

EMPOWER S&OP TO SUPPORT THE DECISIONS THAT REALLY MATTER

WHETHER YOU CONSIDER YOURSELF A STAGE 2 S&OP COMPANY OR A STAGE 4 COMPANY, River Logic has a solution approach to help you quickly advance your S&OP Planning in a step-wise function and answer more meaningful questions during the process.

CUSTOMER SUCCESS STORY

FORTUNE 1000 MANUFACTURER OF FOOD PRODUCTS WITH \$1.5B ANNUAL REVENUE AND 6700 EMPLOYEES.

This customer struggled to answer a wide range of questions around the profitability of certain products, where to add/subtract capacity, where to manufacture goods, and how to balance cash flow and inventory turns. Decisions were further complicated by the seasonality of the business and the fact that they had dry and frozen storage.

USING RIVER LOGIC TECHNOLOGY, THE COMPANY DEVELOPED FIVE APPLICATIONS:



A LONG-RANGE PLANNING MODEL

to evaluate strategic issues (e.g., capacity, capital expenditures, and product portfolio)



A MEDIUM-RANGE PLANNING MODEL

to determine inventory strategy and tactical issues, including which plants should make certain products



AN OPERATIONAL PLANNING MODEL

to define production sequencing and shift scheduling



A DISTRIBUTION PLANNING MODEL

to determine the optimal distribution strategy



A TRUCK LOADING AND HANDLING MODEL

to maximize efficiency and minimize costs

The company uncovered truly transformational, actionable insights from River Logic's optimization-based prescriptive outputs. For example, one plant manager recommended an entire product line be transferred to another plant based on profit impact. Prior to River Logic, it was assumed that a plant capable of making a product should do so in order to serve customers in close proximity. However, River Logic showed them that this was not the case!

IMPACT



20X ROI FROM THEIR RIVER LOGIC INVESTMENT



\$5M IN PROFIT IMPROVEMENT OPPORTUNITIES FROM JUST TWO OF THE 5 APPLICATIONS



BETTER AND FASTER DECISIONS AND INSIGHTS THAT TRANSFORMED THE WAY THE COMPANY MAKES DECISIONS

GET YOUR MOST **IMPORTANT QUESTIONS ANSWERED**

Test alternatives and understand decision impacts systematically without the use of spreadsheets

- ◆ How much incremental value is there to selling each additional unit of a product? Each additional hour of keeping a resource running?
- ◆ Which deals will add the most to our margin while respecting manufacturing constraints?
- ◆ What level of planned capacity will provide the optimal financial outcomes while respecting service goals?
- ◆ Where are the most significant risks to our ability to achieve our targets? Where is the sensitivity to input assumptions the greatest?
- ◆ Which customers, products, and channels are the most (or least) profitable on a forward-looking basis by business unit, region, or time period?



RIVER LOGIC'S **ADVANCED ANALYTICS PLATFORM**

Balance competing goals and account for dynamic constraints

- ◆ Fully and accurately model your business processes, resources, constraints, variables, and objectives across procurement, manufacturing, inventory, capacity, labor, and distribution
- ◆ Model financial factors as inputs, objectives, or constraints as well as planning outputs
- ◆ Create reusable dashboards and test plan performance against alternative scenarios while varying objectives and constraints
- ◆ Leverage optimization to evaluate millions of options within business realities to arrive at feasible, optimal plans that maximize support of company objectives
- ◆ Work with pricing, promotions and volumes as decision variables instead of static inputs
- ◆ Proactively balance customer service levels against strategic profit objectives



CUSTOMER SUCCESS **IS REAL**

Represent financials as both constraints and objectives during S&OP

- ◆ See a 2-5% improvement in your annual revenue/profit within the first year
- ◆ Reduce working capital expenses by 15% or more by optimizing build timing and deployment
- ◆ Optimize source, capacity, logistics, procurement, supply and demand plans with a synchronized solution
- ◆ Increase cross-functional collaboration, planning agility and forecast accuracy while reducing scenario analysis from weeks to hours



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