

# Replenishment for Manufacturing



## Accelerate your ROI with replenishment

Manufacturers wake each day to a daunting and costly challenge. Before products can be made available for purchase, the right amount of inventory must be built and precisely positioned across different network nodes to ensure 24-hour on-demand availability. This requires manufacturers to manage a large investment of inventory in their supply chains with flawless execution to keep customers in stock. In doing so, they must avoid adding excess stock to their networks or burdening their plants with constantly shifting order schedules. Ensuring agile and profitable execution requires balancing all of the factors that determine inventory placement, including demand signals, customer service targets, safety stock policies, product shelf-life constraints and production capacity, with the need to keep inventory costs low.

Whether developing product for the end-consumer or another business, manufacturers need a planning solution that can synchronize placement of the right inventory at the right place and time throughout their distribution networks while respecting individual environmental complexities and constraints. Inventory plans and orders must address differing customer priorities, lead times, transportation constraints, shipping and receiving calendars, safety stock policies and production constraints.

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

Blue Yonder's replenishment capability is designed to help build and position the optimal amount of inventory to the different nodes in your network. Now your inventory can be available for your operations and for your customers

## Real results

Out of stock reduction up to

# 80%

Increased product availability up to

# 10x

Fewer manual interventions up to

# 50x

just when needed. The solution's industry-leading applications use forecast and end-customer demand signals to plan production, replenishment builds, seasonal pre-builds and inventory movements between stocking locations while respecting network-wide constraints.

Blue Yonder's powerful planning solution helps you minimize stock-outs while maximizing inventory turns in your supply chain. You'll gain a strong return on your invested capital and minimize inventory while ensuring that targeted customer service levels are met.

Replenishment begins with the setting of optimal inventory policy decisions through safety stock strategies. The solution then reconciles the forecast with incoming orders to create the distribution requirements that are pulled through the supply chain based on demand signals and inventory policies. Advanced "sense-and-respond" algorithms enable replenishment to adapt to daily changes in demand signals to help avoid costly stock-outs and overstocks driven by unexpected orders and unsynchronized promotional ordering. In many networks, production is a key constraint to satisfy demand, so the solution can create a constrained production plan to ensure that supply is available from manufacturing operations to distribute throughout your network.

### **Replenishment capabilities within easy reach**

The supply and demand picture can continuously change at any company. Replenishment enables the redistribution of inventory in the network between tiers in the network and/or individual facilities. Once the distribution plan has been determined, the solution builds optimal loads and purchase plans and creates orders that are then operationally executed once the replenishment plan is published.

Replenishment supports advanced vendor managed replacement with cutting-edge order optimization logic that triggers customer orders based upon an optimal economic order frequency and safety stock policy. This logic enables users

to create optimal orders across your entire line on an equal time supply basis. By minimizing the need to create expedited orders for a small number of items between the standard order cycle, the solution helps you maximize profitable order planning and execution.

Blue Yonder's replenishment offers several key benefits. The capability develops multi-tier time-phased orders, shipments, and receipts, optimizes multi-tier constrained supply allocations, and utilizes multiple safety stock models from coverage-based calculations to statistical analysis that calculate against presentation and display requirements. Replenishment also supports product transitions and out-of-stock substitutions, manages item lifecycle transitions and product substitutions, and provides the capability to source a percentage of total need from multiple sourcing points.

Replenishment improves manufacturers' ability to reduce stock-outs and increase inventory turns by aligning supply with demand throughout the entire network. Manufacturers are able to plan and control their entire supply picture, from determining optimal material and product quantities from suppliers, to planning and scheduling manufacturing, to replenishing and optimizing inventory throughout the distribution network.

Companies that rely on replenishment planning can reap significant benefits including complete supply chain visibility, improved planner productivity and increased asset utilization. The capability can also provide reduced stock-outs, improved inventory turns and improved customer fill rates.

If you are ready to take advantage of more real-time, point-of-sale demand information, you can use Blue Yonder's replenishment to more quickly adjust inventory positions to meet customer needs.



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