Inventory Optimization

The solution for higher fulfillment rates with minimized investment

eazystock

Agenda

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Introduction

Tony Vitello, CSCP
Customer Success Manager

With EazyStock since August 2021
APICS Certified Supply Chain Professional

Background

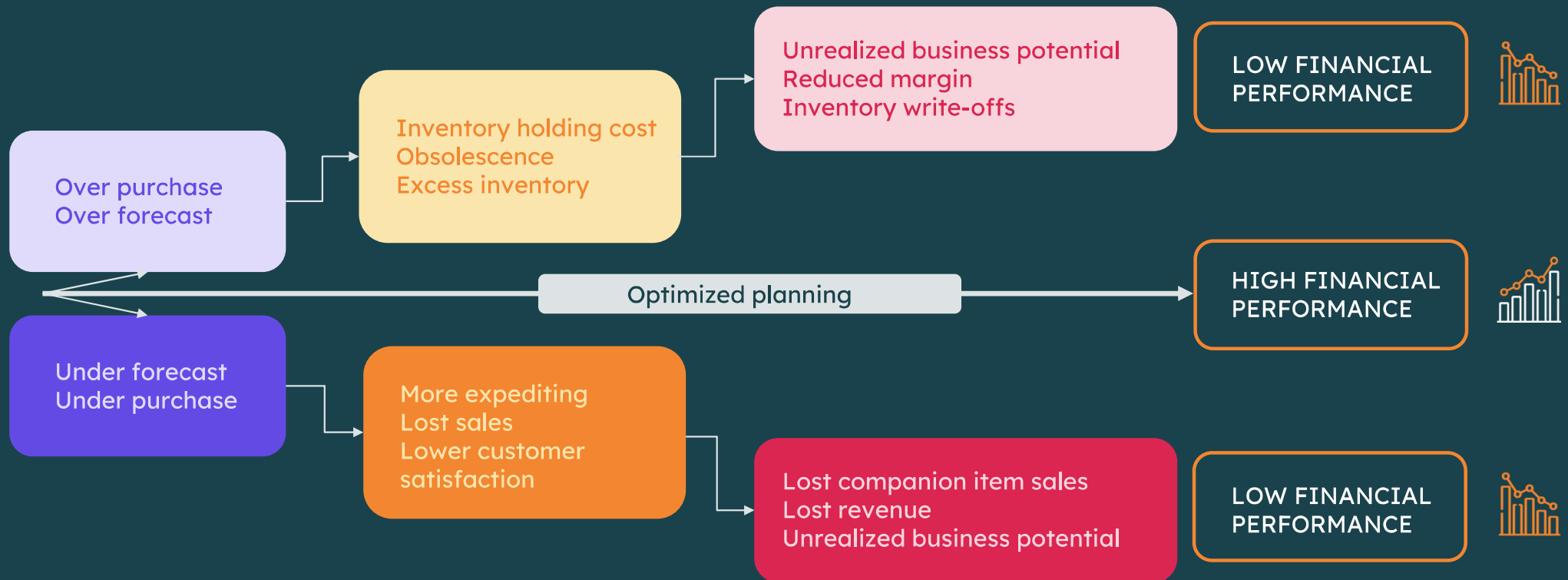- Transportation and logistics
- Procurement
- Inventory management

Roles with EazyStock

- Application consultant
- Customer support
- Implementations

Importance of inventory optimization

Business impacts of poor inventory optimization

Over purchase
Over forecast

Inventory holding cost
Obsolescence
Excess inventory

Unrealized business potential
Reduced margin
Inventory write-offs

LOW FINANCIAL PERFORMANCE

Optimized planning

HIGH FINANCIAL PERFORMANCE

Under forecast
Under purchase

More expediting
Lost sales
Lower customer satisfaction

Lost companion item sales
Lost revenue
Unrealized business potential

LOW FINANCIAL PERFORMANCE

Typical inventory pains

- Time-consuming, manual administration
- Excess stock
- Too much capital tied up in stock
- Poor service levels to customers
- Lack of inventory control
- Too much tribal knowledge
- Difficulty identifying demand patterns
- High risk of run out
- Frequent rush orders
- Low product turnover
- Lack of visibility over the stock location network

