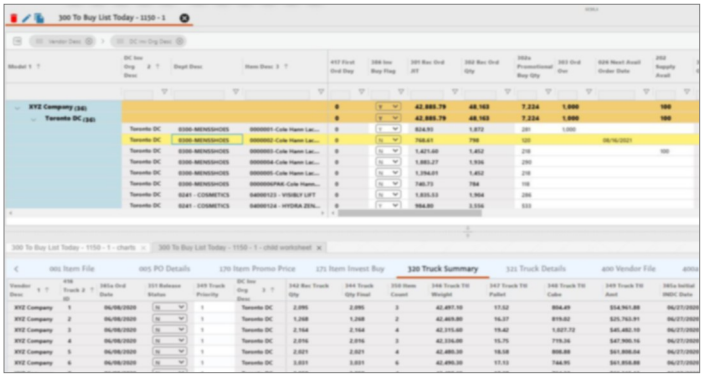
New Horizon Buyers Workbench

Procurement Planning for Wholesale Distributors

Built Specifically for Buyers

There are many supply planning solutions, but most are geared to the needs of manufacturers rather than wholesale distributors. Wholesale distributors face razor-thin margins while dealing with the complexity of a large number of vendors, customers, and products. To succeed, it's critical that they minimize inventories while maintaining high service levels and squeeze every efficiency possible out of every aspect of their operations.

New Horizon Buyers Workbench (BW) is a procurement planning solution tailored to the needs of buyers at wholesale distributors. It is the result of years of experience working with innovative wholesalers across a range of product categories. With BW, companies can efficiently plan purchasing and freight expenses and reduce total landed costs. The result is improved margins and a strategic cost advantage over competitors.



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Generate Purchasing Plans That Meet Vendor Constraints

BW automatically generates purchasing plans based on configurable replenishment and safety stock policies. Replenishment policies include reorder point, economic order quantity, and min-max.

BW also respects a range of vendor requirements at the order (e.g., dollar minimum, full truck load), line item (e.g., minimum order quantity, order multiple), and item group (e.g., minimum order quantity for related items) levels.

BW generates optimal plans, after which planners need only review and approve them. The result is plans that minimize inventory and costs while increasing planner productivity.

Determine Safety Stock More Accurately

Accurate safety stock calculations are critical to minimizing inventory while meeting service level commitments. New Horizon has introduced a number of enhancements in this area. Our Adaptive Selection™ technology excludes outlier demand data to calculate demand variance more accurately. The solution automatically selects the best approach for lead time variance computation and reports any abnormalities. Safety stock is adjusted based on seasonality.

Optimize Forward Buy Decisions

Temporary price reductions, volume discounts, and other vendor incentives offer wholesalers the opportunity to forward buy and even divert goods to generate incremental profits. But to do this effectively, wholesalers need to quickly and accurately understand the tradeoffs between price savings and incremental carrying costs. BW enables you to quickly analyze these tradeoffs and maximize the ROI of your investment buy decisions.

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NEW HORIZON™

KEY CAPABILITIES

- Automatic generation of ordering plans
- Conformance with order, line item, and item group requirements
- Reorder point, economic order quantity, and min-max replenishment policies
- Automatic outlier detection for more accurate demand variance calculation
- Automatic selection of best lead time variance computation
- Automatic safety stock adjustment based on seasonality
- Automated truck and container loading optimization
- Evaluation of forward buy decisions
- Automatically balance inventory across DCs before purchasing new from vendor
- Alternate sources recommended where profitable
- Consolidation of orders for international purchasing
- Make up vendor's delay time by ordering early
- Post-mortem analysis

KEY BENEFITS

- Increase service levels by 5-15%
- Reduce inventory by 4-20%
- Increase revenues
- Improve margins from forward buying and truck loading optimization
- Improve buyer productivity by automating order planning, analysis, and truck loading processes

Rebalance Inventory Before Making Additional Purchases

Wholesale distributors with multiple distribution centers (DCs) often purchase goods when they might be better off simply transferring goods from one DC to another. BW enables planners to evaluate transfer scenarios. Where appropriate, you can balance supplies across DCs before resorting to new purchases, thus reducing working capital and inventory carrying costs.

Reduce Costs Through Optimal Truck Loading

Often there is a need to order full truck and container loads to reduce freight costs. This can be done by ordering extra product quantities from a single vendor, or combining orders from multiple vendors. Unfortunately, most purchasing departments leave load planning to the time of transportation execution, at which point it may be too late to achieve maximum efficiencies. New Horizon addresses truck loading during the planning process to take full advantage of all possibilities. Buyers Workbench takes into account weight, cube, pallet, and case constraints to come up with an optimal loading plan.

Level Warehouse Capacity Needs

Ignoring ordering and receiving calendars can lead to warehouse capacity shortages alternating with periods of poor labor utilization. BW takes into account ordering and receiving calendars to level capacity requirements, thereby increasing warehouse operational efficiency.

Continuously Improve Operations Using Post-Mortem Analysis

Even with the best plans, stock-outs and inventory excesses occur. BW gives you the ability to analyze the root cause of exception conditions. With the resulting analysis, you can take corrective action to minimize repeat problems.

The New Horizon Suite: Planning Made Easy

Buyers Workbench is just one application in New Horizon's comprehensive planning suite. The New Horizon Suite brings a more modern approach to supply chain planning software. We leverage the latest advances in AI, machine learning, and cloud technologies to offer better plans, a more intuitive user experience, and quicker, less expensive implementations. The result is superior service levels, reduced inventory , faster time to value, and lower TCO. New Horizon – Planning Made Easy™.

To learn more:

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