



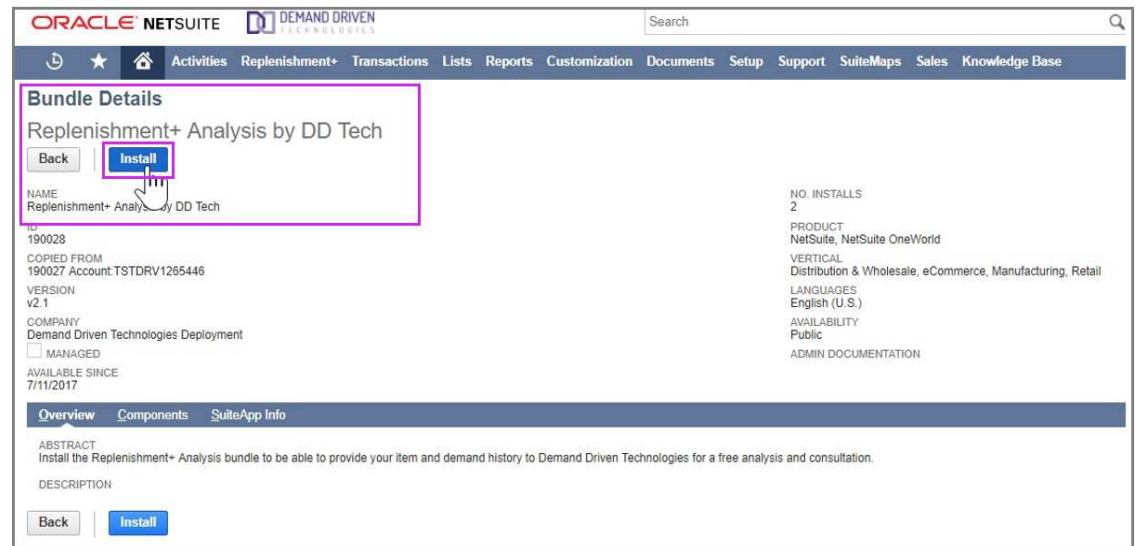
DDMRP Simulation Analysis Offering

DDMRP Simulation - Objectives

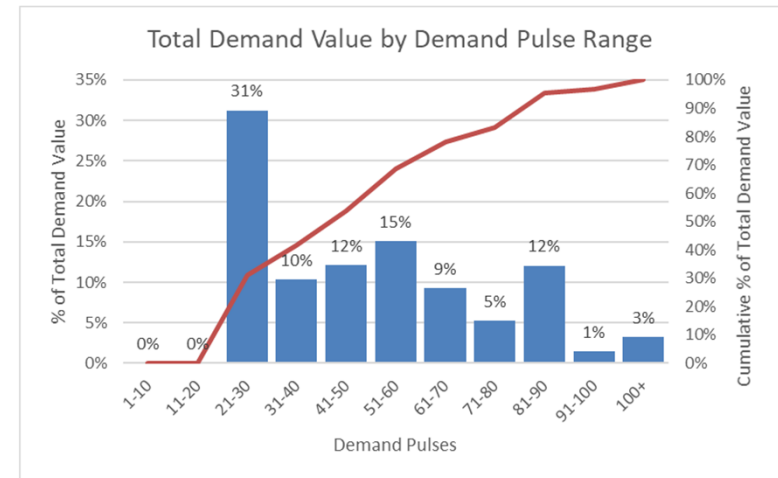
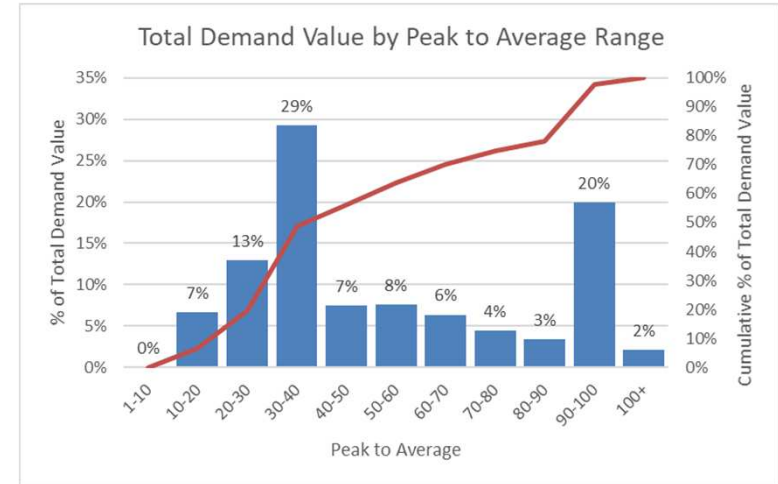
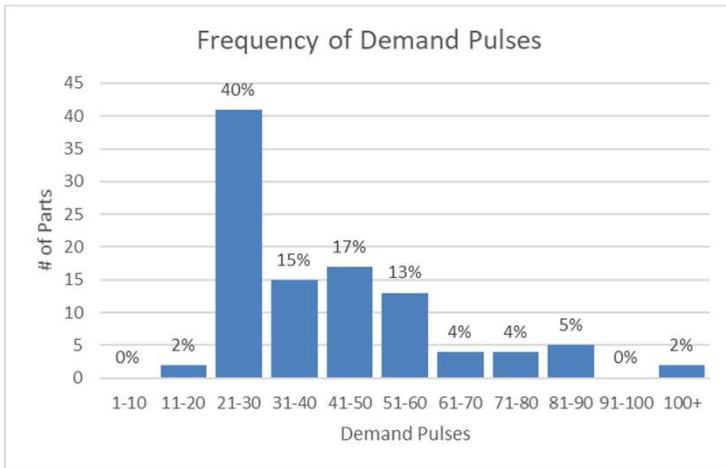
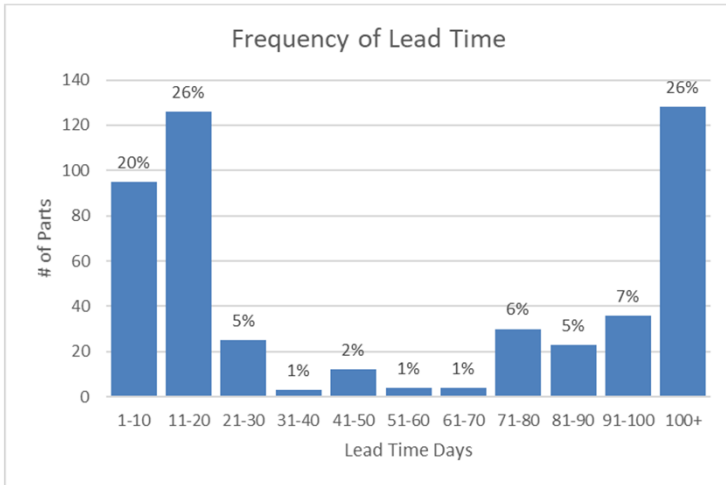
- Provide Clients with a perspective of how DDMRP buffers support various demand patterns over time, in terms of metrics
 - Projected inventory
 - Service levels
 - Supply order frequency and size
- Enable 'what if' analysis of the impact of various buffer parameters
 - Lead time
 - Minimum Order Quantity
 - Variability
 - Buffer Zone Adjustments
 - Planned Adjustment Factor

