

# Warehouse Replenishment



## Accelerate your profit and merchandising goals with warehouse replenishment

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.

With warehouse replenishment, you can expect to achieve win-win collaborative trading partner relationships based on defined processes and agreements, minimized supply chain uncertainty, and optimized inventory and service levels.

## Why go at it alone? Rely on Blue Yonder, the industry leader

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

## Real results

Sales lift from improved fill rate

5%

Cost reduction from forward buys

3%

Inventory reduction from improved forecasting

5%

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.

Blue Yonder's warehouse replenishment empowers 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.

### **Warehouse replenishment capabilities within easy reach**

Warehouse replenishment 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.

With its built-in order simulator, warehouse replenishment considers 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.

You need multiple forecasting methods to manage the thousands of items in your warehouses and hundreds of associated buying properties. Warehouse replenishment determines 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.

Warehouse replenishment maximizes buying and inventory management team operating efficiencies by streamlining and automating labor intensive tasks, reviewing every item in every location on a daily basis and generating exception management notifications for prioritized workflows quick problem resolution. This tool 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.



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