**Supply Chain Management (Reverse)**

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| **Reverse Supply Chain:** Material flows upstream. |

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| **Supply Chain**:🡨 Flow of Information 🡨

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| Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |

🡪 Flow of Material 🡪 |
| **Reverse Supply Chain**:🡨 Flow of Material 🡨

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| Supplier | 🡨 | Manufacturer | 🡨 | Distributor | 🡨 | Retailer | 🡨 | Customer |

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| A basic Reverse Supply Chain process: |
| Disposition 🡨 Evaluation 🡨 Documentation 🡨 Receiving |

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| Receiving Material upstream can be caused by: |
| 1. | “Returns” which are triggered by downstream agents. |
| 2. | “Recalls” which are initiated by upstream decisions. |
| 3. | “Recycle” which include cooperative policies between upstream and downstream parties. |

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| Disposition of Material to secondary market can include: |
| 1. | Reuse |
| 2. | Remanufacture or Refurbish or Repair |
| 3. | Recycle |
| 4. | Disposal or Scrap |

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| A basic Reverse Supply Chain strategy can include: |
| Initial Asset Value |
| 🡪🡪🡪 | Recovery Cycle TimeRecovery Cycle CostRecovery Asset Value |  | 🡪🡪 | Efficient (Lean) Chain (Centralized)Responsive (Agile) Chain (Decentralized) |

**Primary Market vs. Secondary Market**

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| *Primary**Market* | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |
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| Evaluation & Disposition | 🡨 | Receive & Document | 🡨 |

*Reverse**Supply**Chain**Process*

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|  | DisposalOr Scrap |  | Recycle |  | RemanufactureOr RefurbishOr Repair |  | Reuse |  |

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| *Secondary**Market* | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |
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| Reuse | No modification. Return to Primary or Secondary Market. | Refunds or Exchanges |
| Repair | Modifications applied. Return to Secondary Market. | Repair or Maintenance |
| Recycle | Components, parts or material retrieved. Provide to Secondary Market or other markets. | Spare parts or Inventory. |
| Dispose | Destroy, incinerate or scrap. Eliminate or provide to scrap market. | Landfill. |

**Customer to Manufacturer**

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| *Primary**Market* | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |
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**Customer to Retailer to Manufacturer**

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| *Primary**Market* | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |
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**Customer to Third-party to Manufacturer**

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| *Primary**Market* | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |
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**Centralized**

**Cost – Large Inventory – Lean Supply Chain – Postponement – Functional Products**

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| *Primary**Market* | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |
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**Centralized**

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| **Evaluation & Disposition** | 🡨 | Receive & Document | 🡨 |

*Reverse**Supply**Chain**Process*

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|  | DisposalOr Scrap |  | Recycle |  | RemanufactureOr RefurbishOr Repair |  | Reuse |  |

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| *Secondary**Market* | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |
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**Decentralized**

**Service – Quick Response – Agile Supply Chain – Early Differentiation – Innovative Products**

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| *Primary**Market* | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |
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**Decentralized**

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| **Receive & Document Evaluation & Disposition** | 🡨 |

*Reverse**Supply**Chain**Process*

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|  | DisposalOr Scrap |  | Recycle |  | RemanufactureOr RefurbishOr Repair |  | Reuse |  |

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| *Secondary**Market* | Supplier | 🡪 | Manufacturer | 🡪 | Distributor | 🡪 | Retailer | 🡪 | Customer |
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| **Strategic Reverse Supply Chain Management** |
| *Opportunities* | *Barriers* |
| Increased Customer SatisfactionSecondary MarketsEnhanced InformationSustainability | Brand ErosionLogistics Costs & Low Profit MarginsCoordination & Top Management CommitmentMinimal Legal Issues |

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| **Green**Reverse Supply Chain Management | **Lean**Reverse Supply Chain Management | **Agile**Reverse Supply Chain Management |

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| **Smart**Reverse Supply ChainManagement | **Resilient**Reverse Supply ChainManagement |

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| **Commodity**Reverse Supply Chain Management | **Global**Reverse Supply Chain Management | **Service**Reverse Supply Chain Management |

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| *Supply Chain Management Overview:* |  |
|  |  | *Supply Chain Initiatives* |  |
|  |  | Lean(Cost,Waste) | Green(TBL,CSR) | Resilient(Risk) | Responsive(Agile) | Smart(Technology) |  |
| *Key Supply Chains* | Commodity Supply Chain |  |  |  |  |  |  |
| Global Supply Chain |  |  |  |  |  |  |
| Service Supply Chain |  |  |  |  |  |  |
| **Reverse** **Supply Chain**  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  | *Functions* | Inventory | Logistics | Relationships | Information | Strategy |  |
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