NETSUITE DEMAND PLANNING

Reducing Inventory, Increasing Turns, Reducing Lead Times

NetSuite was built to support the needs of product-based businesses from its beginning and today offers a variety of native features, functions and processes to help these businesses to have the right materials available—at the right time—in the right place.

One of these key features is our native demand planning module that is specifically designed to provide the user with the ability to predict required inventory based on historical demand or sales forecasts. This innovative tool offers the right balance of powerful functionality and ease-of-use to help you manage your inventory more efficiently.

Key Benefits

- Optimize inventory levels.
- Increase turns.
- Reduce costs with order consolidation.
- Simplify the ordering process.
- Workflow approvals.

Sprotelo Contact Us Now: 916-943-4428 www.proteloinc.com

Multi-Location Inventory

One of the key features that NetSuite delivers is the ability to easily define multiple inventory locations with real-time visibility. Locations can be organized hierarchically, and for global businesses the country can be defined. During the planning process, the system can be set up to automatically create transfer orders between locations where necessary.

ORACLE N	ETSUITE				Q,	
3 * A	Advanced Manufactur	ing Activities Trans	actions SuiteCommerce Lists	Reports Customization D		Fixed Assets SuiteSoci
Locations						
vitw Default	• Cust	omize View	w Location			
C FILTERS						
STILE Normal 🐨						
0 8 8 8	SHOW INACTIVES					
EDIT J VIEW	SHOW INACTIVES	NAME #	PHONE	CTTY .	STATEPROVINCE	COUNTRY
		NAME # 01: San Francisco	7H0NE 16501 627-1000	CITY San Mateo	STATE/PROVINCE CA	countier US
EDIT VIEW	INTERNAL ID					
EDIT View	INTERNAL ID	01: San Francisco	16501-627-1000	San Mateo	CA.	US
EDIT LYIEW Edit View Edit View	INTERNAL D 2 5	01: San Francisco QA Hold	16501 627-1000 (6503 627-1000	San Mateo Santa Monica	CA CA	US US
EDIT ; VEW Edit ; View Edit ; View Edit ; View	INTERNAL D 2 5 4	01: San Francisco QA Hold Receiving Insp.	(650) 627-1000 (650) 627-1000 (650) 234-5564	San Mateo Santa Monica San Mateo	04 04	US US US
5011 ; VIEW 561 ; VIEW 561 ; VIEW 561 ; VIEW 551 ; VIEW	INTERNAL ID 2 5 4 1	01: San Francisco QA Hold Receiving Insp. 02: Boston	(650) 427-1000 (650) 427-1000 (900) 234-5564 (201) 427-1000	San Mateo Santa Monica San Mateo Botton	CA CA CA MA	US US US US
EDIT VEW Edit Vew Edit Vew Edit Vew Edit Vew Edit Vew Edit Vew	INTERNAL O 2 5 4 1 18	01: San Francisco QA Hold Receiving Insp. 02: Boston Contract MITG #1	10501427-1000 (655)427-1000 (900)234-5564 (201)427-1000 (400)401-1000	San Mateo Santa Monica San Mateo Botton San Jose	64 64 64 64	US US US US US
EDT VEW Edt Vew Edt Vew Edt Vew Edt Vew Edt Vew Edt Vew	INTERNAL O 2 4 1 18 19	01: San Francisco QA Hold Receiving Insp. 02: Boston Contract MPG #1 Contract MPG #2	10501427-1000 (655)427-1000 (900)234-5564 (201)427-1000 (400)401-1000	San Mateo Santa Monica San Mateo Botton San Jose Santa Clara	СА СА СА МА СА СА	US US US US US US
EDIT YEW Edit View Edit View Edit View Edit View Edit View Edit View Edit View	INTERNAL ID 2 5 4 1 1 1 9 9 22	01: San Francisco QA Hold Recenting Insp. 02: Boston Contract MPG #1 Contract MPG #2 Maidentwad	16501 627-1000 (6501 627-1000 (8001 224-5564 (201) 627-1000 (4001 607-1000 (4001 607-1000 (4001 607-1000	San Mateo Santa Monica San Mateo Botton San Jose Santa Clara Mattenhead	CA CA CA CA CA CA Berks	US US US US US US

Multi-Location Inventory

System Setup

Demand Planning and Distribution Resource Planning need to be enabled in your account in order to be available to users and there are a number of other settings that affect how the system behaves.

	DEMAND PLANNING
	CREATE ORDERS BASED ON FORECASTED DEMAND.
	DISTRIBUTION RESOURCE PLANNING OPTIMIZE INVENTORY LEVELS ACROSS MULTIPLE LOCATIONS.
Syst	tem Setup

Item Setup

One of the most critical areas to the planning process is defining the parameters that affect each item. The settings that are found in the Inventory Management section of the item apply to the item as a whole unless they are over-ridden in the location sublist. This defines the item as being available to demand planning, establishes an alternate source item (if you are trying to plan a new item with no sales history) and establishes which Distribution Network and Category it might belong to if you are using our DRP functionality.