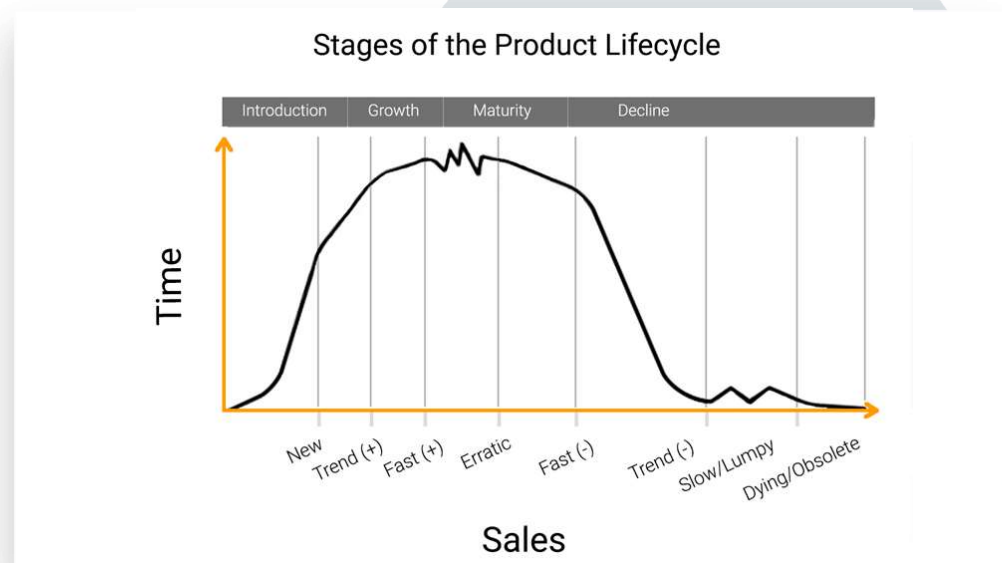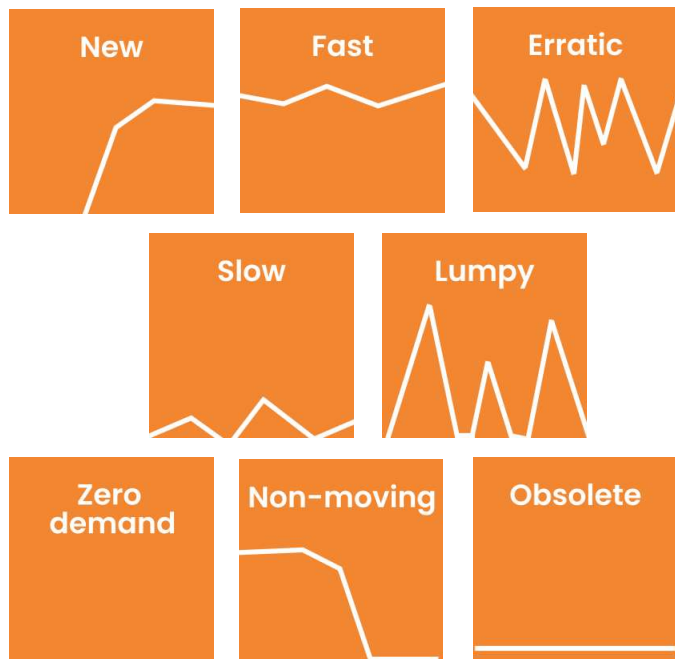# How inventory optimization works

