CLEVELAND-CLIFFS INC.

Product Capability and Feasibility During Order Entry

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27.04.21

AGENDA

1 – The Company

2 – Motivation

3 – The Solution

4 – Architecture

5 – Technical Background

THE COMPANY

Key Highlights

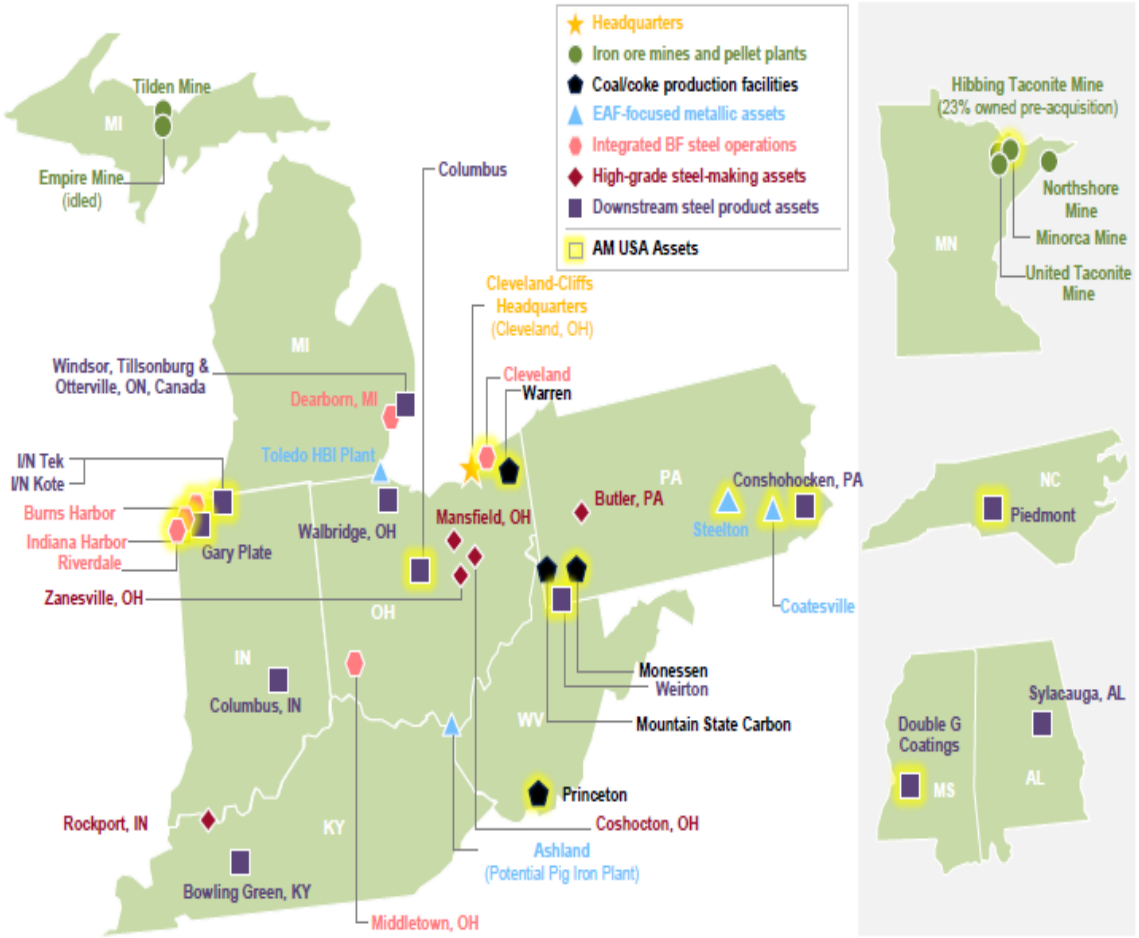
Headquartered in Cleveland since 1847

$17.1 billion
Pro-Forma FY 2019 Revenues[1]

$1.6 billion
Pro-Forma FY 2019 Adjusted EBITDA[2]