DDMRP Simulation - Requirements

- Daily demand history over 12 months
- Key part information
 - Lead Time
 - Minimum Order Quantity (if applicable)
 - Current or average inventory
 - Material cost



Simulation Data Analysis Example

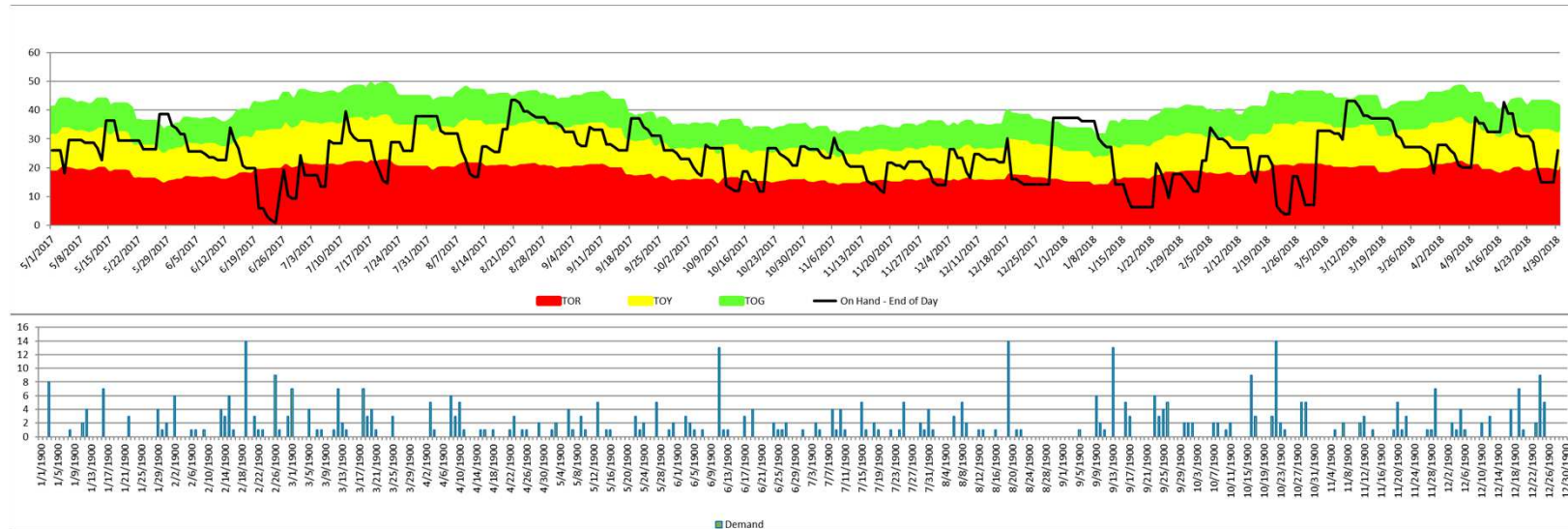


Simulation Part Example

Part Number _____

Simulation Results	Units	Days
Current on hand	36	28
Scenario on hand	25	20
Annual Turns	18.66	
Total Demand	469	
Peak Demand	14	
Demand Pulses	156	
Qualified Spikes	0	
Minimum on hand	1	
Max on hand	44	
Service Level	100.00%	
Days Stocked Out	0	
Supply orders	39	
Avg Supply Order Size	12	

