

LKQ Europe Partners with Think Tank “Project Zebra” to Strengthen Supply Chain Agility

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The industry leader in the automotive aftermarket is improving its ability to sense and adapt to the increasing volatility in its markets by participating in an innovative supply chain planning pilot project.

Zug, Switzerland. LKQ Europe is accelerating the move towards an efficient and sustainable supply chain by pushing for more innovation and digitalization. With rising complexity and volatility in the markets, traditional purchasing and inventory decisions fall short on taking related signals into account.

A chance to be ahead of the curve

“Project Zebra”, an open-source think tank founded in 2021, is a perfect environment to action on those challenges. It is an interdisciplinary group of business leaders, academics, and technologists, working together to drive supply chain improvement by applying outside-in management processes. LKQ Europe set up a cross-functional team composed of supply chain leaders and data analytics experts to implement the pilot into its business processes. Together with project partners, the initiating research company Supply Chain Insights, and o9 Solutions, a leading enterprise AI software platform provider, LKQ Europe will implement data-driven outside-in supply chain planning processes.

“Being selected as industry partner in Project Zebra’s research and using this new, innovative approach will enable us to sense customers and suppliers’ behavior to changing market conditions and see the impact on our business early-on. By making intelligent use of these market signals, we expect to significantly reduce the decision response time in supply chain planning,” says Claudia Martins, Vice President Logistics and Supply Chain at LKQ Europe. “With a more detailed forecast on supply and demand our planning will improve. We will be able to provide better services to our customers, by fostering our relationships with suppliers, saving time, resources, and cost.”

Using the data to its full potential

Automotive supply chains are driven by immense and diverse sets of data. This includes weather patterns, geolocation and telematics data, rating and review feedback, fuel prices, pallet and truck sensor data, and information from various smart devices. With Project Zebra, LKQ Europe can sense all the data surrounding its supply chain to create and improve AI-assisted demand sensing. This information will help building a master data layer to manage supply variability based on market shifts.

With that, LKQ Europe expects its supply chain planning to become more predictable and decision-making processes more agile.

“Today’s supply chains are not very good at sensing, so it is difficult for them to respond,” adds Igor Rikalo, President & Chief Operating Officer of o9 Solutions. “New planning capabilities can only be leveraged to their full potential if companies change their business models and planning processes. We are delighted to test this new outside-in approach and new forms of data analytics together with LKQ Europe and redefine its supply chain processes.”

This pilot has the potential to revolutionize supply chain planning and will help LKQ Europe to achieve its strategic goal of becoming the leading auto service system in Europe. It will run until September 2022.

About Supply Chain Insights

Supply Chain Insights is a research entity, focusing on delivering independent, actionable, and objective advice for supply chain leaders. It helps companies to understand supply chain trends, evolving technologies, and which metrics matter.

About o9 Solutions

o9 Solutions offers a leading AI-powered planning, analytics & data platform that helps companies across industry verticals to transform planning into smart, integrated, and intelligent planning. o9’s Digital Brain platform enables significant improvements in quality of data and the ability to detect demand and supply risks and opportunities earlier, allowing a more accurate forecast. It helps companies enabling a long-term, sustainable transformation of their end-to-end planning and decision-making capabilities.

About LKQ Europe

LKQ Europe, a subsidiary of LKQ Corporation, with its head office in Zug, Switzerland, is the leading distributor of automotive aftermarket parts for cars, commercial vans, and industrial vehicles in Europe. It currently employs approximately 26,000 people with a network of more than 1,000 branches and approximately \$6.1 billion in revenue in 2021. The organization supplies more than 100,000 independent workshops in over 20 European countries.

The group includes Euro Car Parts, LKQ Fource, RHIAG Group, Elit, LKQ CZ, and STAHLGRUBER Group, as well as recycling specialist, Atracco. LKQ also holds a minority interest in MEKO Group.

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