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<b>Demand Planning Newsletter</b> <small><a href="#">Switch to PDF</a></small>	<b>August 2010 / Summer Edition</b>
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**This newsletter features:**

- Vendor Managed Inventory for MRO Planning by Dave Rivers, Senior Consultant
- Forecasting Capabilities in SAP APO vs. other tools by Mark Chockalingam
- New supply chain events announced by DemandPlanning.Net, NESCON, APICS and EyeforPharma
- New Jobs

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**DemandPlanning.Net services include:**

- » [Demand Diagnostics](#)
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- » [S&OP Consulting](#)

**Forecasting with POS Workshop - Oct 6-7, Fair Lawn, NJ - Special Price \$845!**  
 This workshop will explain the process to create a demand-driven pull forecast that incorporates the effects of changes in market, consumption patterns, and inventory cycles to model a supply chain forecast.  
**We have a special price and a discounted room package available for five days only! Register before Aug 31 using the link [here!](#)**

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[Vendor Managed Inventory for MRO Planning - A simple but impactful productivity tool.](#)

**By David Rivers CFPIM, CSCP, Senior Consultant**

Years ago while attending a local APICS sponsored meeting we heard a presentation by the Purchasing Director at Bose Corporation. Unfortunately I do not recall the gentleman's name, but I will never forget the message: His topic was purchasing productivity gains. He used a technique he called it Just in time II or JIT II. In the presentation he described a truly unique (at that time) process of full-time suppliers associates located physically within Bose; continuing to be full-time supplier employees. His logic was irrefutable: He said something like 'In our MRP system we assign preferred suppliers to each purchased component. If the only thing Bose associates do is read the MRP output, consolidate demand and place PO's why not have the supplier do it? They're going to get the business anyway!'

He went on to describe more details of this arrangement. He had everyone's attention and many of us ultimately convinced of his wisdom. He then offered another bombshell by saying something like this: "Besides this purchase arrangement, with the complex business we're in and with the advancing technological capabilities of our suppliers I'd

**From ForecastingBlog.com: "[Forecast Modeling capabilities in SAP APO vs. other statistical tools](#) "**

**By Dr. Mark Chockalingam**

I will take SAS software and Forecastpro as benchmark tools here to compare the capabilities of APO DP.

Between SAS and APO DP, the difference is huge. You have an array of statistical models to choose from in SAS while APO DP, has just a few limited set of models. Even among the models available in APO, the optimization and convergence of model selection to result in the parameters are some what inefficient and does not compare to even inexpensive off-the-shelf products like Forecast Pro or Autobox.

For univariate forecasting, you can use Exponential smoothing models, intervention models, Box-Jenkins models, distributed lag models, vector autoregression models etc. SAS allows you to model using a variety of techniques and allows you to customize them, although you require deep knowledge in statistics and programming. It is not a plug and play tool.

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even invite supplier representatives in to certain new product design discussions.”

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## **EyeforPharma** October 5-6, 2010

[4th Annual Pharma Forecasting Excellence 2010](#) [Learn More....](#)

Join us this October to hear industry case studies & presentations on how to optimize forecasts and drive your portfolio strategy into the new decade.

This year's congress will help you understand, forecast and strategically plan for success in new markets. We'll bring together expert forecasters and decision makers to provide a complete view of how to build a solid forecast and use that forecast to drive decision making.

[Click Here!](#)

## **APICS 2010 International Conference & Expo**

**October 18th-20th 2010**

Achieve excellence in the New Normal with the 2010 Learning Paths. Celebrate the city with APICS 2010 events!

Join us at the world-class Wynn Las Vegas APICS 2010, attendees receive a rate of \$169 per night!

[Continued...](#)

## **NESCON**

**October 4, 2010**

Best Western Royal Plaza Hotel & Trade Center, Marlborough, MA

[Continued...](#)

**New schedule announced: Forecasting with POS Workshop - Oct 6-7, Fair Lawn, NJ - Special Price \$845! Room Package \$1,100 only! [Register Today!](#)**

Our popular Demand Forecasting workshop with a focus on POS and channel inventories! [Learn More.....](#)

In this specialized two-day course, we will explain the modeling methodology and process behind accurate demand forecasts and how to effectively use POS and Channel inventories to arrive at an accurate demand plan. The focus will be on demand modeling using statistical techniques, and the process to convert a POS based forecast into a shipment forecast.

If you are in demand planning, Sales or Marketing in the CPG/FMCG, Consumer Electronics, High-Tech, Automotive or Food and Beverage Industries, you cannot afford to miss this opportunity!

### **Get skills you can use at work**

We will explain and demonstrate best practices in model selection, illustrate how to use forecast error to improve model quality, and teach you how to reconcile top-down and bottom up forecasts.

### **Network with peers**

You will have ample opportunity to meet, interact, and learn from other demand planning professionals with team challenges and networking exercises.

### **Add to your credentials**

Upon completion of the tutorial, you will be awarded a certificate of completion from Demand Planning LLC, attesting to your newly-acquired skills in Demand Planning and Forecasting.

[Register now](#), and take advantage of a special price for Newsletter subscribers!

**UPCOMING INDUSTRY EVENTS:**

- [NESCON](#) October 4, 2010 | Marlborough, MA - Best Western Royal Plaza Hotel & Trade Center
- [EyeforPharma](#) October 5-6, 2010 | Boston, MA 4th Annual Pharma Forecasting Excellence
- [APICS](#) International Conference and Expo October 18th-20th 2010 | Las Vegas, NV

**NEW JOBS**

- » [Business Process Owner - Demand to Schedule Toronto, ON](#)
- » [Demand Planner, Los Angeles, CA](#)
- » [Demand Planner, Wichita, KA](#)



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