

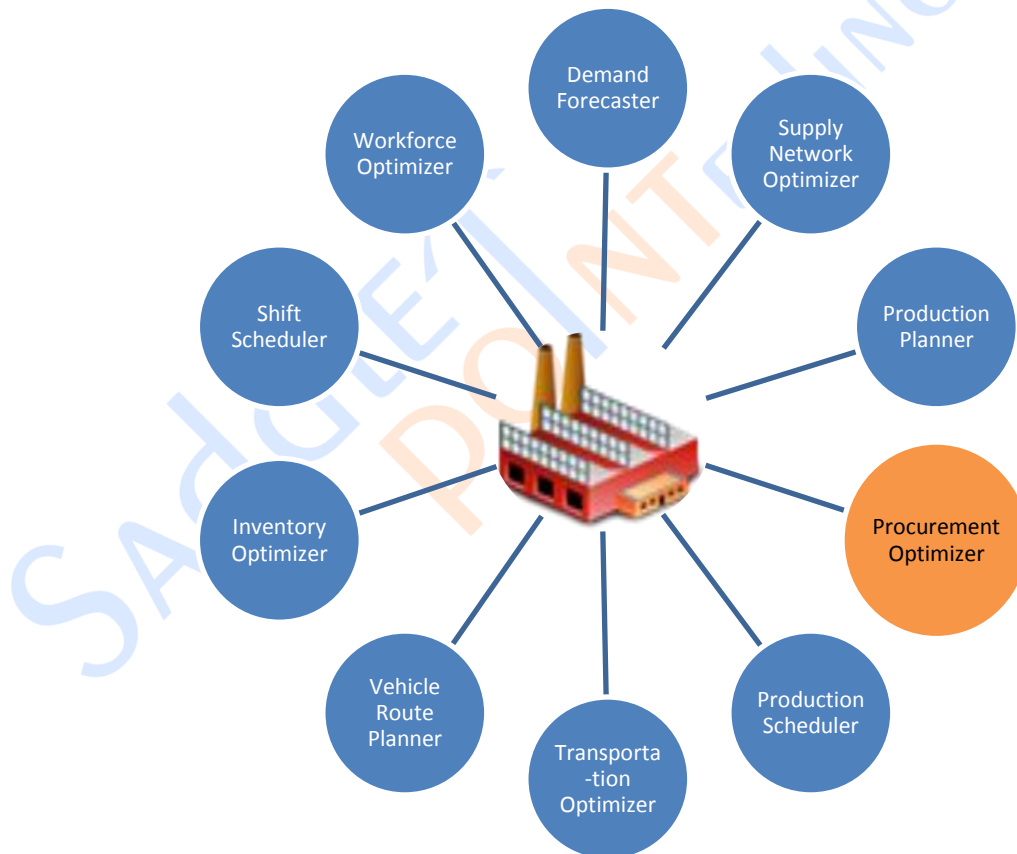
Procurement Optimizer

This tool optimizes the procurement plan (optimal quantity to be procured from each supplier) and transportation plan based on the demand forecast at factories, availability & selling price of raw materials, minimum order quantity for each supplier, supplier quota, supplier lead times, lot size requirement, transportation costs & lead times, applicable taxes etc.

The procurement optimizer is suitable for medium and large sized trading companies

IBP Cloud Suite

Saddle Point IBP Cloud Suite is a fully integrated, easily configurable and feature rich cloud based planning suite with a SaaS offering. Procurement Optimizer module is part of the planning suite helping in closing the gap between demand and supply. Procurement Optimizer can be easily integrated with some of the other modules in the suite.



