Gartner Supply Chain Top 25 Results for 2020

Initiatives:Supply Chain Strategy, Leadership and Governance

Gartner's Supply Chain Top 25 identifies leading companies and highlights their best practices for supply chain leaders. This research shares the performance results of the top companies, including industry-specific views, for our 16th annual ranking.

Overview

Key Findings

- For the first time, Cisco Systems landed the No. 1 spot, followed by Colgate-Palmolive, Johnson & Johnson, Schneider Electric, and Nestlé. The Masters category, which recognizes sustained leadership over the past 10 years, consists of Amazon, Apple, McDonald's, P&G and Unilever.

- Six new companies made this year's list — AbbVie, Biogen, British American Tobacco, Kimberly-Clark, Lenovo and Reckitt Benckiser.

- There is a diverse set of companies in the No. 26 to No. 50 rank this year, with continued broad industry and geographic representation.

Recommendations

Chief supply chain officers (CSCOs) and supply chain leaders can learn from the strategy and leadership of the top global supply chains, and:

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Clearly define and communicate your supply chain's broader purpose in the world to inspire customers, employees and partners to act ethically and sustainably in support of the global community.

- Position your organization to be a disruptor by infusing agility into existing capabilities or acquiring startups offering the expertise and DNA necessary to compete in new or reinvented markets.

- Create a digital orchestration culture in your organization by investing in rapid and open innovation that is sourced from both internal talent and external partners with specialized skills and technologies.

Analysis

Each year, we determine the companies to include in the Supply Chain Top 25 study by starting with the combined Fortune Global 500 and Forbes Global 2000 lists. In an effort to have a manageable number of companies in the study, a $12-billion minimum revenue threshold is applied. We also remove companies that do not have supply chains for physical products, as well as supply chains with unique characteristics that distort the financial metrics used in the ranking. Finally, we eliminate companies that do not have up-to-date publicly available financial data. The final list typically consists 250 to 300 companies.

In addition to this note, be sure to read our geographic and industrial cuts of the Global Top 25 results published beginning in June.

Business Data

The quantitative part of the Supply Chain Top 25 is composed of three financial metrics and an environmental, social, governance (ESG) metric that are combined to create a weighted average score. This score represents 50% of a company's total composite score. The following is the list of metrics used and how they're calculated:

- ROPA — Operating income / net property, plant, equipment and year-end inventory

- Inventory turns — Cost of goods sold / quarterly average inventory

- Revenue growth — Change in revenue from prior fiscal year

- ESG — Index of third-party ESG measures

We use a three-year weighted average for the ROPA and revenue growth metrics. The yearly weightings are as follows: 50% for 2019, 30% for 2018 and 20% for 2017. For inventory, we use a

ranking. The results highlight companies that are not only engaged in supply chain process innovations with exemplary outcomes, but that also share what they're doing with the supply chain community at large and provide leadership to others.

The opinion component is determined by two independent panels — a Gartner analyst expert panel and a global peer panel. The results from both panels represent 50% of a company's total composite score, evenly weighted at 25% from each panel. Panelists are asked to force-rank the Supply Chain Top 25 companies they select from a broader list of 250 to 300, from No. 1 to No. 25, with No. 1 being the company most closely fitting the ideal of running a demand-driven value network (DDVN). Individual votes are tallied across the entire panel, with 25 points earned for a No. 1 ranking, 24 points for a No. 2 ranking and so on. The Gartner analyst panel and the peer panel use the same exact online polling procedure.

Global Peer Panel: The goal of the peer panel is to draw on the extensive knowledge of the professionals who, as customers and/or suppliers, interact and have direct experience with the companies being ranked. Additional knowledge of companies on the list is gained by exposure to periodicals, websites, white papers and conferences. Supply chain professionals and academia are also eligible to be on the panel. However, only one panelist per company or academic institution is accepted. Excluded from the panel are consultants, technology vendors and people who don't work in supply chain roles (such as public relations, marketing or finance).

