# Valogix®
## INVENTORY PLANNER

## Advanced Inventory Planning for SAP® Business One
### Automated Forecasting - Optimization - Replenishment

VALOGIX® Inventory Planner is seamlessly integrated into SAP® Business One, providing **automated forecasting**, replenishment, and optimization at the tips of your fingers. The proprietary planning engine efficiently plans for each item/location combination based on its own unique characteristics and manages an unlimited number of items and locations. VALOGIX gives you **instant visibility** to the master warehouse, field stock, retail locations, and everything in between. Optimization provides **exceptional value** by reducing inventory safely, controlling new purchases and **improving customer service**.

## Enhanced Planning Features

### Predictive Demand and Replenishment Planning
- Enhanced forecasting for highly seasonal and slow-moving items
- Vendor planning for easy replenishment management
- New Items are easier and faster with the "proxy process"
- Simultaneously generates new orders and stock transfers*

### Sophisticated Item Management
- Enhanced details show lead time, service levels, vendor, and more
- Full visibility at all locations: virtual, real, and customers (if desired)
- Dynamically computes and reports on excess and obsolete inventory
- Automatically sets shelf stock by item and location

### Enhanced MRP Planning
- Restricts supply and demand in multiple warehouse environments
- Automatically computes forecast for production orders
- Replenishment planning is optimized for better asset and spend control
- Creates a single purchase order per supplier covering multiple warehouses

* May require the optional Valogix Stock Transfer module.

### Value You Gain

Valogix solutions provide dramatic results that help improve **positive cash flow**.

#### Savings

20% - 40%
Inventory
Reduction

15% - 30%
Reduction
in Stock-outs

6% - 15%
Reduction in
Expedited Shipments

#### Improvements

15% - 25%
Increase in
Sales & Revenues

5% - 12%
Productivity
Gains

*"In such a tough economy, businesses have to find ways to trim the "fat" and increase customer service at the same time. VALOGIX helps not only Translectric do that, but our dealers benefit by not having to carry large quantities of stock and still have access to what they need when they need it."*

Scott Toll, Operations Manager, Translectric

# Advanced Inventory Planning and Replenishment

## Item Master Demand History & Forecasting

The Valogix-built algorithms include trend, seasonal, and multiplicative models like Season-Trend or Trend-Season. Forecasting *'new'* items is simple and easy using Proxy History or Supersede History. This enables the user to set a forecast by referencing the history of an existing item. VALOGIX automatically sets optimal stocking quantities for each item at each location, creating dramatic costs savings while improving customer service levels.

Forecasting is automatic, requiring little to no user input to choosing which algorithm to use.

### Inventory Planning Details

| Item Number | A00004 |
| Location | 01 |
| Item Description | HP Color LaserJet 5 |
| Item Group | Accessories |

**History & Forecast**

| In Stock | + 1,035.00 | Committed | 0 |
| Ordered | + 100.00 | Forecast PH | 411 |
| Backordered | - 0.00 | Excess Committed | 0 |
| Excess Committed | - 0.00 | | |
| Stocking Quantity SQ | - 444.00 | Lead Time | 30 |
| Independent Net | = 691.00 | Order Frequency | 7 |
| Dependent Net | - 0.00 | Planning Horizon | 37 |
| Net Quantity | = 691.00 | Service Level | 98 |
| Required Quantity | 0.00 | Network Net | 668 |

**History**

| # | Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|---|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| 1 | 2007 | 143 | 141 | 1026 | 1414 | 1318 | 122 | 142 | 192 | 1185 | 1183 | 125 | 144 | 7135 |
| 2 | 2008 | 189 | 162 | 1217 | 1384 | 1255 | 183 | 151 | 165 | 1222 | 1264 | 142 | 120 | 7454 |
| 3 | 2009 | 118 | 129 | 1032 | 1049 | 1052 | 140 | 148 | 135 | 952 | 936 | 105 | 105 | 5901 |
| 4 | 2010 | 135 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 135 |