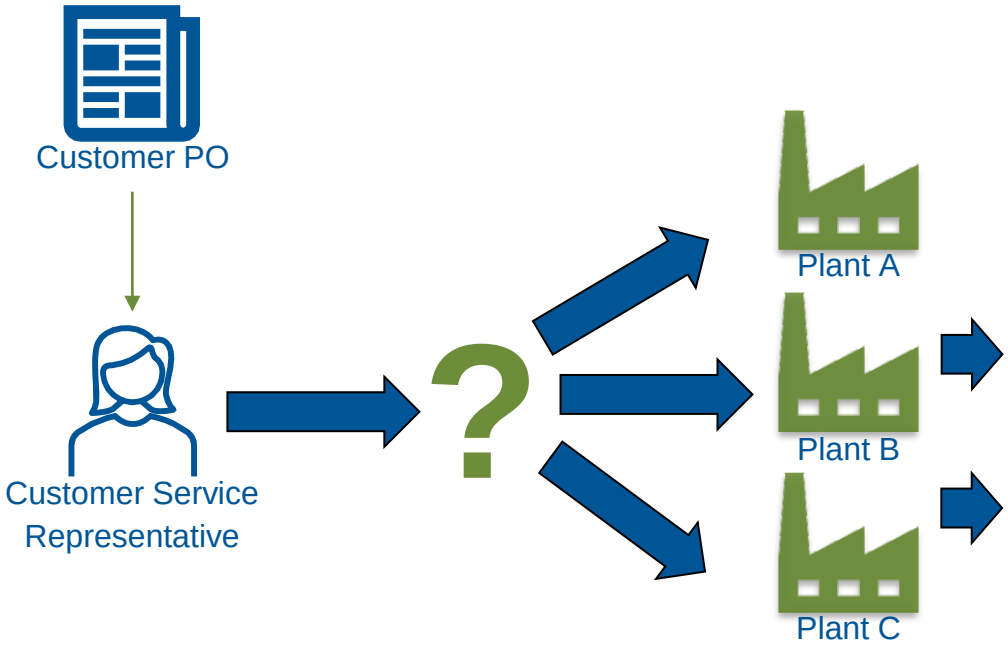
25,000
Employees as of December 2020

NYSE:CLF



Source: Cleveland-Cliffs and AK Steel filings.
Note: Revenues and Adjusted EBITDA are approximate figures
(1) Pro-Forma LTM revenues exclude intercompany sales.
(2) Pro-Forma Cleveland-Cliffs includes $150m in anticipated synergies.

MOTIVATION



Production Routes

Cast	Hot Roll	Cold Roll	Coat	Finish
Plant A	Plant A	Plant A	Plant A	Plant C
Plant B	Plant B	Plant B	Plant B	Plant C
Plant A	Plant A	Plant B	Plant B	Plant C
Plant B	Plant B	Plant A	Plant A	Plant C
Plant A	Plant A	Plant B	Plant C	Plant C

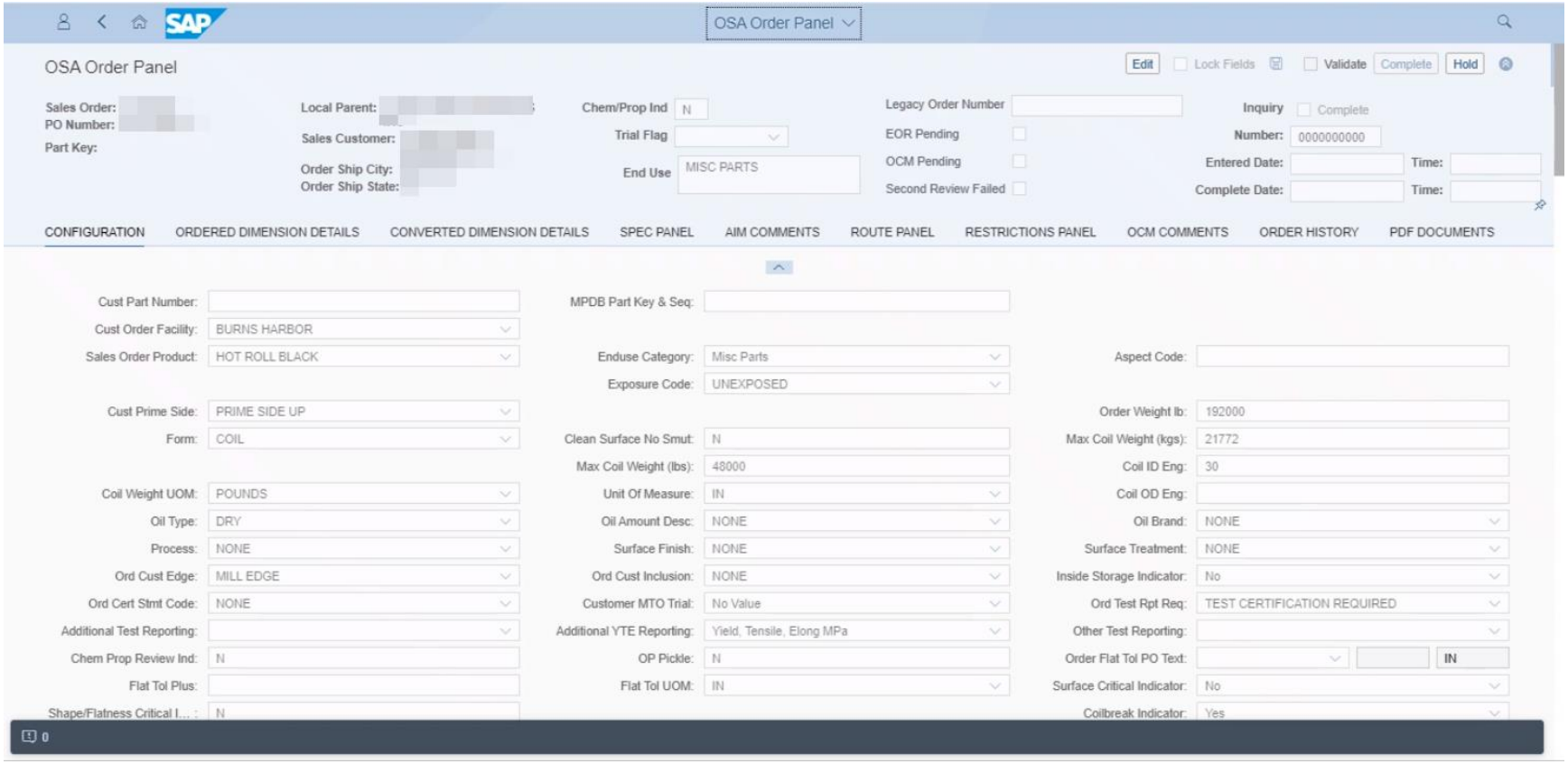
As an example, the routes highligted would be selected, due to mill limits constraints.