Gartner Analyst Panel: The Gartner panel is composed of both industry and functional analysts, each of whom draws on their primary field research and continuous study of companies in their coverage area. Analyst voters utilize the same online voting system as the peer panel.
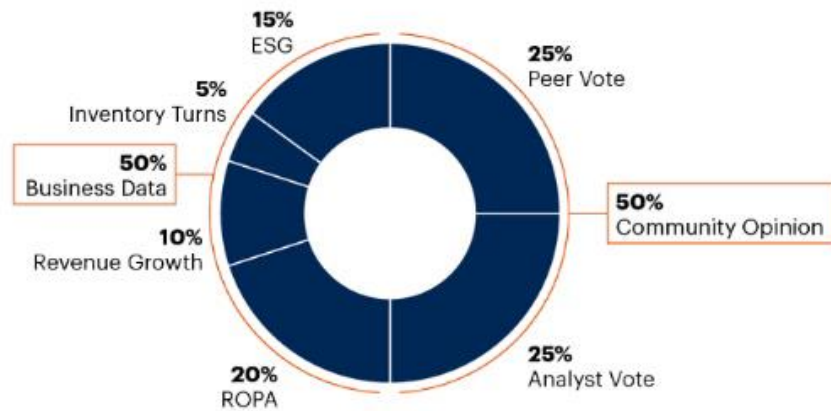
Please note that there are more peer voters than Gartner voters, so the peer points will appear higher than the Gartner points. In 2020, the largest number of peer points for any company was 2,123 and the largest number of Gartner points was 697.

Scoring

All this information — the four business data points and two opinion votes — is normalized onto a 10-point scale and then aggregated (using the aforementioned weighting) into a total composite score for each company. The composite scores are then sorted in descending order to arrive at the final Supply Chain Top 25 ranking (see Figure 2).

Figure 2: 2020 Gartner Supply Chain Top 25 Scoring Methodology

2020 Gartner Supply Chain Top 25 Scoring Methodology

15%
ESG

5%
Inventory Turns

50%
Business Data

10%
Revenue Growth

20%
ROPA

25%
Peer Vote

50%
Community Opinion

25%
Analyst Vote

n = 292
Source: Gartner
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In 2015, we introduced a new category to highlight the accomplishments and capabilities of long-term leaders. We refer to these companies as supply chain "Masters" and define them as having attained top-five composite scores for at least seven out of the last 10 years. To be clear, this category is separate from the overall Supply Chain Top 25 list, but it is not a retirement from being evaluated as part of our annual research. To the contrary, if a "Masters" company were to fall out of having a top-five composite score for long enough, it would lose this designation and be considered as part of the Supply Chain Top 25 ranking in the same way as any other company in our study.

All of last year's Masters, Amazon, Apple, McDonald's, P&G, and Unilever qualified for this category again in 2020 (see Figure 3).

Figure 3: Gartner Supply Chain Masters 2020

Gartner Supply Chain Masters 2020

Amazon
Years With Top-Five Composite Score

2011	2012	2013
2014	2015	2016
2017	2018	2019

Apple
Years With Top-Five Composite Score

2010	2011	2012
2013	2014	2015
2016	2017	2018
2019	2020	

McDonald's
Years With Top-Five Composite Score

2012	2013	2014
2015	2016	2017
2018	2019	

P&G
Years With Top-Five Composite Score

2010	2011	2012
2014	2015	2016
2017	2018	2019
2020		

Unilever
Years With Top-Five Composite Score

2013	2014	2015
2016	2017	2018
2019	2020	

Source: Gartner
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Results

The following tables reflect the top-ranked companies from Gartner's 2020 Supply Chain Top 25 study. The first two tables show No. 1 through 25 and No. 26 through 50. The remaining eight results tables contain the top-ranked companies by industry segment. The A&D and Chemical tables display all ranked companies in the 2020 study from these two industries. Consistent with last year, the Automotive table displays the five top-ranked automotive companies.