**Forecast (Seasonal)**

| # | Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
|---|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
| 1 | 2010 | 124 | 122 | 908 | 1055 | 981 | 1000 | 116 | 128 | 863 | 857 | 93 | 91 | 6338 |
| 2 | 2011 | 106 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 106 |

## Automated Replenishment Planning

VALOGIX Inventory Planner recommends optimal stocking levels for all items at every location. The system calculates the correct amount of stock needed to cover the expected demand for each item's planning horizon. Then it recommends purchase orders, transfer orders and production orders. This makes more efficient use of critical company assets. Automated replenishment planning eliminates guess work and manual effort, saving valuable time and money. The interactive replenishment reports allows you to plan for more items, order more frequently, reduce stock levels and free-up cash.

### Replenishment Plan

| Select | Item No. | Item Description | Warehouse | Supplier | Action | Approved Qu... | Required Qua... | Net Quantity | Shortag... |
|--------|----------|-----------------|-----------|----------|--------|----------------|-----------------|--------------|------------|
| | A00003 | IBM Infoprint 12... | 04 | V20000 | Buy | 72 | 72 | -8 | |
| | A00004 | HP Color LaserJe... | 02 | 01 | Transfer | 10 | 10 | -10 | |
| | A00004 | HP Color LaserJe... | 04 | 01 | Transfer | 13 | 13 | -13 | |
| | B10000 | Printer Label | 02 | V50000 | Buy | 4 | 4 | -4 | |
| | B10000 | Printer Label | 04 | V50000 | Buy | 24 | 24 | -24 | |
| | C00006 | Wireless Mouse | 01 | V50000 | Buy | 85 | 85 | -85 | |
| | C00006 | Wireless Mouse | 04 | V50000 | Buy | 6 | 6 | -6 | |
| | C00007 | Intel® Core™ i7-... | 02 | V10000 | Buy | 31 | 31 | -31 | |
| | C00007 | Intel® Core™ i7-... | 04 | V10000 | Buy | 7 | 7 | -7 | |
| | C00008 | joico joishape ha... | 01 | V10000 | Buy | 43 | 43 | -43 | |
| | C00008 | joico joishape ha... | 04 | V10000 | Buy | 17 | 17 | -17 | |
| | C00010 | 56k Data Fax Mo... | 01 | V20000 | Buy | 55 | 55 | -55 | |
| | C00010 | 56k Data Fax Mo... | 04 | V20000 | Buy | 7 | 7 | -7 | |
| | C00011 | big sexy root pur... | 01 | V10000 | Buy | 49 | 49 | -49 | |
| | C00011 | big sexy root pur... | 04 | V10000 | Buy | 120 | 120 | -120 | |
| | COAVELLATRA4060BR | Corylus avellana | 05 | V30000 | Buy | 108 | 108 | -108 | |
| | CRMONOGYTRA6080BR | Crataegus Mono... | 05 | V30000 | Buy | 2011 | 2011 | -2011 | |
| | HEHELIXCSHSPO | Hedera helix CSH... | 05 | V30000 | Buy | 1529 | 1529 | -1529 | |
| | LOPILEATCGS2L | Lonicera pileata C... | 05 | V30000 | Buy | 138 | 138 | -138 | |
| | LOPMAYGRCGS2L | Lonicera pil. 'May... | 05 | V30000 | Buy | 3134 | 3134 | -3134 | |
| | P10001 | HP Pavilion 8160 | 01 | 01 | Make | 31 | 31 | -31 | |
| | P10001 | HP Pavilion 8160 | 02 | 02 | Make | 17 | 17 | -17 | |
| | P10001 | HP Pavilion 8160 | 04 | 04 | Make | 19 | 19 | -19 | |

| | Total Required | Selected | Filtered |
|---|---|---|---|
| Number of Items | 36 | 0 | |
| Quantity | 9,628.000 | | |
| Total Value | 600,433.27 | | |
| Total Weight | 72,700.000 | | |
| Total Volume | 727,000.000 | | |

