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Best Practices in Demand
Planning and Sales
Forecasting NJ 1-Day
Workshop photos



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DemandPlanning.Net Services:

- [Demand Diagnostics](#)
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- [Supply Chain Process Development](#)
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What are the service level constants to calculate Safety Stock?

We are often asked this question. The Standard safety stock formula just uses the forecast error metric, Lead time and a constant to represent the customer service levels. This constant can be obtained from the standard normal tables. [Here](#) is a list of constants for different service levels.

Demand Planning and Forecasting Workshop

May 25-26 | Four Points by Sheraton Boston



In this specialized two-day course, we will explain the modeling methodology and process behind accurate demand forecasts and how to effectively use promotional information to arrive at a consensus forecast. The focus will be on demand modeling using statistical techniques, the methodology to perform model diagnostics, forecast accuracy measurement and the process to incorporate market intelligence.

If you are a new demand planner looking to enhance your knowledge of business forecasting, you cannot afford to miss this opportunity!

- Get skills you can use at work
- Learn from industry experts
- Network with peers
- Add to your credentials



Our early-bird price of \$895 expires
March 31, 2011

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Why companies carry excessive amounts of inventory? By Mark Chockalingam

If all works well, then it is a perfect world. You carry just the right amount of inventory to service your customers at 99% and get away with very minimal working capital. Obviously, your low cash-to-cash cycle should result in larger portion of your Gross Margins go to your Net Margins.....

Excess inventories happen as a matter of fact:

- Forecasting problems – not knowing what the customers need. This may also result in some obsolescence.
- Forecast Bias – Just keeping the forecasts high generally on everything.
- Sudden Demand reduction due to market place volatility or losing a key customer.
- Economies of Scale in production – Higher lot sizes are way too attractive to resist.



Happy Spring

Demand Planning LLC
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Workshop Client Testimonials

Supply Chain Planner at Nutricia North America, January 2011
I really enjoyed the conference in NJ. I was familiar with several of the best practices discussed, but it was refreshing to take a day to review those principles. It was also...
[continue](#)

Treasurer of APICS New Haven Chapter, November 2010
We found Mr. Chockalingam to be an outstanding speaker on this subject within the Operations and Business Management arena who was willing to donate his time to help educate other professionals in his field. The New Haven Chapter wishes...
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Forecasting and the art of demand planning

Andrew Tolve - Mar 7, 2011

Mark Chockalingam, president of DemandPlanning.Net, on how to forecast with real market information in mind

Pharma forecasters traditionally get a free pass when it comes to demand planning.

The cost of manufacturing in the pharma industry is generally so low, it's easier for companies to warehouse excess inventory than to focus on forecasting the current market demand.

With the FDA cracking down on expired drugs, however, and companies still reeling from underestimating the severity of the recession in 2007 and 2008 and the swiftness of recovery in 2009 and 2010, demand planning has grown in importance.

"The pharmaceutical industry is taking stock of the past few years and realizing that demand planning is now critical to move forward," says Mark Chockalingam, president of [DemandPlanning.Net](#), a consulting boutique based in Boston, Massachusetts.

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Forecast Bias over Tracking Signal

By Mark Chockalingam

Tracking Signal is used to measure forecasting bias over time for the same SKU/Product especially when bias approaches extreme proportions and crosses a threshold. This comes from the Quality Control literature that uses control limits to valuate if a process is in control. I agree bias may be easier to understand but bias has been measured differently by different Gurus!

Again people confuse cross-sectional and calendar bias -

1. Sales people often induce cross-sectional bias.
2. Calendar Bias is forecast bias on one SKU across many periods over time

Other than clarity issues, at times the bias measure also suffers from a lack of testing for Statistical significance.

[Read more at www.forecastingblog.com](#)