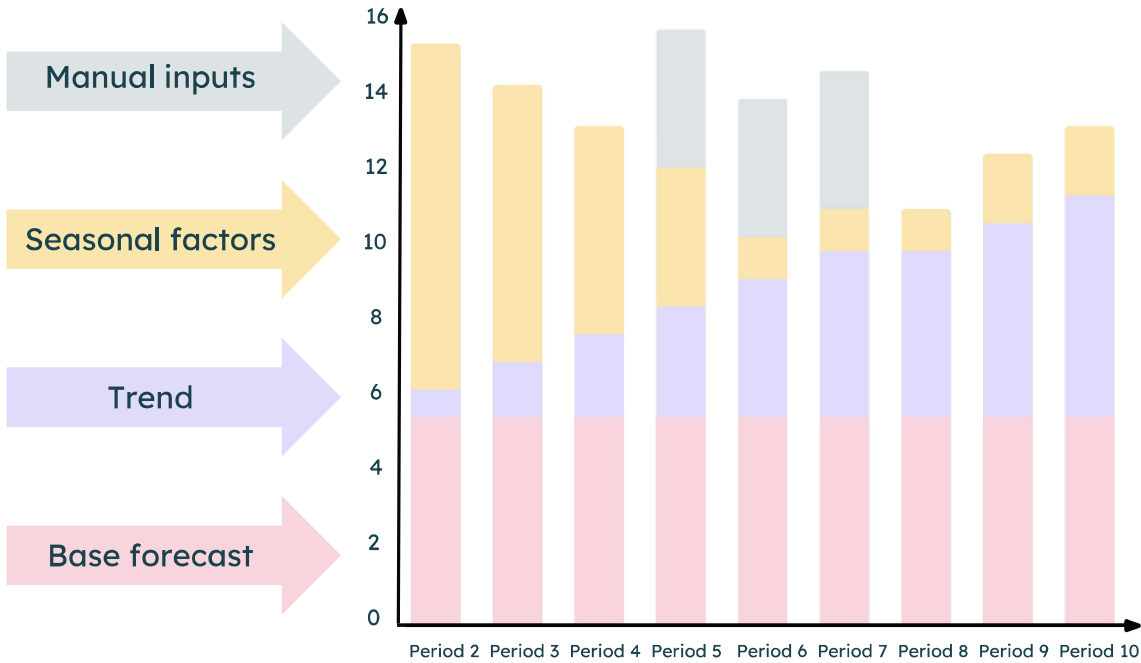# Main modules

Forecasting

Inventory optimization

Replenishment and multi-site planning

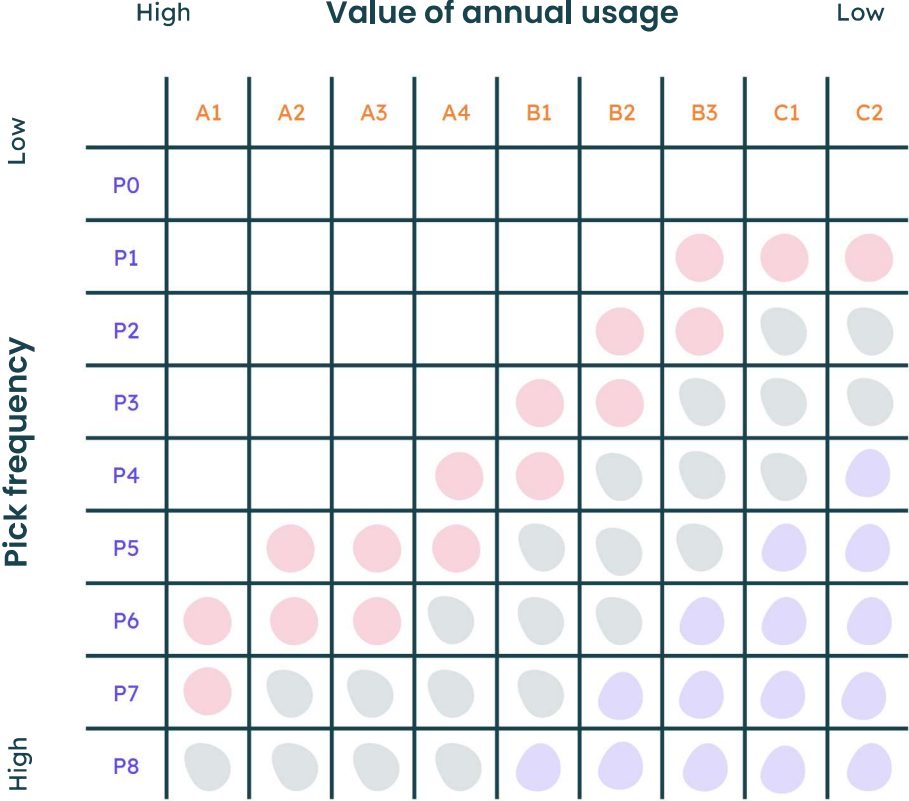# Automatic high accuracy forecasting

New

Fast

Erratic

Slow

Lumpy

Zero demand

Non-moving

Obsolete

Stages of the Product Lifecycle

Introduction	Growth	Maturity	Decline

Time

Sales

New
Trend (+)
Fast (+)
Erratic
Fast (-)
Trend (-)
Slow/Lumpy
Dying/Obsolete

Automated forecasting inputs

Manual inputs