OK | Close | Filter | Delete | Inventory Flow | Planning Details | History and Balances
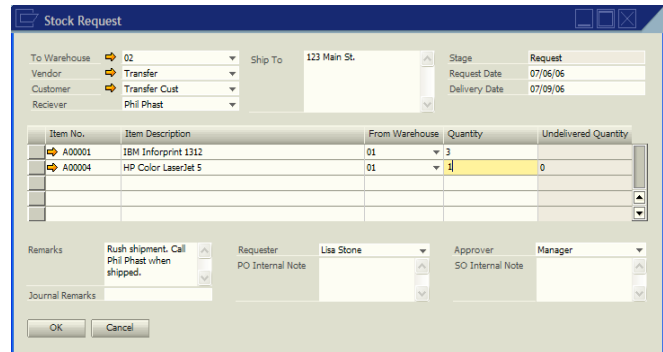
## Vendor Planning

This feature allows you to plan replenishments by Vendor to create the most efficient purchase order. It provides quick visibility of minimum Vendor requirements includes dollar, volume, weight and quantity. You can meet Vendor Freight requirements, Lot Sizes, Purchase Unit of Measures and much more. The system automatically calculates your shortage risk for each item so you know the potential for stock-outs. Purchase orders are automatically prepared once approved.

### Replenishment Plan

○ Show Shortages Only
● Show All Planned Items

| Select | Item No. | Item Description | Warehouse | Supplier | Action | Approved Qu... | Required Qua... | Net Quantity | Shortage Ratio |
|--------|----------|-----------------|-----------|----------|--------|----------------|-----------------|--------------|----------------|
| | C00004 | Tower Case with Power supply | 01 | V1010 | Buy | 59 | 59 | -59 | -1.02 |
| | C00009 | Wireless Keyboard | 04 | V1010 | Buy | 1 | 1 | -1 | -0.20 |
| | C00001 | Motherboard Assembly | 01 | V1010 | Buy | 1 | 1 | -1 | -0.20 |
| | C00009 | Wireless Keyboard | 01 | V1010 | Buy | 9 | 9 | -9 | -0.11 |
| | C00001 | Motherboard Assembly | 04 | V1010 | Buy | 7 | 7 | -7 | -0.11 |
| | A00005 | HP Color Laser Jet 4 | 04 | V1010 | Buy | 1 | 1 | -1 | -0.05 |
| | A00002 | IBM Infoprint 1222 | 01 | V1010 | Buy | 0 | 0 | 0 | 0.00 |
| | A00002 | IBM Infoprint 1222 | 04 | V1010 | Buy | 0 | 0 | 0 | 0.00 |
| | A00005 | HP Color Laser Jet 4 | 01 | V1010 | Buy | 0 | 0 | 0 | 0.00 |
| | A00002 | IBM Infoprint 1222 | 02 | V1010 | Buy | 0 | 0 | 33 | 1.14 |
| | A00005 | HP Color Laser Jet 4 | 02 | V1010 | Buy | 0 | 0 | 19 | 1.73 |
| | C00004 | Tower Case with Power supply | 04 | V1010 | Buy | 0 | 0 | 21 | 1.91 |
| | C00009 | Wireless Keyboard | 02 | V1010 | Buy | 0 | 0 | 37 | 2.85 |
| | C00001 | Motherboard Assembly | 02 | V1010 | Buy | 0 | 0 | 41 | 4.56 |
| | C00004 | Tower Case with Power supply | 02 | V1010 | Buy | 0 | 0 | 44 | 7.33 |
| | C00009 | Wireless Keyboard | 05 | V1010 | Buy | 0 | 0 | 0 | |
| | C00004 | Tower Case with Power supply | 05 | V1010 | Buy | 0 | 0 | 0 | |
| | C00001 | Motherboard Assembly | 05 | V1010 | Buy | 0 | 0 | 0 | |
| | A00005 | HP Color Laser Jet 4 | 05 | V1010 | Buy | 0 | 0 | 0 | |
| | A00002 | IBM Infoprint 1222 | 05 | V1010 | Buy | 0 | 0 | 0 | |

