

JDA to Acquire Blue Yonder Frequently Asked Questions

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Background

On July 2, 2018, JDA Software, the leading provider of end-to-end supply chain and retail solutions, announced its acquisition of Blue Yonder, the market leader in artificial intelligence (AI) and machine learning (ML) SaaS solutions for demand management, supply chain and pricing optimization. The acquisition accelerates JDA's capabilities in digital transformations and accelerates its vision to deliver an autonomous supply chain™. JDA's acquisition of Blue Yonder is expected to close in August subject to competition agency approval.

Who is JDA?

JDA Software is the leading provider of end-to-end supply chain solutions that power today's digital transformations. JDA helps companies optimize delivery to customers by enabling them to better predict and shape demand, fulfill faster and more intelligently, and improve customer experiences and loyalty. More than 4,000 global customers use JDA's unmatched end-to-end software and SaaS solutions to unify and shorten their supply chains, increase speed of execution, and profitably deliver to their customers. JDA's world-class client roster includes 76 of the top 100 retailers, 77 of the top 100 consumer goods companies, and 8 of the top 10 global 3PLs. Backed by a rich 30-year history, a global workforce of more than 4,500 associates and an innovation focus that has resulted in more than 400 patents granted and pending, JDA is the only company ranked as a leader in all five of Gartner's Magic Quadrants for supply chain and retail assortment. Learn more about the company at www.jda.com

Who is Blue Yonder?

Founded in 2008 in Karlsruhe, Germany by former CERN scientist and professor Dr. Michael Feindt, Blue Yonder enables retailers to take a transformative approach to their core processes, automating complex decisions that deliver higher profits and customer value using artificial intelligence (AI). With AI embedded into their supply chain and merchandising processes, retailers can respond quicker to changing market conditions and customer dynamics, boosting revenues and increasing margins. Developed by one of the largest teams of PhD-level data scientists in retail, the Blue Yonder solution delivers hundreds of millions of decisions daily to international grocery, fashion and general merchandise retailers. The company has been awarded the Gartner Cool Vendor Award 2015, the Expert on Big Data Leader Award 2016 and the BT Retail Week Technology Award. You can learn more about the company at www.blue-yonder.com.

How many employees work at Blue Yonder?

Blue Yonder has 115 employees, most of which are located in Germany.

How many customers does Blue Yonder have?

Blue Yonder has 20+ customers including leading retailers like Morrisons, Otto, bonprix, Globus and others.

What is the strategy behind the acquisition?

Companies looking to digitally transform their supply chains require several things – best in class, end-to-end solutions, industry domain expertise and an ability to consume and quickly turn vast amounts of consumer and other data into actionable intelligence. The combination of JDA and Blue Yonder checks all of those boxes.

How does the acquisition impact JDA's product roadmap?

The acquisition will help advance and accelerate development of JDA's next-generation SaaS and Edge solutions, called [JDA Luminate](#).

- Blue Yonder's AI and ML capabilities will allow JDA to more quickly embed new levels of actionable intelligence across all areas of its SaaS solution roadmap, from planning to execution to labor management, to create significant value realization for customers.
- JDA's cognitive and digital [Luminate solutions](#), including the first-of-its-kind [Luminate ControlTower](#), which connects data and enables visibility across a company's extended supply chain, will benefit from Blue Yonder's proven, rich cognitive capabilities and powerful machine learnings to automate more profitable business decisions.
- Developing solutions that deliver innovation and rapid time-to-value through a SaaS approach is foundational to JDA's go-forward product roadmap and Blue Yonder's proven ability to deliver game-changing business value within 3-6 months supports that objective.

What are the benefits to JDA customers?

JDA's entire customer base will benefit from Blue Yonder's cognitive demand management capabilities. The acquisition capitalizes on the increasing importance of leveraging and connecting intelligent data and science to enable more profitable, autonomous supply chain decisions and powers customers' digital transformations. Additionally:

- JDA's global 4,000-plus customer base across all verticals will benefit from Blue Yonder's leading forecasting and replenishment solutions as AI and ML will enhance cognitive self-learning/healing capabilities.
- JDA's strategy to build value-added prescriptive solutions for retail and supply chain planning (pricing, promotion, markdown, assortment, inventory, distribution, and master planning) will be accelerated by leveraging Blue Yonder's proven, advanced AI algorithms.
- The addition of Blue Yonder's full Life-Cycle Price Optimization and Store Replenishment solutions to the JDA solutions portfolio will offer JDA's retail and CPG customers with immediate opportunities to dynamically improve their pricing, promotions, markdowns and replenishment capabilities and realize profitable growth.