Key Questions answered

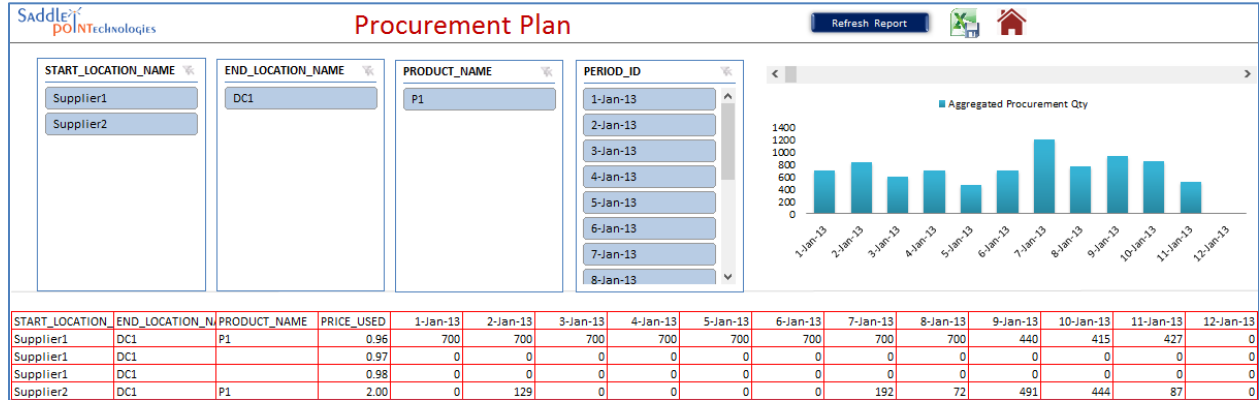
- How to minimize the total procurement cost considering minimum order quantities, discount prices, supplier quotas, transportation costs etc.?
- What is the quantity to be procured from each supplier at each factory in each period by optimal use of discount price which is as per order quantity and other criteria?
- What is raw material mix to be procured from each supplier in each period?
- What is quantity to be transported between each supplier and DC in each period?
- How much inventory to be hold at each node of the supplier network to satisfy inventory targets, lead time requirements?
- How much is the demand satisfied, shortage, goods delivered late in each bucket?

Features:

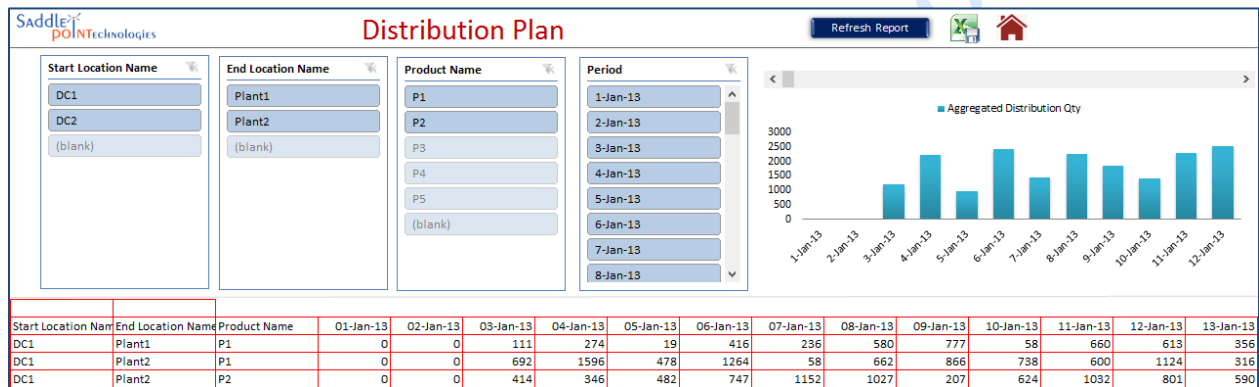
- Minimum and maximum quotas for each supplier
- Raw material availability given by supplier at raw material group level with swap ratio for each raw material in the group
- Volume based pricing for raw material (i.e. discounts on high volumes)
- Possibility to integrate with Saddle Point Vendor Selection tool which qualifies and selects the vendors based on different criteria's using Analytic Hierarchy Process (AHP)
- Network of suppliers, supplier DCs and factories with transport cost and lead times
- Price negotiation feature
- Quality factor for each supplier
- Minimum order quantity and lot sizing
- Spot purchase Vs early procurement (inventory pile up)
- Option for planning in monthly, weekly and daily buckets
- Scenario planning with multiple versions of data

Reports:

Procurement Report:



Distribution Report:



Demand Satisfaction Report:

