



Total Inventory Management

As supply chains extend around the globe, and product life cycles grow shorter, traditional inventory management processes have been rendered obsolete. New operational demands dictate that companies continuously manage inventory throughout multiple levels of global supply chains to optimize performance against business objectives.

This cannot be accomplished through one-dimensional strategies. Companies must synchronize their systems, processes, technologies, and services across inventory functions. Success requires a current view of on-hand inventory, established inventory policies, and the ability to rapidly respond to unplanned demand and supply changes.

i2 Total Inventory Management provides a comprehensive range of supply chain technology and services that deliver quick results and lay the framework for ongoing incremental value. Through a combination of process, systems, people, and strategy, i2 Total Inventory Management enables companies to convert inventory from a cost center to a competitive differentiator.

Features and Benefits

Designed for inventory managers, not mathematicians, i2 Total Inventory Management encompasses five best practices that enable companies to respond to the dynamic nature of supply chains today.

Visibility

Serving as a single system of reference across multiple systems within and outside the enterprise, i2 Total Inventory Management facilitates near real-time monitoring and event management throughout the inventory life cycle. The solution provides a proactive playbook, with an optimized plan that details what to expect and when. i2 Total Inventory Management delivers timely visibility into inventory, enabling close monitoring of compliance to the plan. Alerts are prioritized based on established criteria, and contingencies are mobilized for rapid response.

Analysis

i2 Total Inventory Management enables companies to closely analyze point-of-sale data, profile buying behaviors and trends, and quantify risks and variability. The reporting and analytics capabilities support detailed historical analysis and executive decisions. Organized at any level of the enterprise by customer, time, item and location, companies can easily view the current state of their business. Daily reports deliver detailed insight into a variety of metrics, including in-stocks, stock-outs, weeks of supply, and forecast and variance.

Key Features of

i2 Total Inventory Management

- Designed for inventory managers, not mathematicians
- Easy connection/integration with ERP and SCM systems (i2 SCM not required)
- Visibility into orders, inventory, and transportation
- Analysis of point-of-sale data to enable intelligent inventory actions
- Rich representation of supply chain
- Automated profiling
- Automated policy selection
- Flexible and extensible segmentation
- Rich analytics, guided analysis paths, and flexible reporting
- Best-in-class optimization

Inventory segmentation

i2 Total Inventory Management delivers the richest modeling capabilities available on the market today, spanning procurement, manufacturing, and distribution. A segmentation menu offers the ability to organize data by standard attributes such as volume, revenue, and margin, as well as any custom attributes. The i2 solution automatically computes profiles for each attribute across the portfolio. Companies can achieve differentiated supply chain strategies and positions based on life cycle stage and criticality. These differentiated strategies are used as a distinct input to the optimization solver.

Multi-echelon stock optimization

i2 Total Inventory Management provides multiple optimization options to minimize cost, maximize performance, redistribute inventory, and analyze total landed cost. Companies can optimize postponement through service-cost tradeoffs, move to a hybrid built-to-stock and make-to-order business model, and reduce risk through demand pooling.

Adaptive learning cycles

A performance manager dashboard in i2 Total Inventory Management enables continuous learning and improvement. Each planner can have a personal dashboard that includes key performance indicators, favorite reports, and custom configured alerts. Companies can easily access data on occurrences such as orders filled from non-standard routes, in-country stock-outs, and the average duration for stock-outs. Each business cycle is treated as a learning opportunity, enabling the business to redesign network and inventory policies and refine its playbook.

Increasing performance, reducing costs

These five best practices enable companies to achieve tighter control of inventory without sacrificing service levels. While inventory levels decrease, product availability increases. Through improved asset utilization and increased inventory turns, i2 Total Inventory Management reduces risk and carrying costs, and improves cash-to-cash cycles.

Solution Engagement Models

An i2 Total Inventory Management engagement begins with a strategic diagnostic process that establishes key objectives, recommends strategies, and establishes best practices and change management initiatives. From there, i2's results-focused engagement models, which are built on a continuous improvement framework, foster rapid and continued incremental supply chain process innovation.

The traditional license model incorporates an on-site model build, and includes integration with existing ERP and SCM systems. The next step is a rapid on-boarding process, with a diagnostic for each business line. When the Total Inventory Management solutions are up and running, i2 provides support and maintenance as needed, while the customer runs day-to-day supply chain operations.

Customers can also leverage i2's leading-edge knowledge and domain expertise through i2 Operations Services. Companies outsource supply chain processes related to inventory management, bundling the services and solutions that they need. i2 Operations Services takes inventive, outcome-based approaches to resolving inventory management challenges—redesigning processes when necessary and implementing technology to reflect those process changes.



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