Table 1: The Gartner Supply Chain Top 25 for 2020

Table 1. The Gartner Supply Chain Top 25 for 2020

Rank	Company	Peer Opinion[a] (151 voters) (25%)	Gartner Opinion[a] (44 voters) (25%)	3-Year Weighted ROPA[b] (20%)	Inventory Turns[b] (5%)	3-Year Weighted Revenue Growth[c] (10%)	ESG Component Score[b] (15%)	Composite Score[b]
1	Cisco Systems	470	574	300.7%	12.5	2.9%	10.00	6.25
2	Colgate-Palmolive	1113	532	68.8%	4.7	1.0%	10.00	5.37
3	Johnson & Johnson	885	454	77.6%	3.0	3.6%	8.00	4.65
4	Schneider Electric	567	453	63.0%	5.4	4.2%	10.00	4.48
5	Nestlé	1084	350	40.0%	4.8	1.2%	10.00	4.44
6	PepsiCo	857	385	47.9%	8.2	2.7%	10.00	4.42
7	Alibaba	991	316	106.7%	23.9	54.0%	0.00	4.39
8	Intel	583	488	37.4%	3.5	5.8%	8.00	4.12
9	Inditex	737	351	34.7%	4.6	6.8%	10.00	4.11
10	L'Oréal	677	252	71.1%	2.8	7.4%	10.00	4.01
11	Walmart	1333	324	13.2%	8.5	2.4%	7.00	4.00
12	HP Inc.	296	389	51.1%	8.5	5.5%	10.00	3.87
13	Coca-Cola	1195	207	75.4%	4.4	0.0%	6.00	3.74
14	Diageo	403	280	41.4%	0.9	6.2%	10.00	3.49
15	Lenovo	387	307	16.9%	11.2	7.0%	10.00	3.44
16	Nike	768	265	47.2%	4.0	6.7%	6.00	3.35
17	AbbVie	128	30	262.4%	4.1	7.6%	5.00	3.20
18	BMW	575	182	24.8%	3.9	4.2%	10.00	3.17
19	Starbucks	799	202	52.6%	13.0	7.7%	4.00	2.99

Rank	Company	Peer Opinion[1] (151 voters) (25%)	Gartner Opinion[1] (44 voters) (25%)	3-Year Weighted ROPA[2] (20%)	Inventory Turns[3] (5%)	3-Year Weighted Revenue Growth[4] (10%)	ESG Component Score[5] (15%)	Composite Score[6]
20	H&M	412	161	22.4%	2.8	7.7%	10.00	2.95
21	British American Tobacco	154	56	85.6%	0.7	18.1%	9.00	2.90
22	3M	624	207	54.1%	3.9	1.1%	6.00	2.90
23	Reckitt Benckiser	265	14	99.0%	3.8	8.2%	9.00	2.79
24	Biogen	79	27	152.2%	2.5	7.6%	7.00	2.78
25	Kimberly-Clark	534	80	34.6%	6.6	0.2%	10.00	2.76

(1) Gartner Opinion and Peer Opinion based on each panel's forced-rank ordering against the definition of "DDVN Orchestrator."
(2) ROPA: ([2019 operating income / (2019 net property, plant, equipment + year-end inventory)] x 50%) + ([2018 operating income / (2018 net property, plant, equipment + year-end inventory)] x 30%) + ([2017 operating income / (2017 net property, plant, equipment + year-end inventory)] x 20%).
(3) Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.
(4) Revenue Growth: ([change in revenue 2019-2018] x 50%) + ([change in revenue 2018-2017] x 30%) + ([change in revenue 2017-2016] x 20%).
(5) ESG Component Score: Index of third-party environmental, social and governance measures of commitment, transparency and performance.
(6) Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).
2019 data used where available. Where unavailable, latest available full-year data used.
All raw data normalized to a 10-point scale, prior to composite calculation.
"Ranks" for tied composite scores are determined using next decimal point comparison.

