



---

## ULTRIVA SEES MANUFACTURING COMPANIES MOVE FROM MRP FORECASTS TO END TO END PULL

**Cupertino, CA – February 13, 2015** – Manufacturing companies often use a Material Requirements Planning (MRP) forecast as a basis for Sales and Operations Planning (S&OP). Cynthia Leonard, Ultriva's marketing executive discussed on the company blog that MRP and supplier forecasting produce more problems in the supply chain than they solve.

Leonard explained, "Errors in shipping, receiving or inventory reporting, or production schedule adjustments, change MRP data. Often the numbers cannot be quickly updated. Gartner Research Analysts recommend manufacturing companies to engage with customers and suppliers to establish a pull process from Finished Goods to Raw Materials. This is how Gartner defines End to End (E2E) Pull replenishment."

Leonard noted manufacturing companies have tried to improve customer satisfaction levels through better forecasting, increased inventory levels, and optimized production. Even with these best efforts, the results are frequently disappointing.

- Many companies carry large amounts of inventory to meet customers' changing demands, which are often based on inaccurate forecasts and result in an unwieldy number of SKUs.
- Constantly fluctuating customer demand causes operational instability and increased costs due to expediting, equipment set up, and employee overtime.
- Exceptions generated during every MRP run, creates a common and expensive problem for suppliers. These exceptions alert buyers to expedite, defer, or cancel outstanding orders.
- Exceptions are the result of changes in forecasts and planned orders fed into and manufacturer's MRP. This constant push, pull and cancellation of orders leads to a bull-whip effect on suppliers that results in short shipments, late shipments and stock outs.

To read the entire blog, go to:

<http://info.ultriva.com/ultriva-blog/manufacturing-companies-should-move-from-mrp-forecasts-to-end-to-end-pull>

### About Ultriva

Ultriva's ([www.ultriva.com](http://www.ultriva.com)) cloud-based platform leverages seamlessly integrates with leading ERP and MRP systems, to deliver an end to end pull based replenishment solution. Ultriva, based in Cupertino, CA, implements a global demand driven manufacturing model by providing full visibility, scheduling, and sequencing of production of customer orders. Ultriva was named one of the Great Supply Chain Projects of 2014 by Supply & Demand Chain Executive magazine and recently named one of 50 Best Supply Chain Blogs of 2014 by SupplyChainOpz. The company's global footprint is increasing rapidly with implementations in wide variety of industry sectors and enterprises such as Magellan Aerospace, CareFusion, Emerson, Ingersoll Rand, McKesson, Triumph Group, Regal Beloit, Thermo Fisher, and more. Follow Ultriva on Twitter at @Ultriva.

### Ultriva, Inc.

1601 S. De Anza Blvd., #165  
Cupertino, CA 95014  
Tel: (408) 248-9803



--- End ---