Order Entry Process

- CSR receives a Purchase Order from the Customer.
- When defining the product attributes, Quality may need to review the product specification to determine if it feasible to produce it, and if it is, what plants are capable.
- This process is called ***Technical Review***, and it is required before the order can be confirmed and a delivery date can be determined.

THE SOLUTION

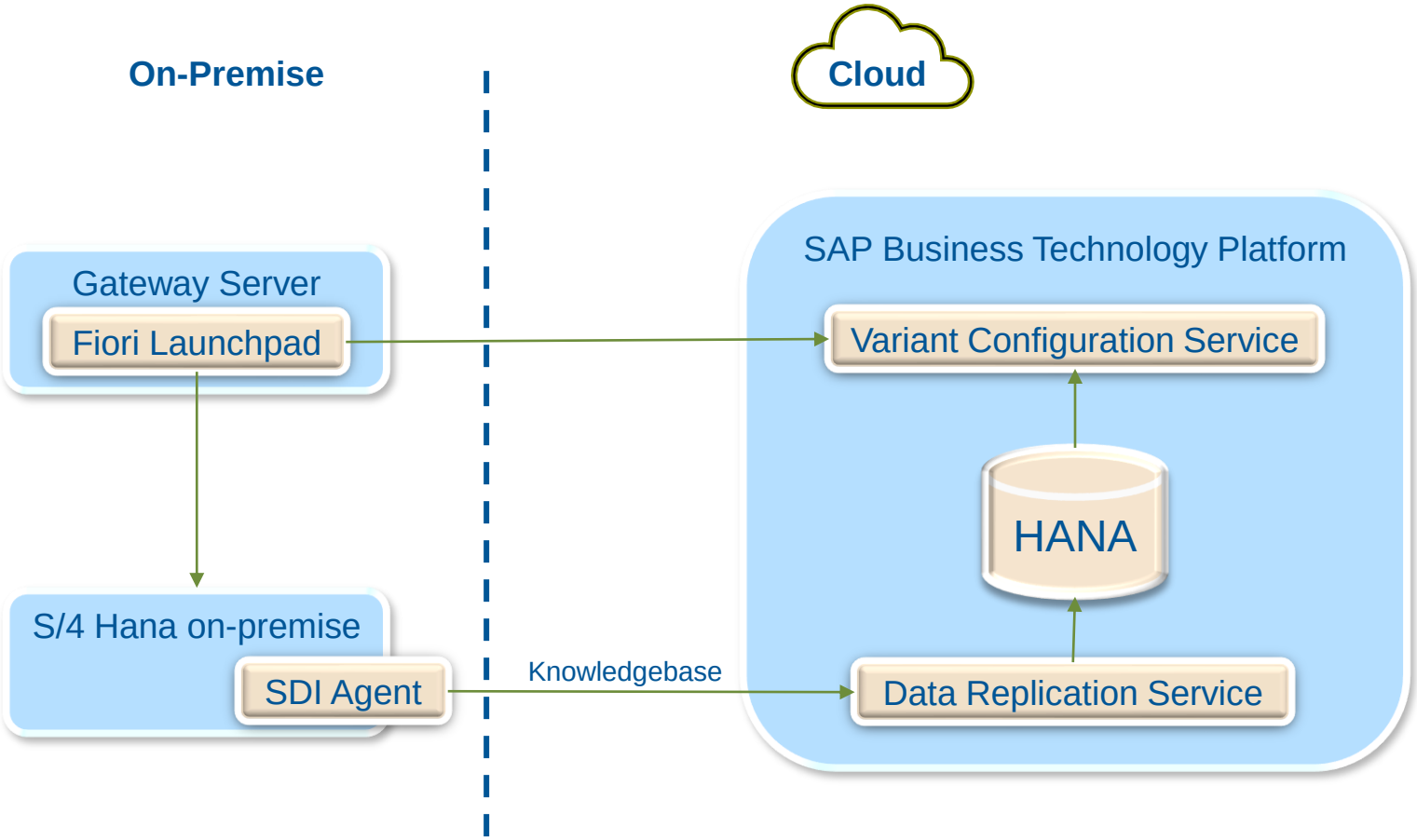
The Order Spec Analyst (OSA) Panel



This application is a representation of the Sales Order in Fiori, with complete Variant Configuration functionality.

CLIFFS
CLEVELAND-CLIFFS INC.

ARCHITECTURE



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TECHNICAL BACKGROUND – HIGHLIGHTS

- **7 Groups of Products**