Table 2. The Gartner Supply Chain Top 25 for 2020: Next 25

Rank	Company	Peer Opinion[1] (151 voters) (25%)	Gartner Opinion[1] (44 voters) (25%)	3-Year Weighted ROPA[2] (20%)	Inventory Turns[2] (5%)	3-Year Weighted Revenue Growth[4] (10%)	ESG Component Score[5] (15%)	Composite Score[6]
26	General Mills	360	57	53.4%	6.9	2.7%	10.00	2.70
27	CVS Health	140	71	30.2%	13.1	18.2%	10.00	2.68
28	Danone	419	39	45.8%	6.6	3.7%	10.00	2.66
29	Dell Technologies	397	260	9.3%	19.4	10.7%	5.00	2.59
30	Novo Nordisk	308	134	82.9%	1.1	4.6%	6.00	2.58
31	adidas	564	185	33.8%	3.1	7.9%	5.00	2.57
32	Nokia	67	203	21.6%	4.3	0.5%	10.00	2.53
33	Amgen	147	10	120.6%	1.3	0.2%	8.00	2.49
34	Samsung Electronics	625	90	33.8%	8.5	1.2%	7.00	2.48
35	BASF	373	191	15.4%	3.6	0.0%	8.00	2.48
36	Novartis	321	25	49.7%	2.3	2.2%	10.00	2.47
37	Lockheed Martin	29	49	68.8%	14.7	9.0%	9.00	2.46
38	GlaxoSmithKline	284	93	47.0%	1.8	7.0%	8.00	2.45
39	Hewlett Packard Enterprise	132	79	50.3%	8.5	-1.7%	10.00	2.43

Rank	Company	Peer Opinion[1] (151 voters) (25%)	Gartner Opinion[1] (44 voters) (25%)	3-Year Weighted ROPA[2] (20%)	Inventory Turns[3] (5%)	3-Year Weighted Revenue Growth[4] (10%)	ESG Component Score[5] (15%)	Composite Score[6]
40	Qualcomm	109	2	135.4%	5.2	3.1%	6.00	2.33
41	Bayer	248	3	29.5%	1.5	10.8%	10.00	2.31
42	Toyota Motor	626	68	18.0%	9.1	2.8%	7.00	2.31
43	Siemens	243	53	25.4%	4.0	3.2%	10.00	2.29
44	AB InBev	335	43	52.4%	4.5	2.3%	8.00	2.29
45	Philips	198	9	43.9%	3.6	4.7%	10.00	2.28
46	Home Depot	416	156	39.9%	4.8	4.4%	5.00	2.28
47	Abbott	257	5	34.0%	3.1	11.9%	9.00	2.26
48	General Motors	223	78	15.6%	9.9	-3.5%	10.00	2.24
49	Kellogg	262	6	34.2%	7.3	1.6%	10.00	2.21
50	Sanofi	121	37	37.4%	1.5	3.2%	10.00	2.18

(1) Gartner Opinion and Peer Opinion based on each panel's forced-rank ordering against the definition of "DDVN Orchestrator."
(2) ROPA: ([2019 operating income / (2019 net property, plant, equipment + year-end inventory)] x 50%) + ([2018 operating income / (2018 net property, plant, equipment + year-end inventory)] x 30%) + ([2017 operating income / (2017 net property, plant, equipment + year-end inventory)] x 20%).
(3) Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.
(4) Revenue Growth: ([change in revenue 2019-2018] x 50%) + ([change in revenue 2018-2017] x 30%) + ([change in revenue 2017-2016] x 20%).
(5) ESG Component Score: Index of third-party environmental, social and governance measures of commitment, transparency and performance.
(6) Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).
2019 data used where available. Where unavailable, latest available full-year data used.

Table 3. Gartner Supply Chain Top 25 for 2020: A&D

2020 A&D Rank	2020 Overall Rank	Company	3-Year Weighted ROPA[1]	Inventory Turns[2]	3-Year Weighted Revenue Growth[3]	ESG Component Score[4]	Composite Score[5]
1	37	Lockheed Martin	68.8%	14.7	9.0%	9.00	2.46
2	97	Airbus	3.8%	1.7	5.4%	4.00	1.23
3	101	Raytheon	36.7%	3.1	7.0%	3.00	1.17
4	113	United Technologies	39.0%	5.2	12.2%	1.00	0.96
5	118	Boeing	6.3%	1.0	-9.8%	1.00	0.40

(1) ROPA: [(2019 operating income / (2019 net property, plant, equipment + year-end inventory)] x 50%) + [(2018 operating income / (2018 net property, plant, equipment + year-end inventory)] x 30%) + [(2017 operating income / (2017 net property, plant, equipment + year-end inventory)] x 20%].