Seasonal factors

Trend

Base forecast

16

14

12

10

8

6

4

2

0

Period 2 Period 3 Period 4 Period 5 Period 6 Period 7 Period 8 Period 9 Period 10
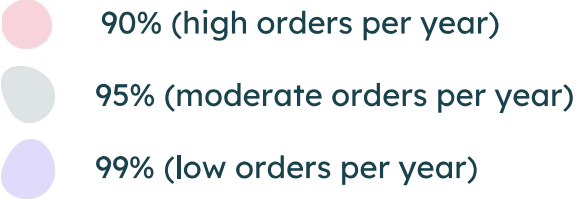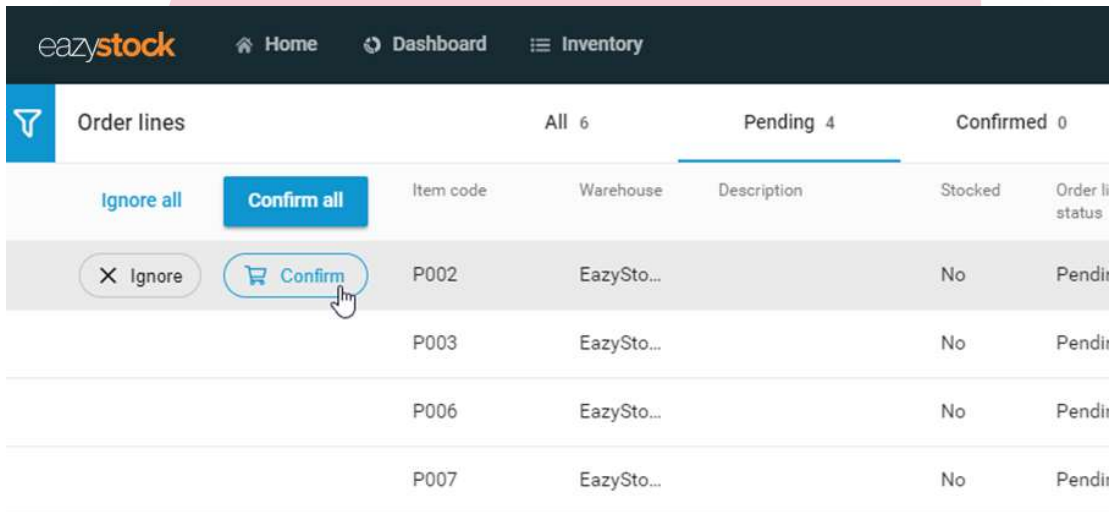
Inventory optimization

- Inventory policy matrix
  - Sets stock depth and availability targets
- Dynamic SKU grouping
  - Annual value
  - Pick frequency
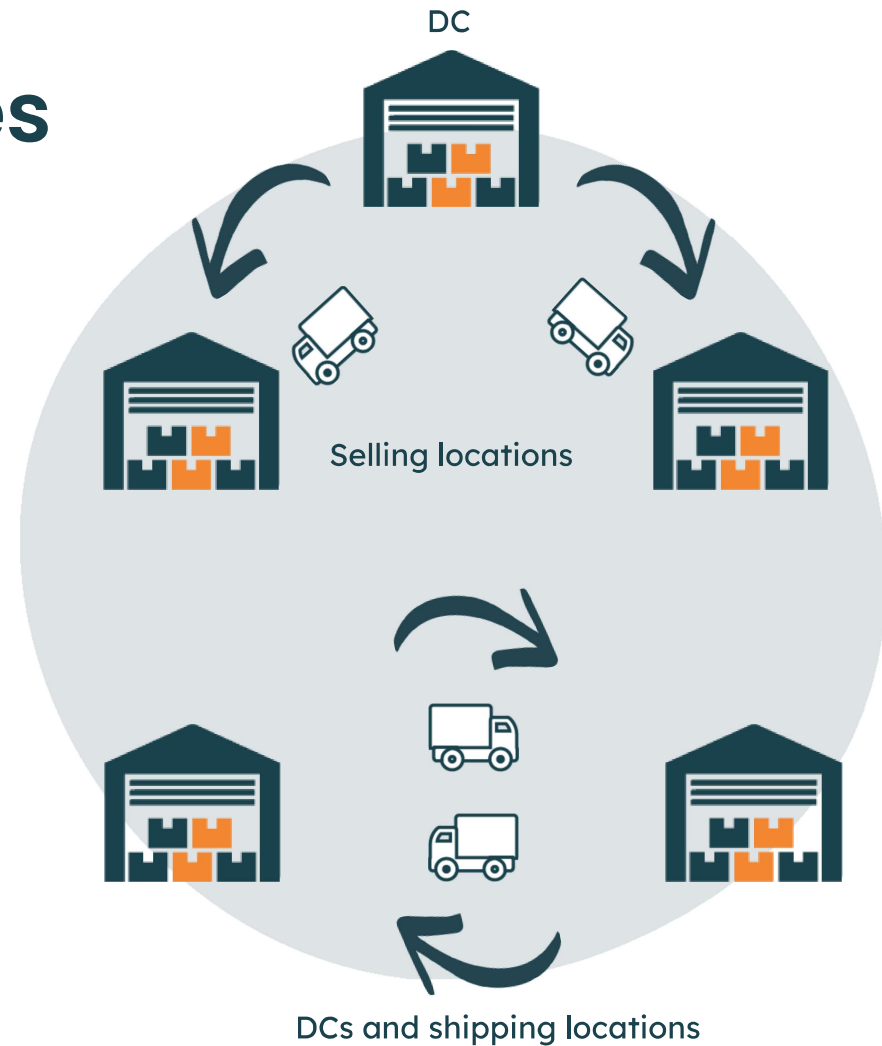- Best asset v service trade off – Target service levels

