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## **EY and Equidato will present to the NEWMATEC 2018 Conference the unique concept of blockchain technology supporting automotive supply chain management**

**Ernst & Young (EY) and Equidato Technologies AG (Equidato) are pleased to announce that at the NEWMATEC 2018 Conference (13 to 14 March 2018, Partizán Hotel, Tále) they will jointly present a concept of automotive supply chain management support using blockchain technology.**

One of the biggest challenges which car makers currently face is undoubtedly the management of supplier relations. Manufacturers and large suppliers at higher supply chain levels typically use robust ERP systems, whereas suppliers at lower levels of the chain use less sophisticated solutions or even office applications. Heterogeneity and interconnectivity of IT environments and insufficient visibility of relevant information among individual actors in the supply chain represent the main technical problems requiring a response.

One of the possible solutions seems to be the use of innovative blockchain technology, which includes features such as a shared ledger of transactions, ensured trust without the need for central authority, a shared consensus principle and a timestamp. Last but not least, blockchain technology is capable of ensuring the availability, scalability, irreversibility and retrospective verifiability of transactions using the most advanced cryptographic algorithms.

The specific concept of blockchain technology use in automotive supply chain management is being jointly developed by EY, a global leader in provision of professional advisory services, and Equidato, a technology company developing the SophiaTX Blockchain platform, focused on integration of blockchain with enterprise systems of the ERP type. The companies plan to present their concept at the NEWMATEC 2018 Conference, which will take place on 13 and 14 March 2018 at the Partizán Hotel in Tále.

*“Slovakia ranks as the country with the highest per capita car production in the world. It is the home to three key manufacturing sites run by Volkswagen, Kia Motors and PSA Peugeot Citroën, which will be joined by Jaguar Land Rover in the second half of 2018. The NEWMATEC 2018 Conference offers an excellent opportunity to present our innovative concept, as it is a respected, knowledge-based forum focusing on new material, technology and innovation defining the trends in the automotive industry. Taking into consideration the fact that this conference will involve the participation of representatives of car manufacturers and a wide range of suppliers of automotive parts, we could not have chosen a better event to demonstrate our vision,”* explains **Jaroslav Kačina**, CEO of Equidato.

The main added value of the joint project of EY and Equidato is transparency in supply chain management, which brings more efficiency into the entire process, along with the not inconsiderable potential for cost savings. The solution will focus on the cycle of ordering



and supplying automotive parts, enabling the “visibility” of relevant information for all involved entities (car manufacturers and suppliers at all levels) with the aim of improving their individual, as well as joint decision-making. As a consequence of the future solution, lower extra costs associated with delays, omissions, inaccuracies, irregularities or turning the problem over to a partner from another supply chain layer, may be expected. This, in turn, should result in a reduced price of the final product and increased competitiveness on the market.

The future solution will also provide other advantages, such as access of all entities to up-to-date and reliable data on events in the supply chain, harmonization of data from various ERP systems and more targeted setting of production plans by OEM plants. Additionally, it will enable better verifiability of goods flow with regard to the just-in-time principle, stock optimization and last but not least, improved reaction of the entire supply chain to changes in orders and better analysis of the causes of supplier fluctuations. The solution even comes with the potential to use the data saved in the blockchain network as the basis for creating accounting records within the Order-to-Pay cycle (an order, delivery note, acceptance protocol and invoice).

*“I personally see the biggest benefit of our joint efforts in wedding Equidato’s deep technological know-how with EY’s global advisory service potential. This resulted in the unique concept of applying the disruptive blockchain technology and its integration with ERP solutions in the field of automotive supply chain management and monitoring. I have not the slightest doubt that this fantastic combination of technological and advisory art will be of interest, not only for the car manufacturers themselves, but also for all companies that are part of the expanding automotive chain within and beyond the Slovak Republic,”* says **Peter Borák**, Partner of EY Slovakia’s Advisory in Cyber Security.

#### **About Equidato**

*Equidato Technologies AG is a company focused on integration of blockchain with enterprise applications and technologies such as IoT sensors, smart printing and other advanced technologies forming the 'industries of the future' eco-system. Equidato Technologies AG is the author of SophiaTX Blockchain, a unique platform focused on integration of blockchain with SAP and other significant ERP, CRM and SCM systems, which expand the possibilities of enterprise applications with the trust and security that comes with blockchain technology.*

#### **About EY**

*EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leader who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.*

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