(2) Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.

(3) Revenue Growth: (Change in revenue 2019-2018) x 50% + (change in revenue 2018-2017) x 30% + (change in revenue 2017-2016) x 20%.

(4) ESG Component Score: Index of third-party corporate social responsibility measures of commitment, transparency and performance.

(5) Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).

2019 data used where available. Where unavailable, latest available full-year data used. All raw data normalized to a 10-point scale prior to composite calculation.

"Ranks" for tied composite scores are determined using next decimal point comparison.

Table 4. Gartner Supply Chain Top 25 for 2020: Automotive

2020 Automotive Rank	2020 Overall Rank	Company	3-Year Weighted ROPA[1]	Inventory Turns[2]	3-Year Weighted Revenue Growth[3]	ESG Component Score[4]	Composite Score[5]
1	18	BMW	24.8%	3.9	4.2%	10.00	3.17
2	42	Toyota Motor	18.0%	9.1	2.8%	7.00	2.31
3	48	General Motors	15.6%	9.9	-3.5%	10.00	2.24
4	58	Ford Motor Company	8.5%	11.2	0.0%	10.00	2.03
5	74	Volkswagen	13.0%	3.5	5.5%	7.00	1.72

[1] ROPA: [(2019 operating income / (2019 net property, plant, equipment + year-end inventory)] x 50%] + [(2018 operating income / (2018 net property, plant, equipment + year-end inventory)] x 30%] + [(2017 operating income / (2017 net property, plant, equipment + year-end inventory)] x 20%].

[2] Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.

[3] Revenue Growth: (Change in revenue 2019-2018) x 50% + (change in revenue 2018-2017) x 30% + (change in revenue 2017-2016) x 20%.

[4] ESG Component Score: Index of third-party corporate social responsibility measures of commitment, transparency and performance.

[5] Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).

2019 data used where available. Where unavailable, latest available full-year data used. All raw data normalized to a 10-point scale prior to composite calculation.

"Ranks" for tied composite scores are determined using next decimal point comparison.

Source: Gartner (June 2020)

Table 5. Gartner Supply Chain Top 25 for 2020: Chemical

2020 Chemical Rank	2020 Overall Rank	Company	3-Year Weighted ROPA[1]	Inventory Turns[2]	3-Year Weighted Revenue Growth[3]	ESG Component Score[4]	Composite Score[5]
1	35	BASF	15.4%	3.6	0.0%	6.00	2.46
2	52	Ecolab	39.5%	5.5	3.7%	10.00	2.15
3	66	Dow Inc.	14.9%	5.6	1.6%	6.00	1.90

(1) ROPA: ([2019 operating income / (2019 net property, plant, equipment + year-end inventory)] x 50%) + ([2018 operating income / (2018 net property, plant, equipment + year-end inventory)] x 30%) + ([2017 operating income / (2017 net property, plant, equipment + year-end inventory)] x 20%).
(2) Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.
(3) Revenue Growth: (Change in revenue 2019-2018) x 50% + (change in revenue 2018-2017) x 30% + (change in revenue 2017-2016) x 20%.
(4) ESG Component Score: Index of third-party corporate social responsibility measures of commitment, transparency and performance.
(5) Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).
2019 data used where available. Where unavailable, latest available full-year data used. All raw data normalized to a 10-point scale prior to composite calculation.
"Ranks" for tied composite scores are determined using next decimal point comparison.

