


## Linking CPFR® to S&OP

Roundtable discussion April  
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Ron Ireland  
Oliver Wight Americas, Inc.



### Roundtable Questions and Answers

- What is the current planning horizon for S&OP for the companies represented in the roundtable?
  - 12 – 24 months
- What is the current planning horizon for CPFR® for the companies represented in the roundtable?
  - 1 - 12 months
- How does CPFR® and S&OP compliment each other?
  - They link the best practices of internal and external collaboration

## Roundtable Questions and Answers - continued

- What is a key benefit of linking CPFR® to S&OP?
  - CPFR® provides a more accurate demand forecast that can be used in the S&OP process. In addition, S&OP constraints can be communicated back to the customer through the CPFR® process
- What roadblocks do you see in linking CPFR® to S&OP?
  - Internal collaboration conflicts between national team and key account teams
- Does your company need critical mass of customers on CPFR® for S&OP to work?
  - No, but the more customers on CPFR® the more accurate the total demand forecast for S&OP



## Roundtable Questions and Answers - continued

- What kind of information do you see S&OP sending back to the customers via CPFR®?
  - Product constraints and demand direction changes
- Where would retailers use S&OP?
  - Private label manufacturing
  - Warehouse and Distribution Center capacity planning
- What would be a key benefit for linking CPFR® to S&OP?
  - Reduction in cost of goods sold across the entire supply chain



## Roundtable Questions and Answers - continued

- How would S&OP link to the new proposed CPFR® model?
  - The linkage would occur around the entire CPFR® wheel. The S&OP processes for new products, demand reviews, supply reviews, financial reconciliation, and executive management direction setting would all be valuable information for the CPFR® trading partners to have.



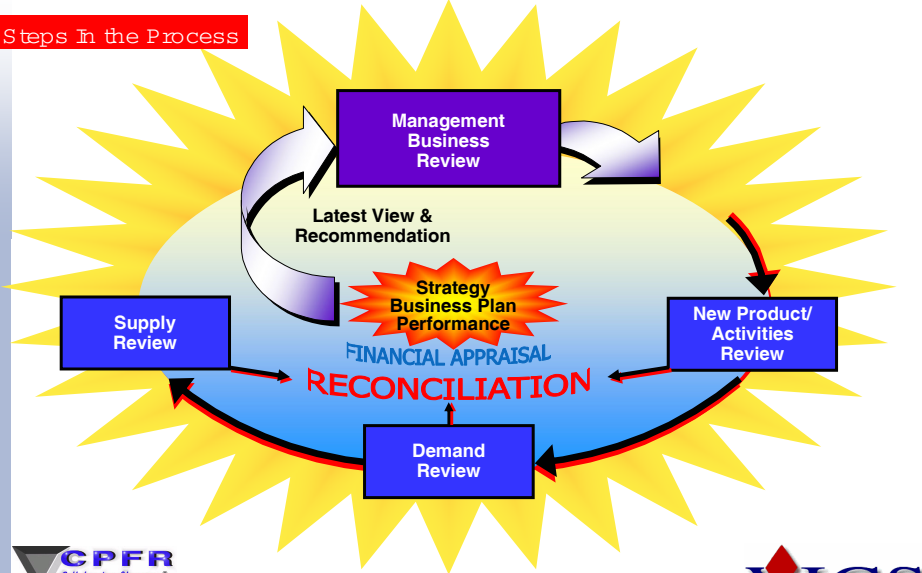
## Roundtable Questions and Answers - continued

- Should the Linking of CPFR® to S&OP be a new subcommittee for the VICS CPFR® Working Group?
  - A new subcommittee should be created for Internal CPFR® / Collaboration which should include S&OP



# Integrated Business Management – S&OP

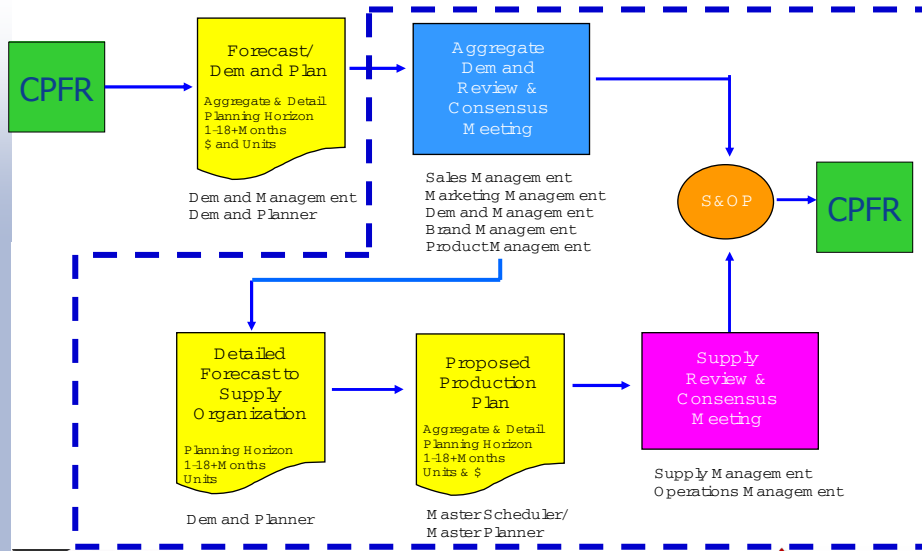
## Steps In the Process



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# CPFR input into S&OP



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# CPFR and S&OP Planning Focus – Time Horizon

