



Luminate Planning



Advanced Warehouse Replenishment

Challenge: Achieving profit and merchandising objectives through optimal inventory and service levels

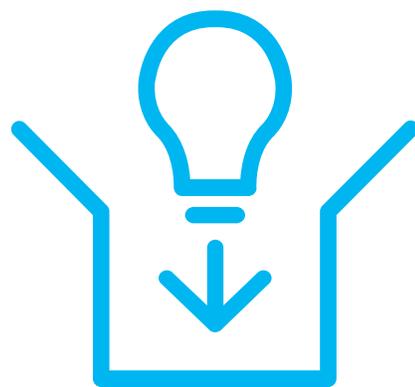
Today's retail and wholesale distribution companies are increasingly pressured to more profitably manage their largest financial asset – inventory. This requires finding new ways to keep shelves stocked with the right merchandise, while also juggling challenges such as overstocks, out-of-stocks, short shipments, vendor minimums/maximums and buyer productivity. In order to maximize service levels and decrease lost sales while minimizing all inventory costs, companies must be able to determine accurate SKU-level seasonal forecasts and use these forecasts to set profitable inventory policies that drive optimized ordering.

Solution: Profitably managing inventory investment economics

With more than 25 years of experience, Blue Yonder Software offers the world's most advanced forecasting, replenishment and allocation solutions. The highly scalable advanced warehouse replenishment capabilities enable you to optimize forecasting and replenishment performance and inventory levels at your distribution centers (DCs). Blue Yonder's advanced warehouse replenishment

Key Benefits:

- Creates accurate demand forecasts and focuses on profitable inventory buying – to the SKU level
- Tracks seasonal patterns and suggests seasonal profiles
- Reduces inventory while increasing service
- Proactively manages promotional orders and profiles
- Produces suggested order quantities given service level expectations
- Improves buyer productivity
- Supports single-site or multiple-location DCs and multi-tier distribution networks
- Reduces lead time
- Automates stock transfers to reduce purchases where overstocks exist
- Helps plan transferring inventory from closed locations
- Enhances deal and forward-buy profits
- Increases turns and greatly improves customer relationships
- Offers a quick implementation



capabilities balance carrying and acquisition costs to ensure the most profitable returns, superior DC execution and improved stock availability. This best-practice solution is proven to work in hundreds of companies worldwide across a wide variety of industries, enabling fast results with computer-assisted ordering.

Realizing more profitable replenishment

Blue Yonder's advanced warehouse replenishment capabilities empower your buying organization to order in the most economic order cycle, as well as plan and execute promotions and forward-buy opportunities. Advanced, predictive algorithms enable buyers to formulate precise demand for every SKU/location, driving highly accurate forecasts and clear understanding of sales and product movement based on actual, tracked demand patterns. By facilitating long-term, precise planning and purchasing effectiveness, you will decrease inventory investment while driving top-line revenue.

Focus on profitability in purchasing decisions

With Blue Yonder's advanced warehouse replenishment capabilities, you are not limited by fixed order cycles or safety stock levels. The application produces suggested orders by calculating inventory quantities based on scientific forecasts that incorporate demand, lead time, profitability and service level goals. By utilizing information about supplier discounts when suggesting replenishment quantities, you'll also minimize your acquisition and ordering costs.

The solution compares orders with vendor prerequisites and restrictions to guarantee vendor compliance and avoid purchasing penalties. For balanced inventory levels and a profitable supply chain, it also evaluates and executes the purchasing needs of planned promotions and special events while automatically incorporating special DC needs and demands.

Accomplishing efficient order frequencies

With its built-in order simulator, Blue Yonder's advanced warehouse replenishment capabilities consider demand and lead-time forecasts, service level goals, discounts and supplier constraints when recommending the most profitable order cycle for each supplier and item. It then balances the variables of placing and handling orders with those of carrying both safety stock and the required turn inventory to determine optimum purchasing frequency for all merchandise.

Flexible forecasting management control

You need multiple forecasting methods to manage the thousands of items in your warehouses and hundreds of associated buying properties. Blue Yonder's advanced warehouse replenishment capabilities determine the most accurate forecasts by tracking demand patterns for new, promotional, seasonal and slow-moving products. You can also pattern new product-line forecasts after existing items and quickly and easily adjust to anticipated variations in product movement. History exceptions and order problems such as short ships or overdues and items in service level jeopardy are displayed daily for buyer review. With superior reporting functionality, such exceptions can be addressed before they hurt profitability.

Enhancing buyer productivity, supplier performance and collaborative relationships

Blue Yonder's advanced warehouse replenishment capabilities maximize buying and inventory management team operating efficiencies by streamlining and automating labor-intensive tasks, reviewing every item in every location, every night, and generating exception management notifications for prioritized workflows and quick problem resolution.

The solution also helps you manage trading partner uncertainties, delivering proactive lead-time forecasting and supplier performance monitoring. By considering vendor delivery performance and comparing quoted delivery schedules with actual shipment lead times, the application ensures the right amount of DC safety stock.

Real results

Companies that rely on Blue Yonder's advanced warehouse replenishment capabilities can reap significant benefits, including:

- Win-win collaborative trading partner relationships based on defined processes and agreements
- Shared key insight into demand projections, stable order patterns, promotional strategies and inventory levels
- Minimized supply chain uncertainty
- Reduced lost sales, inventory carrying costs and merchandise returns
- Improved service and profits

Fulfill your potential with Blue Yonder

Learn more at blueyonder.com

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About Blue Yonder

At Blue Yonder, we're fearless leaders. We're the leading provider of end-to-end, integrated retail and supply chain planning and execution solutions for more than 4,000 customers worldwide. Our unique solutions empower our clients to achieve more by optimizing costs, increasing revenue and reducing time to value so they can always deliver on their customer promises.



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