward, you know, beyond your webinar, a live stream around the corners and other things. So it's really neat to be able to share what you are doing and, you know, joining the conversations we're having in our community. And, and I can't, uh, Greg, if we've enjoyed this conversation as much weight before we put them on, on stage, so this is going to be a great fun, great fun. So final question, train another question. Let's, you know, beyond the webinar and beyond all the, all the cool stuff you shared beyond the geckos, how can folks, can we with you, you and alloy?

Logan Ensign (<u>54:17</u>):

Yeah. If you need a gecko reach me at no, no, it's been fun to get to know you guys don't just jump more into, into your community. Um, so, so feel free to reach out to me, uh, on LinkedIn alloy, is it alloy.ai? Um, so you can kind of get a better feel for the company and kind of where we're at. And then, you know, like, like we said, the webinar is going to be a good place for Q and a and you know, a good place to kind of continue the conversation.

Scott Luton (54:47):

Awesome. Uh, so neat, uh, Logan again, so much more, I'm sure you could share. I'd love to get y'all to over an adult beverage talking retail and exchanging some other stories, including some nicknames. So we'll save that for a later time. Really have enjoyed talking with Logan insight, vice president, client solutions with alloy Logan. Thanks so much for joining.

Logan Ensign (<u>55:09</u>):

Thanks a bunch. It's been a pleasure. Yeah,

Scott Luton (<u>55:11</u>):

Yeah, definitely. We'll have you back. All right. So Greg, great conversation really enjoyed this. Uh, and I know that this really gets your juices going because retail and forecasting and supply chain leadership

and, and especially technology cause you're, there are our resident technologists of the bunch. I mean, a wide ranging conversation we've had here today. Huh?

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Greg White (<u>55:33</u>):
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There's a segment of supply chain that I came up in, first of all, retail and direct to consumer and brand relationships and that sort of thing. And then of course, you know, what, what we did at blue Ridge was this sort of product for retailers and distributors. So it's a great, you know, it's a great problem solving solution. And I love the inter enterprise operability, a word we both learned today, Scott operability, is that right? Did I say that right?

Scott Luton (<u>56:01</u>):
I think you nailed it. I think

Greg White (56:03):

You said it a half dozen times today, haven't we? But that inner enterprise operability that inner inner enterprise engagement is really critical in this day and age. And you guys both alluded to, to it, not just the relationships as they are from management to management standpoint, but the relationships in terms of data and information and collaboration throughout the organization that help companies recognize that they have to engage their partners to meet the requirements of who ultimately we are all serving. And that's the consumer because the consumer owns and is the beginning and the end of the supply chain.

Scott Luton (<u>56:42</u>):

I love that. I love that. And, uh, you know, I love this notion bridging gaps and doing so with the central nervous system. I love that such a powerful visual. So I'm gonna, I'm gonna be talking to my kids later on about that. So thanks so much for that lesson Logan. So to our audience, hopefully enjoyed this conversation as much as I have. It's really, it's fascinating to see how the retail world has, has navigated through a year like 2020 and into 2021 with so many lingering, you know, things that just challenges that have just followed us into this new year. But it's fascinating and see how retailers are using. And consumer good manufacturers are using technologies like alloy to serve. As Greg said, the consumer, the start and the finish to global supply chain. So if you enjoy this conversation as much as we have be sure you learn, uh, check out similar conversations with supply chain now.com be sure to subscribe for free. So you don't miss conversations just like this. We have a, we offer a money back guarantee, Greg that's

Greg White (<u>57:41</u>): Right. So

Scott Luton (<u>57:43</u>):

On that note, a big thanks for joining us here today. A big thanks to the alloyed team. Of course, Logan, on behalf of Greg white there, our whole team here at supply chain. Now Scott Luton signing off for now. Hey, do good. You have Ford and be the change that's needed. And on that note, we'll see you next time here on supply chain,

Intro/Outro (<u>58:04</u>):

Uh,