Inventory	Managemer	it														
REPLENISH Time Phase ALTERNATE PREFERRED REORDER M	IP METHOD # ATP with Lo WENT METHO ed SOURCE ITEN STOCK LEVEL	D AUTO-CAL	DA CULATE	NS							DISTR DISTR DISTR	ASONAL TED DEM BUTION BUTION	UTO-CALO DEMAND AND CHANI NETWORK CATEGORY E per ta QUANTITY	JLATE SE		LEVEL DAYS
PRLFLIPPES-LO	CATION QUARTITY DRIVING	Quantity On Need (Net Net)	veat	AVENAGE COST	URT PUROHSZ PRICI	Bild Pont	PROTONED	LDAD 547E7Y 1040 55000 1050L	9098 9658 100 704	LOT SIZING METHOD	7080 107 325	HERCES CF S.4PQY	PERIODS OF SUPPOY	9.899,Y 7095	DOWND SOURT	BACHANDS COREANTEN DAYS
LOCATION				AVENAGE COST 591 2551 1628		Bold Pont 30	PROTEINED STOCK LANS 43		ORDER .	LOF S23MG METHOD Lot For Lit		CF S.DDY		SUPPLY THE Build	Forecast from Bermand	
uconos 4	QUANTITY DN HAD	ON HHEID (BASE GAUT)		COST	PLROHASE PRICE	POINT	STOCKIME		ORDER .	METHOD		CF S.DDY		70%	Source Forecast from	
countos a ditian franciso ditian franciso	Quartity Dr.HMD 43	ON HIRD (BACE UNIT) 43	25.423.37	CON 591.25511628	PLROHASE PRICE	POINT	STOCKIME		ORDER .	Let For Lit		CF S.DDY		THE Build	SOURCE Forecast from Bernand Fan Farecast from Destand	

On the Location sublist is where you will find a lot of additional planning parameters that affect either how demand is evaluated or how the planned orders are generated.

These settings include:

- Safety Stock
- Let Sizing Method
- Fixed Lot Size
- Supply Planning Periods
- Supply Type
- Demand Source
- Forward and Backward Consumption Days
- Demand & Planning Time Fences
- Reschedule In/Out Days

Sprotelo Contact Us Now: 916-943-4428 www.proteloinc.com



The Demand Planning Process

The Demand Planning Process

Now that the items have been set up as desired, the system can evaluate demand and present it in a number of ways. The menu structure is laid out in a way that shows the process to calculate demand, review the demand plans and edit where required, generate the supply plans, review and edit those and finally generate planned Purchase Orders, Transfer Orders and Work Orders as desired. Note that the system can be set up to generate actual transactions and skip the planned orders if desired.

Available Planning Methods

- Linear Regression Use previous demand to project future inventory based on the ordinary-least-square regression method.
- Moving Average Use the moving average of historical demand to calculate the overall average stock level needed, and then project future stock levels using that overall average.
- Seasonal Average Use previous demand to examine the seasonal trend of inventory flow, and then project a similar seasonal trend for future stock levels.
- Sales Forecast When using NetSuite for your sales operations, this option uses forward looking sales forecast data (such as opportunities, estimates, etc.) to project inventory demand.

Demand Plans

Once the demand plans have been generated, the user can easily modify them to include any known exceptions. This essentially becomes your MPS.

Supply Plans

Now that the demand plans have been generated and edited, creating the supply plans is a simple one-click process using the item settings to control how the orders are created. Depending on some parameters and approval workflows, the system will either generate planned, firm or released orders.

pppy Plan and inter- s and inter- and inte
Local Local
Local Local
UNIT ON MAXIME \$4. \$20. MINO
le. Each MDNO
680
Planning Message Workflow
TE RECEIPT DATE ORDER TYPE SOURCE LOCATION QUANTITY
8/1/2016 Purchase Order 880
9/1/2016 Purchase Order 2.000
10/1/2016 Purchase Order 3,000
6 11/1/2016 Purchase Order 4,000
6 11/1/2016 Purchase Order 4,000 6 12/1/2016 Purchase Order 5,000
6 11/1/2016 Purchase Order 4,000

Planning Action Messages

NetSuite can also generate planning messages to assist the user in making the right decisions and optimize inventory levels where appropriate.

Sprotelo Contact Us Now: 916-943-4428 www.proteloinc.com

Gross Requirements Inquiry

The Gross Requirements Inquiry provides an overview of the progressive supply and demand cycle by listing quantities required and quantities supplied on each transaction date listed. Each transaction and date is listed along with the more-on-hand or less-on-hand quantity of the transaction, as well as the resulting total quantity on hand for the item.

Order Execution

The result of the planning process simplifies the process of creating purchase orders, transfer orders and work orders for the user and they can be notified in a number of ways when they have to do something—this includes:

- Reminders
- Email alerts
- Saved searches
- Scheduled reports

Executing these from the Order Items or Mass Create WO screens is a simple as checking a box beside the orders you want to create and hitting a button.

Gross Requ	irements Inquiry						Me
SUELOURY *						SHOW OTTALS	
Huffman Mg	*					User OF MEXIQUEE	
DCATION \$11 San Prancisco	*					SAFETY SPOOL EVOL	
(TM						0	
ACC001		8					
6476	04069 6476	DIR	TRANSACTION	01001	ADDMOLY	Quality	QUARTY ON 1819
8/1/2016		Beginning inventory					
81/2016	7/18/2016	Planted Purchase Order				683	1.6
8/1/2016	8/1/2016	Forecast from Demand Plan				-992	
91/2016	8182016	Planned Punthase Order				2.000	2.0
9/1/2016	9/1/2016	Forecast from Demand Plan				-2,000	
16/1/2016	9172916	Planted Purchase Order				3.000	3.0
16/1/2016	16/1/2016	Forecast from Demand Plan				-3.000	
11/1/0014	16/18/0016	Planted Purchase Order				4,000	4.0
11/1/2016	1.910236	Forecast from Demand Plan				-4.000	
13/1/2916	11/17/2016	Planned Purchase Order				5,000	5.0
12/1/2015	12/12016	Forecast from Demand Plan				-5.000	

Gross Requirements Inquiry



Order Execution

Contact Us Now: 916-943-4428 www.proteloinc.com