Lead Time	10
Average Daily Demand	1.28
Minimum Order Quantity	0
Buffer Profile	B13
Demand Variability (Std Dev):	2.3
Coefficient of Variation (CoV)	181.89%
Peak to Average	10.90
Starting ADU	1

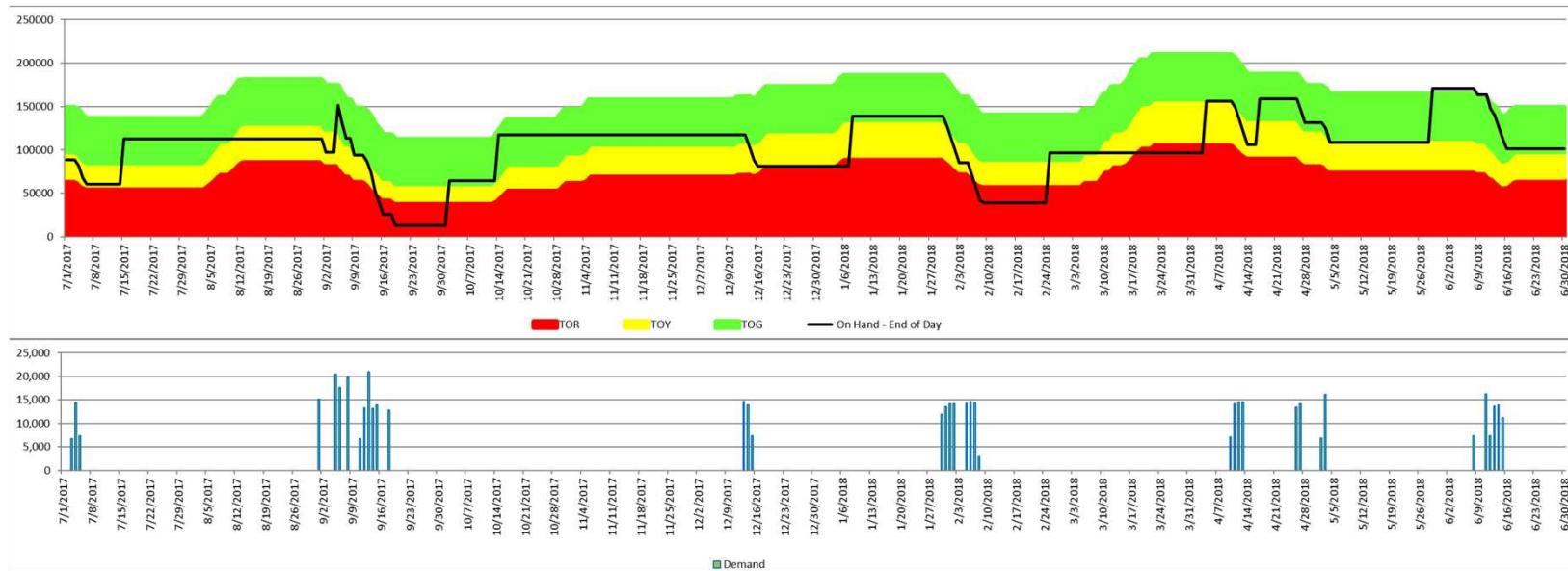


Simulation Part Example - High Variability

Part Number

Simulation Results	Units	Days
Current on hand	24,187	18
Scenario on hand	103,457	77
Annual Turns	4.73	
Total Demand	489,134	
Peak Demand	21,003	
Demand Pulses	38	
Qualified Spikes	0	
Minimum on hand	12,542	
Max on hand	171,128	
Service Level	100.00%	
Days Stocked Out	0	
Supply orders	8	
Avg Supply Order Size	56,178	

Lead Time	25
Average Daily Demand	1340.09
Minimum Order Quantity	50000
Buffer Profile	B25M
Demand Variability (Std Dev):	4148.1
Coefficient of Variation (CoV)	309.54%
Peak to Average	15.67
Starting ADU	1340



Simulation Part Example – Order Spike

Part Number

Simulation Results	Units	Days
Current on hand	18	11
Scenario on hand	37	23
Annual Turns	16.02	
Total Demand	600	
Peak Demand	61	
Demand Pulses	83	
Qualified Spikes	17	
Minimum on hand	15	
Max on hand	71	
Service Level	100.00%	
Days Stocked Out	0	
Supply orders	30	
Avg Supply Order Size	20	

Lead Time	10
Average Daily Demand	1.64
Minimum Order Quantity	0
Buffer Profile	B15
Demand Variability (Std Dev):	5.8
Coefficient of Variation (CoV)	353.25%
Peak to Average	37.11
Starting ADU	2