- **Around 60,000 Materials**
- **Over 250 Characteristics per Material**
- **15+ Steelmaking/Finishing Plants**
- **400+ Production Routes**

Implementation

- Partnership with SAP
- Timeline: part of a bigger scope project that took 18 months to implement

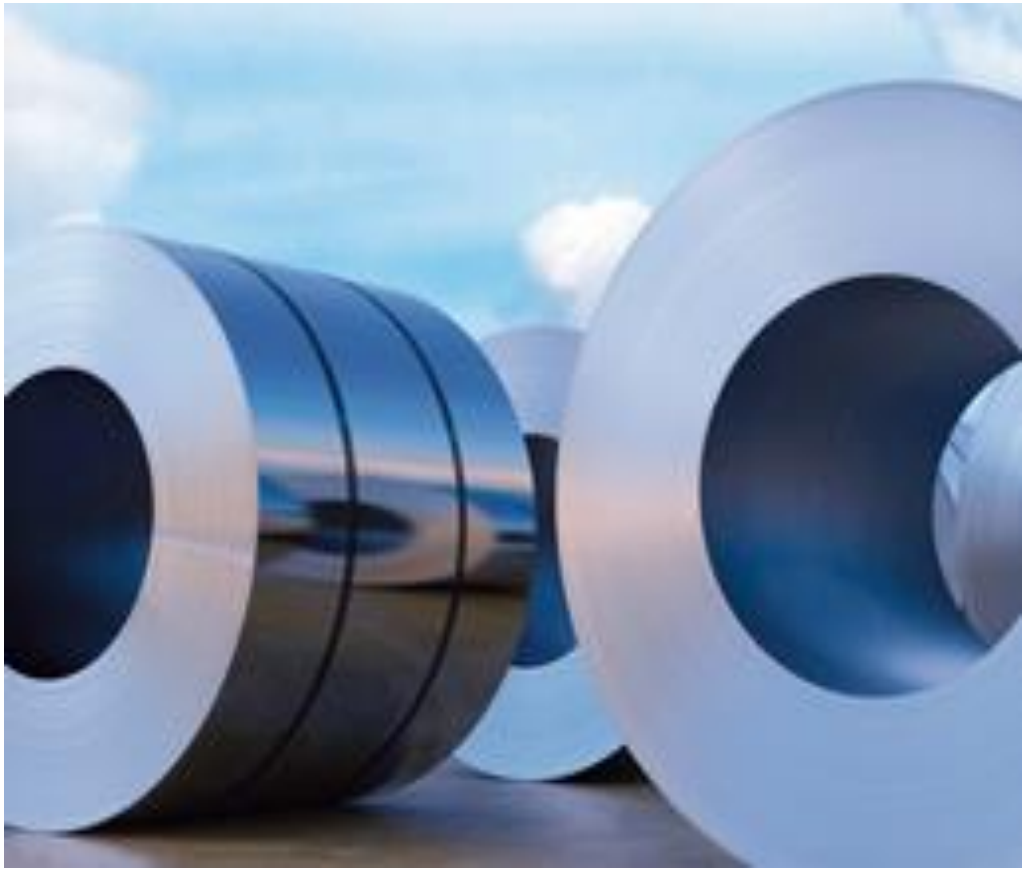
Benefits

- Reduce time to enter orders
- Business Process streamlined, by reducing systems complexity
- More accurate Order Entry
- Reduce the number of manual order reviews
- Data standardization

Additional information

- Technology used: **SAP Variant Configuration and Pricing - SAP Help Portal**
- Check on note **2695561 - Standard Variant Functions for common use cases - SAP ONE Support Launchpad**

THANK YOU



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