| | Total Required | Selected | Filtered | Supplier Minimum |
|---|---|---|---|---|
| Number of Items | 41 | 0 | 20 | |
| Quantity | 8,843.000 | | 78.000 | |
| Total Value | 292,993.09 | | 4,393.71 | 15,000.00 |
| Total Weight | 0.000 | | 0.000 | 10,000.000 |
| Total Volume | 0.000 | | 0.000 | 20,000.000 |

OK | Close | Filter | Delete | Inventory Flow | Planning Details | History and Balances

# Automated Forecasting - Optimization - Replenishment

## Stock Transfers  -  Fast & Efficient

The VALOGIX® Stock Transfer Module enables SAP Business One users with multiple physical locations to optimize their inventory investment by managing the intra-company transfer of inventory from one location to another.  With the inventory transfer functionality, SAP Business One users have the ability to approve transfer requests, print a pick list, define and print a packaging list and Bill of Lading, and receive the stock.

**Stock Request**

| | |
|---|---|
| To Warehouse | 02 |
| Vendor | Transfer |
| Customer | Transfer Cust |
| Reciever | Phil Phast |

Ship To: 123 Main St.

| Stage | Request |
|---|---|
| Request Date | 07/06/06 |
| Delivery Date | 07/09/06 |

| Item No. | Item Description | From Warehouse | Quantity | Undelivered Quantity |
|---|---|---|---|---|
| A00001 | IBM Inforprint 1312 | 01 | 3 | |
| A00004 | HP Color LaserJet 5 | 01 | 1 | 0 |

Remarks: Rush shipment. Call Phil Phast when shipped.

Requester: Lisa Stone
PO Internal Note

Approver: Manager
SO Internal Note

Journal Remarks

[OK]  [Cancel]

## Stock Investment Analysis

Based on your target service levels, VALOGIX creates a forecast, sets optimal stocking levels and identifies your ideal inventory investment. It compares the recommended stock investment to your actual stock investment.

VALOGIX makes it easy to identify and take action on obsolete, excess and inactive items. You can quickly filter, sort and drill down into item detail and make better decisions.

***Challenge yourself to find the cash hidden in your warehouse!***

**Inventory Investment Analysis**

Find [       ]  [Find]                    [Filter/Sort]

| Item Number | Description | Warehouse | Investment Value | Ideal Value | Difference in Value | % Value Diffe... | Difference Qty |
|---|---|---|---|---|---|---|---|
| A00004 | HP Color Laser Jet 5 | 01 | 506,500.00 | 46,500.00 | 460,000.00 | 90.82 | 920 |
| A00002 | IBM Infoprint 1222 | 01 | 101,796.31 | 2,191.31 | 99,605.00 | 97.85 | 500 |
| C00007 | Hard Disk Seagate 400 GB | 02 | 25,000.00 | 0.00 | 25,000.00 | 100.00 | 50 |
| A00006 | HP 600 Series Inc | 01 | 22,736.00 | 2,273.60 | 20,462.40 | 90.00 | 63 |
| C00001 | Motherboard P4 Turbo | 02 | 20,000.00 | 0.00 | 20,000.00 | 100.00 | 50 |
| C00002 | Motherboard P4 Turbo - Asus Chipset | 02 | 15,000.00 | 0.00 | 15,000.00 | 100.00 | 50 |
| A00004 | HP Color Laser Jet 5 | 02 | 15,000.00 | 4,000.00 | 11,000.00 | 73.33 | 22 |
| C00008 | Monitor 19' TFT | 02 | 10,000.00 | 0.00 | 10,000.00 | 100.00 | 50 |
| A00005 | HP Color Laser Jet 4 | 02 | 12,000.00 | 4,800.00 | 7,200.00 | 60.00 | 18 |
| C00003 | Intel P4 2.4 Ghz | 02 | 6,500.00 | 0.00 | 6,500.00 | 100.00 | 50 |
| A00002 | IBM Infoprint 1222 | 02 | 10,000.00 | 5,200.00 | 4,800.00 | 48.00 | 24 |
| A00001 | IBM Infoprint 1312 | 02 | 20,000.00 | 16,000.00 | 4,000.00 | 20.00 | 10 |
| C00005 | WLAN Card | 02 | 3,000.00 | 0.00 | 3,000.00 | 100.00 | 50 |
| LM4029MC | Memory Chip | 02 | 2,500.00 | 0.00 | 2,500.00 | 100.00 | 50 |
| C00011 | Memory DDR RAM 512 MB | 02 | 2,000.00 | 0.00 | 2,000.00 | 100.00 | 50 |
| LM4029MC | Memory Chip | 01 | 1,952.50 | 0.00 | 1,952.50 | 100.00 | 50 |

