

# Distribution Requirements Planning

The Kinaxis® RapidResponse® Distribution Requirements Planning (DRP) application accurately plans the replenishment of inventory for the purposes of distribution at the detailed part level to immediately evaluate trade-offs between customer satisfaction and costs.

With the DRP application, you can drive dependent demand to pull and/or push the needed supply into the distribution network, through the generation of a near term plan (usually 2-6 weeks) in daily or weekly buckets. Most importantly, you can plan concurrently with master production scheduling (MPS), order fulfillment and supply action management processes to ensure the effectiveness and accuracy of replenishment.

## Business outcomes

- ▶ Balance customer service and the cost of distribution in complex networks
- ▶ Faster, more accurate distribution plan development, reconciled with material availability
- ▶ Early identification of the operational and financial impact of demand and supply misalignments
- ▶ Quicker, more cost-effective decisions through cross-functional adaptive collaboration
- ▶ Intelligent tradeoffs between supply, demand and inventory risks
- ▶ Pulls or pushes the distribution of supply according to demand signals to accurately reflect network limitations

## Application process components

The out-of-the box DRP application supports these process steps:

### Monitor distribution plan

Evaluate trends and exceptions

Problem resolution

### Update distribution plan

Create plan to balance supply and demand

Simulate changes to balance trade offs between customer service expectations and cost of distribution

Manage material and shortage constraints

Firming of planned requirements

### Measure distribution plan

Analysis of inventory projections against targets

Cross-location inventory visibility and redistribution

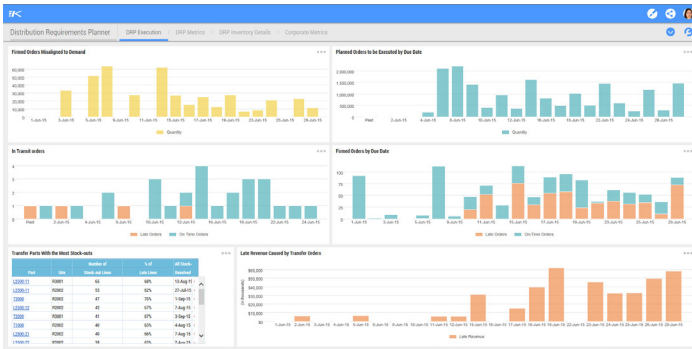
Time phased storage utilization

### Update distribution policies

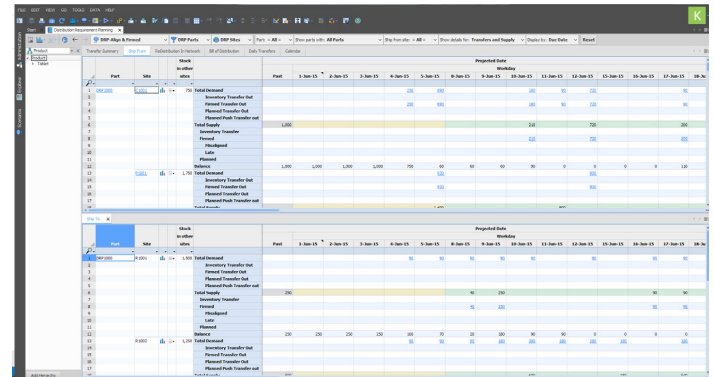
Adjust part planning parameters

Adjust sourcing parameters, such as lead times and production lot sizes

Use the Bill of Distribution to view and add network relationships and transportation modes



Main DRP Dashboard



Distribution Requirements Workbook

## Managing performance

Evaluate and track metrics associated with distribution planning alongside standard corporate measures like revenue, margin, inventory value, on-time delivery and constraint utilization.

Now it's easier than ever to focus on what matters. The DRP dashboard includes measurements on:

- ▶ Total distribution cost
- ▶ Site/storage types over/under capacity
- ▶ On-time order lines by due date
- ▶ Cross-docking opportunities
- ▶ Transfer order exceptions
- ▶ Top sites with push part candidates
- ▶ Transit time deviation
- ▶ Firmed orders misaligned to demand
- ▶ Planned orders to be executed by due date
- ▶ In-transit orders
- ▶ Firmed orders by due date
- ▶ Transfer parts with the most stock-outs
- ▶ Late revenue caused by transfer orders

## Cross-functional collaboration

In the DRP application, collaboration occurs across these functional roles:



## Kinaxis RapidResponse allows companies to concurrently plan, monitor and respond on one platform, across business functions.

