



## Advanced Inventory Planning for SAP<sup>®</sup> Business One

Automated Forecasting - Optimization - Replenishment

VALOGIX<sup>®</sup> Inventory Planner is seamlessly integrated into SAP<sup>®</sup> 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.”*

# 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.

The screenshot shows the 'Item Master Data' window for item A00004 (HP Color Laser Jet 5). It includes tabs for General, Purchasing Data, Sales Data, History & Forecast, Inventory Data, Planning Data, Properties, and Remarks. The 'History & Forecast' tab is active, showing a table of historical demand data and a forecast table for the year 2010.

#	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1	2006	189	162	1227	1380	1255	185	157	173	1224	1268	150	135	7513
2	2007	128	148	1052	1053	1052	140	148	135	952	936	105	105	5954
3	2008	195	105	923	1264	1028	120	139	168	983	1882	187	118	6852
4	2009	121	0	0	0	0	0	0	0	0	0	0	0	121

The screenshot shows the 'Shortage Plan' window with a table listing items and their shortage status. The table includes columns for Item Number, Description, Warehouse, Planner, Item Group, Supplier, Unit Cost, Network In Stock, and Network Available.

Select	Item Number	Description	Warehouse	Planner	Item Group	Supplier	Unit Cost	Network In Stock	Network Available
<input type="checkbox"/>	A00001	IBM Infoprint 1312	01	V10000	IBM Printers	V10000	399.63	985	-125
<input type="checkbox"/>	A00002	IBM Infoprint 1212	04	V1010	IBM Printers	V1010	200.00	566	-409
<input type="checkbox"/>	A00003	IBM Infoprint 1212	01	V20000	IBM Printers	V20000	299.37	351	-645
<input type="checkbox"/>	A00003	IBM Infoprint 1212	02	V20000	IBM Printers	V20000	300.00	351	-645
<input type="checkbox"/>	A00003	IBM Infoprint 1212	04	V20000	IBM Printers	V20000	300.00	351	-645
<input type="checkbox"/>	A00004	HP Color Laser Jet 5	04	V10000	HP Printers	01	500.00	1049	328
<input type="checkbox"/>	A00006	HP 640 Series Inc	02	V20000	HP Printers	V20000	200.00	72	59
<input type="checkbox"/>	C00002	Motherboard P4	01	V20000	Items	V20000	240.90	80	-58
<input type="checkbox"/>	C00003	Intel P4 2.4 GHz	01	V10000	Items	V10000	117.91	60	-150
<input type="checkbox"/>	C00004	Tower Case with	01	V1010	Items	V1010	27.69	80	-130
<input type="checkbox"/>	C00005	WLAN Card	01	V20000	Items	V20000	54.49	50	-150
<input type="checkbox"/>	C00006	Network Card 10/100	01	V50000	Items	V50000	13.43	50	-160
<input type="checkbox"/>	C00008	Monitor 19" TFT	01	V10000	Items	V10000	196.61	80	-130
<input type="checkbox"/>	C00010	Mouse USB	01	V20000	Items	V20000	19.56	80	-130
<input type="checkbox"/>	C00011	Memory DDR RAM 512 MB	01	V10000	Items	V10000	34.71	60	-230
<input type="checkbox"/>	P10001	PC - P4 2.4G, DD	01	PC	01	01	1,325.03	10	-6
<input type="checkbox"/>	P10002	PC - P4 2.4G, DD	01	PC	01	01	1,272.27	0	-112
<input type="checkbox"/>	S10000	Server Point 10000	01	V10000	Servers	01	1,065.61	3	1

## 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.

## 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.

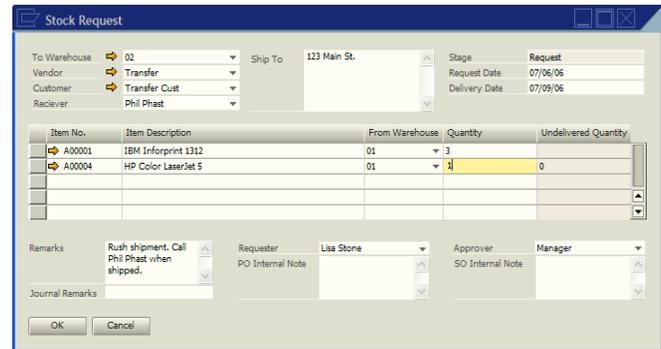
The screenshot shows the 'Vendor Plan' window for vendor V10000. It includes a table listing items and their vendor requirements. The table includes columns for Item Number, Item Description, Warehouse, Planner, Item Group, In Stock, Ordered (PH), and Committed (PH).