Source: Gartner (June 2020)

Table 6. Gartner Supply Chain Top 25 for 2020: Consumer Products

2020 Consumer Products Rank	2020 Overall Rank	Company	3-Year Weighted ROPA[1]	Inventory Turns[2]	3-Year Weighted Revenue Growth[3]	ESG Component Score[4]	Composite Score[5]
1	2	Colgate-Palmolive	66.8%	4.7	1.0%	10.00	5.37
2	5	Nestlé	40.0%	4.8	1.2%	10.00	4.44
3	6	PepsiCo	47.9%	8.2	2.7%	10.00	4.42
4	10	L'Oréal	71.1%	2.8	7.4%	10.00	4.01
5	13	Coca-Cola	75.4%	4.4	0.0%	6.00	3.74
6	14	Diageo	41.4%	0.9	6.2%	10.00	3.49
7	16	Nike	47.2%	4.0	6.7%	6.00	3.35
8	21	British American Tobacco	85.6%	0.7	18.1%	9.00	2.90
9	23	Reckitt Benckiser	99.0%	3.8	6.2%	9.00	2.79
10	25	Kimberly-Clark	34.6%	6.6	0.2%	10.00	2.76

(1) ROPA: {[2019 operating income / [2019 net property, plant, equipment + year-end inventory]] x 50%} + {[2018 operating income / [2018 net property, plant, equipment + year-end inventory]] x 30%} + {[2017 operating income / [2017 net property, plant, equipment + year-end inventory]] x 20%}.
(2) Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.
(3) Revenue Growth: (Change in revenue 2019–2018) x 50% + (change in revenue 2018–2017) x 30% + (change in revenue 2017–2016) x 20%.
(4) ESG Component Score: Index of third-party corporate social responsibility measures of commitment, transparency and performance.
(5) Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).
2019 data used where available. Where unavailable, latest available full-year data used. All raw data normalized to a 10-point scale prior to composite calculation.
"Ranks" for tied composite scores are determined using next decimal point comparison.

Source: Gartner (June 2020)

Table 7. Gartner Supply Chain Top 25 for 2020: High Tech

2020 High Tech Rank	2020 Overall Rank	Company	3-Year Weighted ROPA[1]	Inventory Turns[2]	3-Year Weighted Revenue Growth[3]	ESG Component Score[4]	Composite Score[5]
1	1	Cisco Systems	300.7%	12.5	2.9%	10.00	6.25
2	8	Intel	37.4%	3.5	5.8%	8.00	4.12
3	12	HP Inc.	51.1%	8.5	5.5%	10.00	3.87
4	15	Lenovo	16.9%	11.2	7.0%	10.00	3.44
5	29	Dell Technologies	9.3%	19.4	10.7%	5.00	2.59
6	32	Nokia	21.6%	4.3	0.5%	10.00	2.53
7	34	Samsung Electronics	33.8%	8.5	1.2%	7.00	2.48
8	39	Hewlett Packard Enterprise	50.3%	8.5	-1.7%	10.00	2.43
9	40	Qualcomm	135.4%	5.2	3.1%	6.00	2.33
10	45	Phillips	43.9%	3.6	4.7%	10.00	2.26

(1) ROPA: [(2019 operating income / (2019 net property, plant, equipment + year-end inventory)) x 50%] + [(2018 operating income / (2018 net property, plant, equipment + year-end inventory)) x 30%] + [(2017 operating income / (2017 net property, plant, equipment + year-end inventory)) x 20%].
(2) Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.
(3) Revenue Growth: (change in revenue 2019-2018) x 50% + (change in revenue 2018-2017) x 30% + (change in revenue 2017-2016) x 20%.
(4) ESG Component Score: Index of third-party corporate social responsibility measures of commitment, transparency and performance.
(5) Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).
2019 data used where available. Where unavailable, latest available full-year data used. All raw data normalized to a 10-point scale prior to composite calculation.
"Ranks" for tied composite scores are determined using next decimal point comparison.

