

Optimize Inventory through Replenishment and Demand Planning Solutions

As Retailers, you face a number of ongoing trends and challenges (increasing distribution costs, low inventory turns, high COGS, stockouts) that need to be managed proactively to ensure customer-centricity. Successful organizations have seen increased growth and profitability by delivering on the following key business imperatives for Supply Chain and Demand Management:

Optimizing Inventory levels to Reduce Working Capital

- Reduce non-selling or stale merchandise
- Employ store / product clustering to drive improved allocation and replenishment
- Automate ordering to best meet demand and forecast patterns
- Centralize replenishment to enable efficient tracking of orders, product flow and inventory visibility, enhancing both vendor compliance and stock position at the stores

Enhancing Consumer Demand Performance

- Improve customer service level through an increase in store-item availability
- Retain localized assortments to drive customer-centricity
- Minimize lost sales due to stock-outs

Cross Functional Process Integration

- Improve assortment strategies to reduce incidences of mark downs and write-offs
- Rationalization of SKUs driven by a constant view into perpetual inventory
- Optimize use of selling space for profitable product mixes

What results have other Retailers experienced using the TXT Supply Chain Solution?

- Footwear Retailer > 10% increase in markdown margin
- Apparel Retailer > 5% inventory reduction
- General Merchandise Retailer > 5% to 15% sales increase
- Department Store > 5% sales increase (avg. basket growth)
- Forecasting Accuracy
 - 15% less inventory
 - 35% shorter cash-to-cash cycle times

Solution Highlights

- ✓ Best of breed, industry-proven solution from TXT eSolutions that can operate as a standalone application or integrate with an existing one
 - ✓ Powerful planning functionality in an intuitive Excel client with visual galleries and editable charts to reduce errors and improve productivity and user adoption
 - ✓ Integrated demand, supply chain and business performance management solution proactively identifies issues and highlights bottom line results to end-users
 - ✓ Comprehensive library of forecast algorithms for effective management of seasonality, promotions and markdowns
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- Visibility and integration
 - Improvement of inventory turns to as little as 5 to 7 days
 - Comparable store sales increases of 10% to 20%
 - Greater than 80% full price sell-through

Advanced Retail Planning

Ideaca has experience helping Retailers drive benefits through a centralized demand planning and replenishment solution based on TXT eSolutions' supply chain platform. Our solutions support the full Retail value chain from vendor / manufacturer to the end customer with capabilities that align product and promotional decisions with channel and store specific consumer demand signals. Functionally, our solution provides:

- Merchandise and Store Planning (what-if & simulations scenarios)
- Assortment Planning
- OTB (Open-to-buy) and Purchase Planning (WSSI)
- Replenishment Planning
- In-Season Control
 - Allocation, replenishment, re-forecasting, markdown planning
- Embedded Workflows
- Promotion Planning

What can you expect?

The Right Product Mix for the Right Stores

The adoption of new technologies that support customer-centric demand planning is increasingly recognized by best-in-class Retailers as a means to help overcome business challenges, execute against imperatives and drive business benefits across the organization. Beyond streamlining individual processes to support more efficient and effective assortment planning, Ideaca can help determine appropriate workflows and key performance indicators (KPIs) across your organization to drive the following benefits:

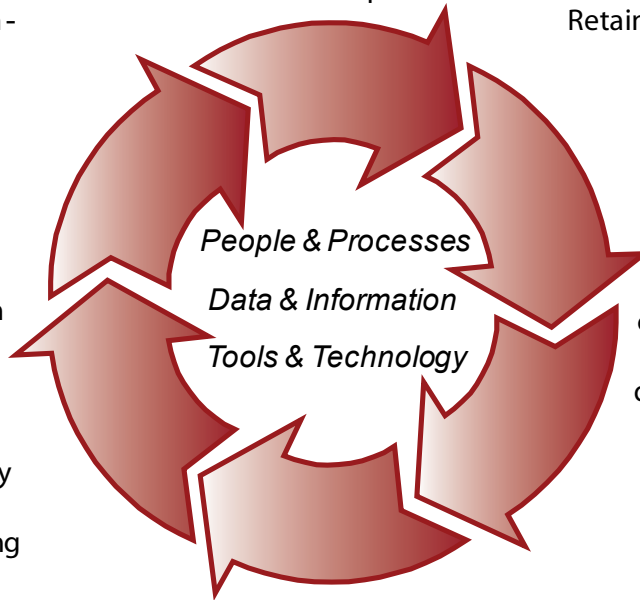
Optimize Inventory Levels

Utilize store / product clustering concepts to drive improved allocation and replenishment

Reduction in non-selling or stale merchandise

Economies of scale through PO consolidation to vendors

Reduce carrying costs by synchronizing demand planning activities



Better assortment strategy and planning leading to reduced incidence of markdowns and write-offs

Increase Customer Centricity & Sales

Retain localized assortment capabilities to drive customer - centricity

Reduce lost sales due to stockouts

Automatic creation of suggested orders to best meet demand and forecast patterns

Accurate tracking of vendor volumes to support trade spend negotiations

Reduction in COGS and Improved Gross Profit

Enhance Operations Management

How Can We Help You?

Our experienced team of retail consultants coupled with our solution accelerators and an integrated software offering from TXT eSolutions are all critical components to minimize your risk, optimize your performance and reduce your total cost of ownership.

To learn more about Ideaca's Retail solutions contact **1-866-816-IDEA x5157**, or e-mail sales@ideaca.com.