Investment Value : 1,057,161.0
Ideal Value : 840,514.83
Difference In Value : 216,646.18
% Difference : 20.493

[OK]

Investment Value : 1,057,161.0
Ideal Value : 840,514.83
Difference In Value : 216,646.18
% Difference : 20.493

## Demand History Alerts

VALOGIX analyzes historical sales to check for erratic demand and identifies all items which exceed a user-defined threshold. This report enables the user to easily identify unusual demand which may have occurred from a large one-time sale, the loss of a large customer, or other unusual events. You can  then modify the history for any items for planning purposes to help ensure proper stocking levels moving forward. Having access to relevant data with VALOGIX can help you track your performance and guide you to reduce costs, improve service levels, and increase productivity.

**History Exceptions Report**

Date: 07/13/2009
Standard Deviation Threshold: 2.000
Sort Criterion: Spike Severity

| Item Number | Description | Location | Month | History Value | Expected Value | Lower Limit | Upper Limit | # Std. Dev. |
|---|---|---|---|---|---|---|---|---|
| A00001 | 24 cm Polished S₁ | 02 | 02/01/2009 | 96.00 | 30.60 | -15.99 | 77.19 | 2.81 |
| A00003 | 15 cm Polished S₁ | 01 | 04/01/2009 | 8.00 | 907.90 | 264.99 | 1,550.80 | -2.80 |
| A00002 | 24 cm Polished S₁ | 01 | 09/01/2008 | 28.00 | 13.98 | 1.99 | 25.97 | 2.34 |
| A00006 | Handle | 04 | 02/01/2009 | 6.00 | 2.87 | -0.16 | 5.91 | 2.06 |

**Valogix®** INVENTORY PLANNER

*"Using the advanced inventory planner from Valogix, we were able to reduce inventory by 10% yielding roughly $300,000 in cash that had been tied up. We were delighted with the results."*

Rick Crowder, VP/GM, Industrial Commodities Inc.



## Purchasing Made Easy

The approved Replenishment Plan automatically creates new Purchase Drafts or live Purchase Orders right in the SAP Business One Purchasing module. This eliminates the need to re-key data, avoids costly mistakes, and provides the user with all the control and approvals they require.

## Planning Control in Your Hands

Since every business is different, Valogix puts planning control at your fingertips. These settings are simple to use and guide the system in running the planning processes. Defaults are preset to get you started. Once you start planning with Valogix, you can refine these settings to enhance your processes and results.



## The Bottom Line

We know you work hard every day. You may think your inventory is under control, but can you be sure?  Each day you are not using Valogix solutions, you are missing out on the opportunity to **free up CASH**. For example, based on an inventory value of $1,000,000 and an average inventory reduction and productivity gains of approximately 31%, you could free up as much as $310,000!  It doesn't get any easier or better than this.

SAP® Certified
SAP Business One Integration

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