🔴 90% (high orders per year)

⚪ 95% (moderate orders per year)

🟣 99% (low orders per year)

Automated order proposals

- EazyStock calculates
  - Optimal safety stock
  - Re-order points
  - Order quantity
- And automatically generates order proposals

Multi-site capabilities

- Support any set up
- POS (point of sale) aggregation
- Forecast aggregation
- Redistribution
- Full supply chain visibility
- Virtual planning

DC

Selling locations

DCs and shipping locations

Syncron and EazyStock

20+ years of inventory expertise

syncron

HITACHI Manitowoc
Reliable solutions
JCB mazda

Leading solution for inventory optimization since 1999

Globally supported organization with users in 100+ countries and used to plan 50+ million SKUs in over 30K+ locations

Strong product development focus with frequent releases

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DESIGN READY CONTROLS ROCKY MOUNTAINS DISTRIBUTING

JOHN LOUIS HOME TOOLPRO TOOLS FOR PROFESSIONALS

Fast, easy and intuitive for small and mid-sized businesses

Cloud-based solution that integrates with all ERPs

Built on Syncron's powerful technology

EazyStock is built with Syncron's powerful technology but is adapted to the needs of SMBs.

Integration
approach

Integration with Microsoft Dynamics NAV/BC

- Item data
- Historic sales/demand
- Open Purchase Orders
- Bill of Material (optional)
- Forecast adjustments (optional)

- Confirmed order proposals

*Depending on which EazyStock edition you choose, EazyStock can fully automate the replenishment process or use the ERP for the order proposal process based the optimal calculated inventory parameters from EazyStock

Dynamics NAV/BC inventory module enhancements

- Differentiation in forecasting methods
- Automatic classification and reclassification of demand type
- Advanced trend and seasonality functionality
- Forecast adjustments
- Visibility into promotional activity
- Full Bill of Material support

Dynamics NAV/BC inventory module enhancements

- Assembly and production management

- Lost Sales support

- Automatic calculation of replenishment parameters

- Order Calendars

- Order fill-up

- Better supply chain visibility

- Tedious and complex materials requisition worksheet management can be a thing of the past

Benefits of a standalone (vs an embedded) solution

- Shorter data processing time with standalone solutions

- Uninterrupted BC/NAV system performance

- Greater flexibility and control over standalone solution without affecting the use of the BC/NAV system

- Real-time support without needing access to your server

- Personalized training

- ERP agnostic and migration-safe

- Update- and upgrade-safe

EazyStock demo

EazyStock editions designed to fit your business needs

EazyStock Professional

Calculates inventory and procurement parameters, making your purchasing decisions accurate.

EazyStock Premium

Full automation of replenishment ordering taking seasonality, promotions, critical and initial stocking of products into consideration.

EazyStock Global Planner

Optimize inventory across multiple warehouses and stores in more complex supply chain networks.

Who benefits from inventory optimization?

- Small- and mid-sized businesses
- Wholesalers, distributors, retail, eCommerce and discrete manufacturers
- Make-to-stock, buy-to-stock, make-to-order
- Single or multiple stock locations
- Non-perishable goods
  - EazyStock users
  - Daily: Purchasers and inventory planners
  - Strategic level: Purchasing manager, CFO, CEO and product manager depending on the size and structure of the business.

Business case example

Example:

Initial inventory value of **$1,000,000**
Stock reduction of **20%** = **~$200,000**
Yearly stock holding cost of **10%** on
$200,000 = **~$20,000**

Total Potential Savings: +$220,000
Total Potential Gains: $$$

- Stock reduction
  - 20-30% stock reduction
- Productivity gains
  - 30-60% increased productivity related to reduced manual administration (depending on starting point)
- Service level
  - Get a standardized way and KPIs to measure service level
  - Increased sales
  - Fewer express orders

Enter to win!

Stop by EazyStock's table and enter to win a pair of Bose QuietComfort® 45 Headphones!

Connect | Forecast | Optimize | Order

Thanks for joining us!

Please use the code to access your survey.

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