

Teradata Supply Chain Accelerator, for SAP

Partners

Good planning is critical for every business, but it's especially important for companies in the manufacturing and consumer products industries, where profit margins depend upon accurate inventory management, supply and demand chain planning, and sales forecasts.

Savvy businesses rely heavily on demand planning systems to gain a clear view into everything from product demand, sales trends, customer service level issues, and future forecasts. This helps answer such critical business questions as:

- > Which customers or products will be out of stock today, tomorrow, or next week?
- > Which products sold best last month? Last week?
- > How does product demand differ by region, sales office, and season?

Unfortunately, many advanced planning systems run once a month or, sometimes, once a week, and they often draw from high-level data summaries rather than detailed, granular data. As a result, historical reports and future forecasts often are out of date and inaccurate. In fact, studies have shown that a typical forecast is off by as much as 35%.

For companies using the SAP® Advanced Planning & Optimization (APO) Demand Planning module of the mySAP® Supply Chain Management solution, achieving a higher level of decision support for short-term tactical planning is now possible, thanks to the Teradata® Supply Chain

Accelerator, for SAP®, created in partnership with Bristlecone Labs, a division of Bristlecone Inc.

Teradata's ability to gather data throughout the enterprise and integrate it through SAP NetWeaver® technology provides SAP customers with a single view of their business, as well as unsurpassed data utilization and performance within the SAP environment.

Less Complexity, More Detail

Traditional tactical demand planning is a three-step process:

1. Raw data is prepared in a relational database.
2. The prepped data is fed into a dedicated hardware system running a constraint planner and optimizer, which takes into account a range of variables in order to produce a recommended plan for future action.
3. The plan is then fed into a second relational database, where it can be applied to the supply planning and production planning/detailed scheduling applications.

Often, companies set up dedicated hardware and databases to do this – an expensive and inefficient way to reconcile large volumes of master data from various independent systems. The process can take hours or multiple shifts to complete and doesn't always deliver the kind of detailed data most companies need for tactical operational planning.

Alternatively, an enterprise data warehouse (EDW) can quickly prepare and transform the data for constraint planning and process the plan output. It complements



advanced planning systems such as mySAP SCM and other supply chain planning tools. An EDW can enable manufacturers to realize a single demand signal repository (DSR) to leverage atomic-level SKU and location data for enhanced analytics on a daily, intra-day, or near real-time basis increasing the effectiveness of demand and supply chain planning.

As the leader in enterprise data warehousing, Teradata is the ideal platform for demand planning, and its Supply Chain Accelerator, for SAP delivers maximum impact through lower total cost of ownership and improved forecasting accuracy.

The solution includes integration software components that load and extract SAP APO data to and from a Teradata system, which acts as the source DSR, maintains master data and makes that data available to other third-party tools. The solution is

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driven by a proven consulting methodology, and it supports SAP NetWeaver certified xApps.

The total package provides mySAP SCM users with greater:

Speed

By reducing wait times for forecast development, Teradata's solution enables more timely what-if analysis, scenario modeling and forecast comparisons. In addition, it identifies discrepancies as they occur, allowing decision makers to adjust the plan as necessary.

Detail

By tapping into detail-level bill-of-material, work-in-process, point-of-sale, and transaction data stored in the EDW the solution improves accuracy, delivers better insight into a range of manufacturing variables, and enables efficient comparisons of plan vs. actual.

History

By leveraging years of detailed data to create accurate assumptions, the solution delivers greater insight into product lifecycle, new product introductions, and end-of-line trends as well as the impact of seasonality and promotions on sales and inventory.

Frequency

Teradata is the only platform that can deliver real-time monitoring for demand and supply chain planning at the detailed level, enabling users to respond faster to unexpected deviations from the plan by adjusting procurement, production, and distribution.

The result? Businesses that optimize their demand planning with Teradata Supply Chain Accelerator, for SAP can experience reduced inventory levels, decreased inventory obsolescence, improved customer

service levels, and better order fulfillment rates. These benefits translate into significant cost reductions, improved revenue predictability, increased profit margins, and up to a 50% improvement in cash-to-cash cycle days.

Greater Insight, Better Planning

A good demand planning business process is foundational to producing and managing demand forecasts that minimize inventory investment while maximizing customer service levels. Teradata Supply Chain Accelerator, for SAP works in concert with mySAP SCM to support high volumes of detailed data using Teradata's linear scalability and parallel processing power.

The solution taps into detailed and historical data stored within an EDW to drive more accurate and frequent planning, helping mySAP SCM users maximize their investment by gaining active business intelligence about their supply chains. In addition, it gives manufacturers access to the speed, detail, history, and frequency needed to increase the overall effectiveness of demand and supply chain planning.

To learn more about Teradata Supply Chain Accelerator, for SAP, contact your Teradata representative or visit

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