Select	Item Number	Item Description	Warehouse	Planner	Item Group	In Stock	Ordered (PH)	Committed (PH)
<input type="checkbox"/>	C00011	Memory DDR RAM 512 MB	01	V10000	Items	10	0	0
<input type="checkbox"/>	C00003	Intel P4 2.4 GHz	01	V10000	Items	10	0	0
<input type="checkbox"/>	C00008	Monitor 19" TFT	01	V10000	Items	30	0	0
<input type="checkbox"/>	A00001	IBM Infoprint 1312	01	V10000	IBM Printers	930	0	20
<input type="checkbox"/>	A00001	IBM Infoprint 1312	04	V10000	IBM Printers	5	12	0
<input type="checkbox"/>	C00008	Monitor 19" TFT	01	V10000	Items	50	0	0
<input type="checkbox"/>	C00008	Monitor 19" TFT	04	V10000	Items	0	0	0
<input type="checkbox"/>	C00003	Intel P4 2.4 GHz	02	V10000	Items	50	0	0
<input type="checkbox"/>	C00003	Intel P4 2.4 GHz	04	V10000	Items	0	0	0
<input type="checkbox"/>	C00011	Memory DDR RAM 512 MB	02	V10000	Items	50	0	0
<input type="checkbox"/>	C00011	Memory DDR RAM 512 MB	04	V10000	Items	0	0	0
<input type="checkbox"/>	S10000	Server Point 10000	01	V10000	Servers	1	0	2
<input type="checkbox"/>	A00001	IBM Infoprint 1312	02	V10000	IBM Printers	50	0	0

# Automated Forecasting - Optimization - Replenishment

## Stock Transfers - Fast & Efficient

The VALOGIX<sup>®</sup> 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.



Item Number	Description	Warehouse	Investment Value	Ideal Value	Difference in Value	% Value Diff...	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

## 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.

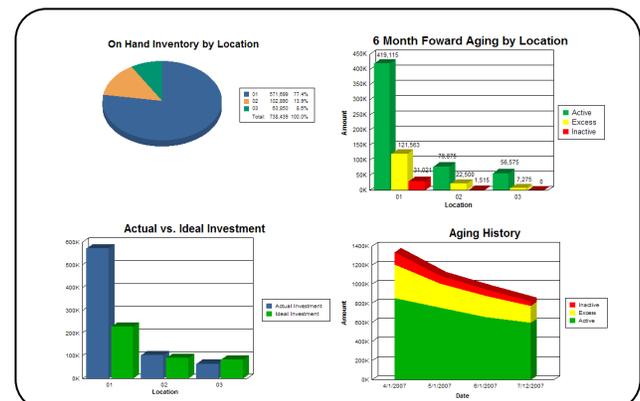
VALOGIX makes it easy to identify and take action on obsolete, excess and inactive items. You can quickly filter, sort and drill down into item detail and make better decisions.

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

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

## Dashboard Reporting and Analysis

VALOGIX automatically captures key data needed to create personalized dashboards and reports. From stock on-hand to forward aging showing Active, Excess and Obsolete stock positions. Plus, the added benefit of optimization displays the "ideal" inventory investment versus the actual investment. You can also drill down into highlighted items to take action and resolve issues. 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.





*“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.

#	Item No.	Item Description	Quantity	Unit Price	Discount %	Total (LC)
1	A00001	IBM Infoprint 1312	12	400.00 \$	0.000	4,800.00 \$
2					0.000	

## 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.

#	Setting Description	Default Value	System Stand...	Min Value	Max Value	Changed By	Li...
1	Lead Time Default	14	7	0	0	manager	11/2
2	Order Frequency Default (days)	7	1	0	0	manager	11/2
3	Service Level (E Group)	95	95	0	0		1/1
4	Service Level (N Group)	80	80	0	0		1/1
5	Apply V/OQ (Valogix Order Quantity)	No	Yes	No	Yes	manager	12/2
6	V/OQ - Maximum buy period (months)	3	3	0	0		1/1
7	Order Processing Cost (V/OQ)	10	10	0	0		1/1
8	Process Partial Transfers	Yes	Yes	No	Yes		1/1
9	Transfer Processing Cost (V/OQ)	2	2	0	0		1/1

## 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.



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