- Blue Yonder's advanced forecasting drives substantial benefits to fast and short lifecycle products, including the fresh food chain. JDA will incorporate these advances to further enhance volatile and perishable products handling from supplier to consumer.

What are the benefits to Blue Yonder customers?

This acquisition brings size, scale and other benefits to Blue Yonder's customers, including:

- JDA's 30+ year heritage of innovation and global thought leadership in retail and supply chain, with a large dedicated workforce focused on delivering value to large customers with innovative solutions and services.
- Recognized leader across all major verticals – retail, manufacturing and distribution – with deep, real-world experience solving some of the world's toughest supply chain and retail problems
- Unprecedented solution breadth, from planning to execution to labor management, allowing customers to access world-class solutions from a single industry leader.
- A large community of more than 4,000 customers and more than 40 different special interest groups that facilitate networking, best practices sharing and continuous learning

What does a combined product portfolio look like? Is there any solution overlap?

JDA possesses a robust end-to-end solution portfolio, but there is minimal solution overlap in the areas of pricing optimization and forecasting replenishment. The addition of Blue Yonder fills key gaps or improves those of JDA through the following:

- **Actionable, autonomous intelligence** - Blue Yonder's leading forecasting and replenishment solutions will enhance JDA's autonomous capabilities.
- **Cognitive planning** - JDA's prescriptive solutions for retail and supply chain planning (pricing, promotion, markdown, assortment, inventory, distribution, and master planning) will be accelerated by leveraging Blue Yonder's proven advanced AI algorithms.
- **Pricing/Replenishment Optimization** - Blue Yonder's full Life-Cycle Price Optimization and Store Replenishment solutions offers customers with immediate opportunities to dynamically improve their pricing, promotions, markdowns and replenishment capabilities and realize profitable growth.
- **Advanced Forecasting** - Blue Yonder's advanced forecasting drives substantial benefit to fast and short lifecycle products, benefitting the fresh food chain and leading to less waste, optimized labor and better sustainability

How does this impact the JDA Luminate roadmap?

The acquisition will accelerate the development of JDA's Luminate SaaS offerings across demand, planning and execution capabilities. Blue Yonder's advanced AI and ML capabilities will become embedded in JDA's Luminate products.

Since they are SaaS solutions, will the Blue Yonder products fall under the JDA Luminate brand umbrella?

Yes. The Blue Yonder products will become a key part of JDA's Luminate solutions offering.

Who from the Blue Yonder executive team will join JDA? What will their roles be?

Blue Yonder founder, former CERN physicist and KIT professor Dr. Michael Feindt will provide ongoing thought and innovation leadership to both companies, and CEO Uwe Weiss will join JDA's Operating Committee.

Do JDA and Blue Yonder share any joint customers?

JDA and Blue Yonder both count Morrison's, the fourth-largest supermarket chain in the United Kingdom, as well as several others. Some of Blue Yonder's other customers include The Otto Group, Kaufland, Ernsting's family, bonprix and Globus. JDA's customer roster features 76 of the top 100 retailers and 77 of the top 100 consumer goods companies in the world. Some of JDA's customers include industry leaders such as Marks and Spencer, Lowes, Walgreens, Aldi, Home Depot, Heineken, Unilever, Procter & Gamble, PepsiCo, Michelin, Henry Schein, DHL, and many, many more among their 4,000 global customers.

Do JDA and Blue Yonder have any joint partners?

Microsoft and McKinsey & Company are two of Blue Yonder's most strategic partners. Both also have strong alliances and strategic relationships with JDA.

Will JDA continue to support Blue Yonder's partners?

Yes, JDA looks forward to continuing to serve and grow the relationships with all of Blue Yonder's partner community.

Will Blue Yonder change its name?

We do not plan to change the Blue Yonder name. The company will operate as Blue Yonder, a JDA Company.

When will the transaction close?

JDA's acquisition of Blue Yonder is expected to close in August subject to competition agency approval.