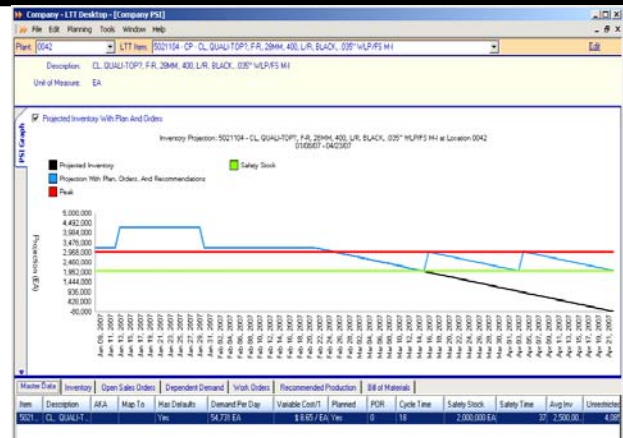




INVENTORY Planning/Optimization

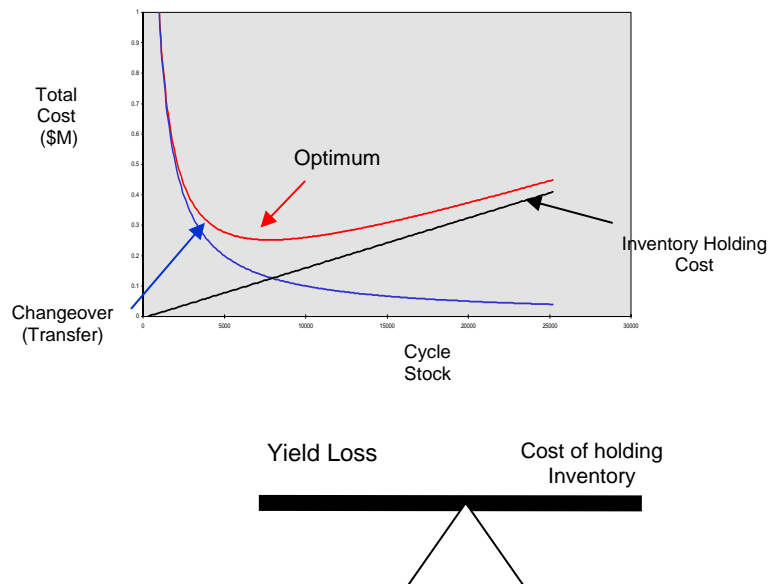
FUNCTIONALITY

- ▶ Industry specific Inventory Policy development for chemicals, jewelry, carpets, glass, assembly processes
- ▶ For each SKU X stocking location combination, inventory planner calculates cost optimal
 - Production run lengths
 - Restock quantities
 - Safety stock
- ▶ Optimizes assets based on product mix and rates
- ▶ For capacity constrained systems, LTT utilizes dynamic 'product wheel' technology to optimize capacity utilization.
- ▶ Handles single and multi-level production processes and facilities as well as *n* level bills of materials
- ▶ Includes 'What-if' analysis to fend off financially poor decisions
- ▶ Seasonally-adjusted forecast for rough cut capacity planning



Inventory Projections

Inventory planning graphic is a critical planning tool. The graph begins with current inventory, adds new production and subtracts out customer orders and forecast on a daily basis. Safety stock levels (green) and peak level (red) give visual representation of how inventory should be managed over time.



Asset	Wheel Size	Total CY	Changeover Per Year	Material	Color	Production Size	Unit Function	Req DPO	Total DPO	Materials	Cycle Stock	Cycle Time	Safety Stock	Safety Time	Run Length	Changes	Capacity Utilization	Rate	Annual Inventory Cost	Annual Extension Cost
\$3_A1	27	8,87	29	026914	PL	8.0	0.02	140	1,071	1	30,214	48	30.7	0	34	2,000	30,000	12,200	12,200	12,200
				026917	PL	10.0	0.02	174	304	3	22,722	100	14.3	0	1	1,700	30,000	4,370	4,370	4,370
				026922	PL	8.0	0.16	174	179	3	16,800	107	9.1	0	06	2,070	16,000	6,210	6,210	6,210
				026942	PL	7.0	0.02	140	1,067	1	30,416	48	10.0	0	27	2,000	42,070	16,200	16,200	16,200
				026980	PL	10.0	0.30	80	228	3	12,077	106	6.0	0	06	1,800	10,000	6,010	6,010	6,010
				026984	PL	4.0	0.13	87	140	2	11,020	106	9.7	0	06	2,070	12,740	8,720	8,720	8,720
				026985	PL	10.0	1.00	30	30	3	4,800	203	4.1	0	02	1,800	6,710	14,020	14,020	14,020
				026972	PL	8.0	0.13	87	140	2	10,240	202	7.6	0	02	1,500	11,404	6,800	6,800	6,800
				026975	PL	8.0	0.27	107	168	1	10,040	98	4.7	0	07	2,000	6,800	16,200	16,200	16,200
\$3_A2	92	1,21	12	026914	PL	3.0	0.06	2,007	2,207	1	100,042	82	20.5	0	4	5,000	32,000	36,710	36,710	36,710
				026982	PL	8.0	0.04	2,040	2,036	1	100,702	81	40.0	0	06	4,000	27,000	32,000	32,000	32,000
				026943	PL	1.0	1.00	302	302	2	121,007	100	20.3	0	17	5,000	30,210	16,710	16,710	16,710
				026947	PL	8.0	1.00	302	302	2	110,019	171	11.8	0	06	4,000	16,700	16,700	16,700	16,700
\$3_B1	23	5,51	1	026914	PL	3.0	0.49	3,403	7,000	1	80,002	24	23.0	10	07	2,000	30,704	30,007	30,007	30,007
\$3_B2	53	0,95	18	026947	PL	3.0	0.01	190	180	3	22,014	140	9.1	0	06	2,000	14,000	14,700	14,700	14,700

Product Wheel:

- ▶ For capacity constrained systems, LTT utilizes dynamic 'product wheel' technology to optimize capacity utilization. The product wheel plans production to maximize profit by balancing inventory holding cost vs. change over cost (yield losses, labor, etc.).