Table 8. Gartner Supply Chain Top 25 for 2020: Industrial

2020 Industrial Rank	2020 Overall Rank	Company	3-Year Weighted ROPA[1]	Inventory Turns[2]	3-Year Weighted Revenue Growth[3]	ESG Component Score[4]	Composite Score[5]
1	4	Schneider Electric	63.0%	5.4	4.2%	10.00	4.46
2	22	3M	54.1%	3.9	1.1%	6.00	2.90
3	43	Siemens	25.4%	4.0	3.2%	10.00	2.29
4	57	Caterpillar	30.9%	3.1	8.9%	6.00	2.08
5	72	Electrolux	10.3%	5.3	0.2%	10.00	1.76
6	73	Cummins	30.7%	4.7	7.8%	6.00	1.72
7	77	Deere & Co.	35.1%	3.9	13.0%	5.00	1.67
8	80	Haier	33.0%	5.9	15.0%	3.00	1.62
9	90	Whirlpool	20.2%	6.0	-1.3%	6.00	1.38
10	103	ABB	28.3%	4.4	3.7%	4.00	1.15

(1) ROPA: [(2019 operating income / (2019 net property, plant, equipment + year-end inventory)) x 50%] + [(2018 operating income / (2018 net property, plant, equipment + year-end inventory)) x 30%] + [(2017 operating income / (2017 net property, plant, equipment + year-end inventory)) x 20%].
(2) Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.
(3) Revenue Growth: (change in revenue 2019-2018) x 50% + (change in revenue 2018-2017) x 30% + (change in revenue 2017-2016) x 20%.
(4) ESG Component Score: Index of third-party corporate social responsibility measures of commitment, transparency and performance.
(5) Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).
2019 data used where available. Where unavailable, latest available full-year data used. All raw data normalized to a 10-point scale prior to composite calculation.
"Ranks" for tied composite scores are determined using next decimal point comparison.

Table 9. Gartner Supply Chain Top 25 for 2020: Life Sciences

2020 Life Sciences Rank	2020 Overall Rank	Company	3-Year Weighted ROPA[1]	Inventory Turns[2]	3-Year Weighted Revenue Growth[3]	ESG Component Score[4]	Composite Score[5]
1	3	Johnson & Johnson	77.6%	3.0	3.6%	6.00	4.65
2	17	AbbVie	262.4%	4.1	7.6%	5.00	3.20
3	24	Biogen	152.2%	2.5	7.8%	7.00	2.78
4	30	Novo Nordisk	82.9%	1.1	4.6%	6.00	2.55
5	33	Amgen	120.6%	1.3	0.2%	6.00	2.49
6	36	Novartis	49.7%	2.3	2.2%	10.00	2.47
7	38	GlaxoSmithKline	47.0%	1.8	7.0%	6.00	2.45
8	41	Bayer	29.5%	1.5	10.8%	10.00	2.31
9	47	Abbott	34.0%	3.1	11.9%	9.00	2.26
10	50	Sanofi	37.4%	1.5	3.2%	10.00	2.16

(1) ROPA: [(2019 operating income / (2019 net property, plant, equipment + year-end inventory)) x 50%] + [(2018 operating income / (2018 net property, plant, equipment + year-end inventory)) x 30%] + [(2017 operating income / (2017 net property, plant, equipment + year-end inventory)) x 20%].
(2) Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.
(3) Revenue Growth: (Change in revenue 2019-2018) x 50% + (change in revenue 2018-2017) x 30% + (change in revenue 2017-2016) x 20%.
(4) ESG Component Score: Index of third-party corporate social responsibility measures of commitment, transparency and performance.
(5) Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).
2019 data used where available. Where unavailable, latest available full-year data used. All raw data normalized to a 10-point scale prior to composite calculation.
"Ranks" for tied composite scores are determined using next decimal point comparison.

Source: Gartner (June 2020)

Table 10. Gartner Supply Chain Top 25 for 2020: Retail

2020 Retail Rank	2020 Overall Rank	Company	3-Year Weighted ROPA[1]	Inventory Turns[2]	3-Year Weighted Revenue Growth[3]	ESG Component Score[4]	Composite Score[5]
1	7	Alibaba	106.7%	23.9	54.0%	0.00	4.39
2	9	Inditex	34.7%	4.6	6.6%	10.00	4.11
3	11	Walmart	13.2%	8.5	2.4%	7.00	4.00
4	19	Starbucks	52.6%	13.0	7.7%	4.00	2.99
5	20	H&M	22.4%	2.8	7.7%	10.00	2.95
6	27	CVS Health	30.2%	13.1	18.2%	10.00	2.68
7	46	Home Depot	39.9%	4.8	4.4%	5.00	2.28
8	61	Best Buy	22.3%	5.8	2.8%	9.00	2.01
9	67	Carrefour	10.0%	9.9	-1.8%	10.00	1.86
10	71	Ahold Delhaize	14.2%	14.5	8.0%	8.00	1.77