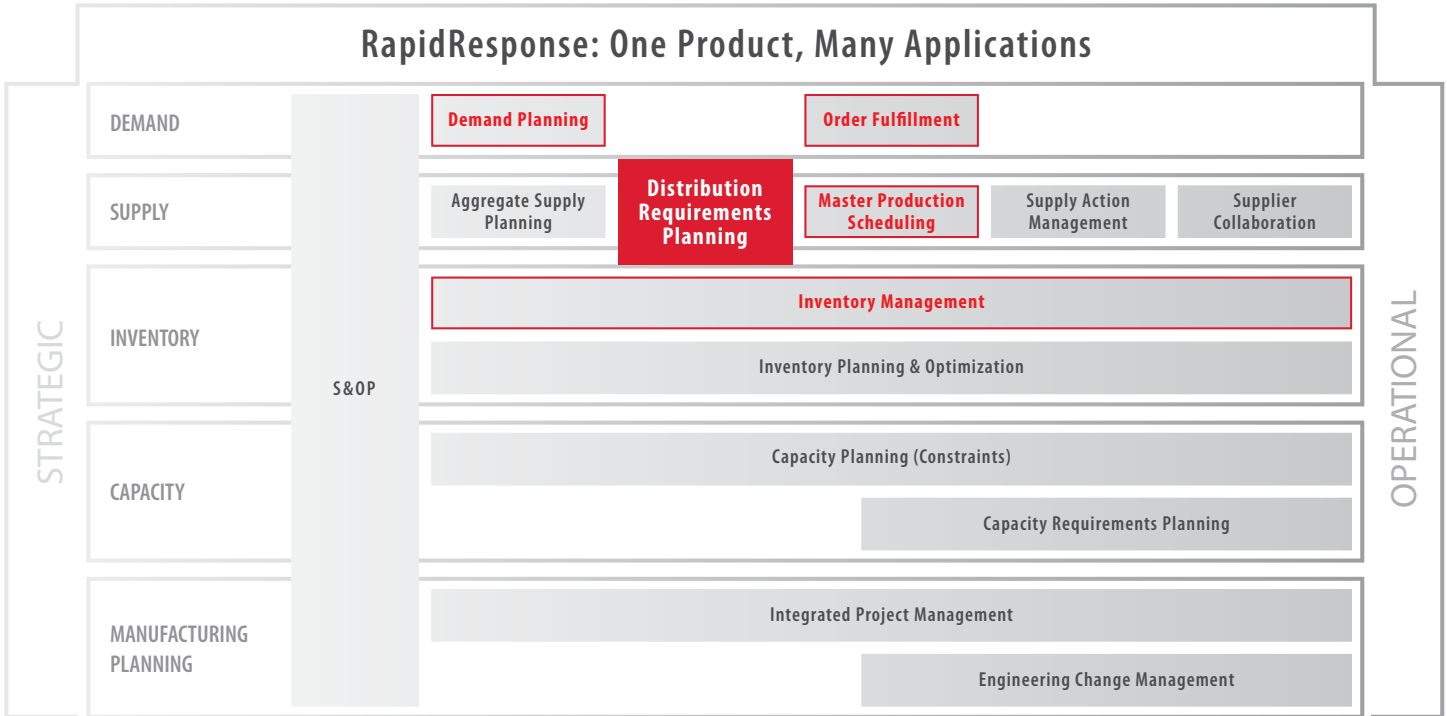
With a single data model and analytics engine, RapidResponse offers an array of supply chain applications all easily accessible through a common user interface. Using our single product, instead of individual disparate software solutions, our customers gain end-to-end supply visibility and the agility to respond quickly to changing conditions. The result is significant operating and cost efficiencies.

Deploy RapidResponse applications individually or together. Designed to be highly configurable, you can easily adapt our applications to meet your company's unique business needs without the heavy burden of ongoing custom coding.

## What's next on your supply chain journey?

Choose the path that's right for your organization. With all our applications running on the single RapidResponse platform, you have the flexibility to deploy at your own pace. We'll help you mature your planning processes, wherever you happen to be in your supply chain journey. Achieve added benefits by using the Distribution Requirements Planning application alongside one or more related applications to ensure synchronization across interrelated planning processes.

Organizations using the Distribution Requirements Planning application can achieve even more value by using it with the Master Production Scheduling, Demand Planning, Order Fulfillment and Inventory Management applications.



## Revolutionize your planning with Kinaxis RapidResponse

Offering the industry's only concurrent planning solution, Kinaxis is helping organizations around the world revolutionize their supply chain planning. Kinaxis RapidResponse, our cloud-based supply chain management software, connects your data, processes and people into a single harmonious environment. With a consolidated view of the entire supply chain, you can plan expected performance, monitor progress and respond to disconnects when reality hits. RapidResponse lets you know sooner and act faster, leading to reduced decision latency, and improved operational and financial performance. We can prove it. From implementation to expansion, we're here to help our customers with every step of their supply chain journey.



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