"My company made a huge bet on Product A that sold far below forecast and we made a tiny buy on Product B that blew past projections. We wish we could have reversed our investments."

—CEO, MAJOR APPAREL RETAILER, ON THE COMPETITIVE IMPERATIVE FOR SUPPLY CHAIN SPEED AND FLEXIBILITY

INFOR CAPABILITIES FOR LEAD TIME OPTIMIZATION

DO BUSINESS BETTER.

For retailers and brands in trend-driven industries, today's perilous financial times require a strategy that goes far beyond achieving incremental improvements in supply chain transaction costs. Instead, the best economic opportunity for most apparel, footwear, electronics, and other companies with short lifecycles is to improve business results by reducing markdowns, stockouts, and unwanted inventory. But that's not easy when concept-to-consumer lead times far exceed the selling season. If it takes 12 to 18 months to plan, produce, and distribute a product line for a three-month selling season, there's no way to accurately forecast real demand. Faced with these challenges, supply flexibility is the remedy for demand risk.

For retailers, questions of inventory risk such as how much, where, and at what profit are not easy to answer. Retailers and trend-driven companies must find ways to shorten product lead times, free limited working capital, and avoid the crippling impact of markdowns, stockouts, and unwanted inventory. To make time an ally rather than enemy, forward-thinking companies are investing in lead time optimization.

INFOR™

LEVERAGE EXPERIENCE.

Infor™ helps short lifecycle product companies create new levels of supply chain flexibility through the implementation of advanced lead time optimization capabilities. Leveraging extensive expertise in complex supply-chain optimization, Infor's lead time optimization make it possible for companies to cope with high demand uncertainty by reducing the need to make large upfront investments in finished goods. This helps short lifecycle companies better synchronize inventory with unpredictable consumer demand.

Infor's lead time optimization capabilities feature innovative postponement strategies that allow companies to delay pre-season production and transportation commitments, exploiting demand forecasts that improve closer to season and in-season. According to a leading supply chain authority, Stanford University's Dr. Warren H. Hausman, postponing finished goods commitments to just before they are needed has the potential to increase company profits by as much as 28% and market capitalization by as much as 43%.[1]

GET BUSINESS SPECIFIC.

Infor delivers tools and business processes for lead time optimization that are tailor-made for helping short lifecycle companies plan and optimize merchandise speed, cost, and flexibility.

With Infor's lead time optimization capabilities, retailers and trend-driven brand companies can be more responsive to changes in demand because inventories and resources are staged and hedged, rather than committed to specific finished goods months before the actual demand. Infor can help your company:

Make postponement decisions at the SKU level.

Infor delivers innovative software functions that allow companies to execute postponement strategies for individual stock keeping units (SKUs), such as how much to commit to production, when, and at what profit [JPE1]. This is particularly useful for companies with trend-driven, fashion products, and other products with seasonal or period-demand risk.

Adopt a constraint-based optimization approach.

Infor's constraint-based optimization methods support supply chain decision-making based on product margin and pricing, raw materials, transport options, and manufacturing. By comparison, most available planning systems focus on cost minimization and do not incorporate individual product profit profiles, lost sales, or forecasts that improve with time.

Leverage vendor capabilities.

Infor solutions leverage vendor readiness for faster, leaner, and more flexible supply chain collaboration, and minimize the time it takes to deploy a lead time optimization strategy.

Exploit hedging capabilities.

Infor offers hedging capabilities that make it possible to maintain and manage production capacity and inventory of materials and components just above forecasted requirements. This creates a buffer of flexibility, making it possible to quickly and effectively exploit unanticipated upsides in product demand.

[1] Hausman, Warren H. and Thorbeck, John S, "Fast Fashion: Quantifying the Benefits," 2009 publication in Innovative Quick Response Programs in Logistics & Supply Chain Management, edited by Edwin Cheng and Jason Choi, Springer Publishing Company.

Streamline development of short lifecycle products.

Infor solutions can streamline the processes required to produce short lifecycle products, including core development as well as manufacturing. With Infor lead time optimization capabilities, companies can begin selecting and managing raw materials early in the product development process, making it possible to better anticipate and mitigate upstream supply chain problems.

Business performance analytics.

Infor delivers capabilities that help short lifecycle companies monitor their key performance indicators in real time. By quickly gaining insight into changing customer demands, short lifecycle companies have the feedback processes they need to drive effective lead time optimization processes.

SEE RESULTS NOW.

One of the best economic opportunities for fashion companies is not in reducing supply chain transaction costs, but in improving profits by reducing markdowns, stockouts, and unwanted inventory. In fact, today's competitive imperative for retailers is to be fast, lean, and flexible.

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Infor's lead time optimization capabilities deliver innovative new ways to achieve the speed and flexibility that short lifecycle companies must have to survive today's unprecedented financial challenges. By delivering specific solutions for postponement strategies, Infor helps companies improve profits by significantly reducing markdowns, stockouts, and unwanted inventory. To protect the bottom line of short lifecycle product companies, Infor's lead time optimization capabilities help to:

- Reduce ex-factory lead times from months to weeks
- Cut unwanted finished goods inventory and its associated working capital
- Minimize pre-season finished goods commitments to preserve in-season potential for upside sales at full price
- Improve forecast accuracy for better replenishment options and more frequent new product introductions
- Recapture stockouts, or lost sales
- Improve customer satisfaction based on better alignment of inventory with real demand

THERE IS A BETTER WAY.

At Infor, we work with a core belief. We believe in the customer. We believe that the customer is seeking a better, more collaborative relationship with its business software provider. And a new breed of business software: created for evolution, not revolution. Software that's simple to buy, easy to deploy and convenient to manage. Our 70,000 customers in more than 100 countries stand with us. We look forward to your sharing in the results of our belief. There is a better way. For additional information, visit www.infor.com.

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