(1) ROPA: [(2019 operating income / (2019 net property, plant, equipment + year-end inventory)] x 50%) + [(2018 operating income / (2018 net property, plant, equipment + year-end inventory)] x 30%) + [(2017 operating income / (2017 net property, plant, equipment + year-end inventory)] x 20%).

(2) Inventory Turns: 2019 cost of goods sold / 2019 quarterly average inventory.

(3) Revenue Growth: (change in revenue 2019-2018) x 50% + (change in revenue 2018-2017) x 30% + (change in revenue 2017-2016) x 20%.

(4) ESG Component Score: Index of third-party corporate social responsibility measures of commitment, transparency and performance.

(5) Composite Score: (Peer Opinion x 25%) + (Gartner Research Opinion x 25%) + (ROPA x 20%) + (Inventory Turns x 5%) + (Revenue Growth x 10%) + (ESG Component Score x 15%).

Source: Gartner (June 2020)

Table 11. Gartner Supply Chain Top 25 for 2020: Industry Definitions

Industry Name	Subgroups Included	Industry Definition
Aerospace & Defense	Aerospace & Defense	Includes manufacturers of products primarily used in commercial and defense aviation, space flight and ground operations.
Automotive	Motor Vehicle OEM	Includes original equipment manufacturers producing passenger, light truck, and other vehicles.
	Motor Vehicle Tiered Suppliers	Includes tiered suppliers of parts and subassemblies for producing passenger, light truck and other vehicles.
Chemical	Chemical, Agricultural and Industrial Materials	Includes chemicals and industrial materials manufactured primarily through process-based conversion of nonfood, raw materials (for example, oil, natural gas, air, water, metals, wood and minerals) into end products. Includes agricultural input materials to farming (for example, patented seed and fertilizer), petrochemicals, process-based building materials (for example, cement and gypsum), pulp and paper.
Consumer Products	Consumer Products: Fashion, Apparel and Footwear	Includes manufacturing companies primarily found in the fast-moving consumer goods value chain focused on fashion, footwear and apparel.
	Consumer Packaged Goods, Food and Beverage	Includes manufacturing companies primarily found in the fast-moving consumer goods value chain focused on consumer packaged goods, health and beauty, food and beverage processing, food commodities, and ingredients.
High Tech	High-Tech Consumer	Includes consumer electronic OEMs.
	High-Tech Distributor	Includes electronic component distribution companies.
	High-Tech Industrial and Electrical Equipment	Includes industrial manufacturers of telecommunications equipment, computing and/or server equipment, banking and/or transaction processing equipment, semiconductors, and semiconductor manufacturing equipment.
Industrial	Industrial Machinery and Conglomerates	Includes companies producing discrete products for businesses and consumers. Distinctive attributes often include a multitier upstream supply network and large and/or complex bill of materials, and long aftermarket life cycles. Includes farming equipment, factory equipment and infrastructure-based equipment.
	Oil Field Services	Includes companies that assist the drilling companies in setting up oil and gas wells. In general, these companies manufacture, repair and maintain equipment used in oil extraction and transport.
Life Sciences	Life Sciences Manufacturers	Includes companies commercializing products in the fields of biotechnology, pharmaceuticals, biomedical technologies, life system technologies, nutraceuticals, cosmeceuticals, environmental and biomedical devices.

Industry Name	Subgroups Included	Industry Definition
	Life Sciences Distributors	Includes life science distributors that act as intermediaries between life science suppliers, manufacturers, healthcare providers and pharmacies.
Retail	Retailers	Includes companies that sell goods directly to the consumer. This includes both physical stores and e-commerce businesses.
	Restaurants	Includes retail outlets selling food, beverages and related goods.

Source: Gartner (June 2020)