

# Enabling Logistics Transaction Orchestration: Inventory Visibility and Monitoring

John Jacey, Sr. Director, Account Executive



# Agenda

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- Perspectives on Inventory in the End-to-End Supply Chain
- Current Challenges – What We Have Heard from the Industry
- Data Flow Required to Support Inventory Visibility and Monitoring
- How MINT Supports Data Exchange for Inventory
- Business Value Delivered by MINT
- Call to Action

# What's The Problem and Why Does it Matter?

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**Q: “How Do You Know If You’re Out of Inventory?”**

**A: “We Open Up the Warehouse Door and It’s Empty”**

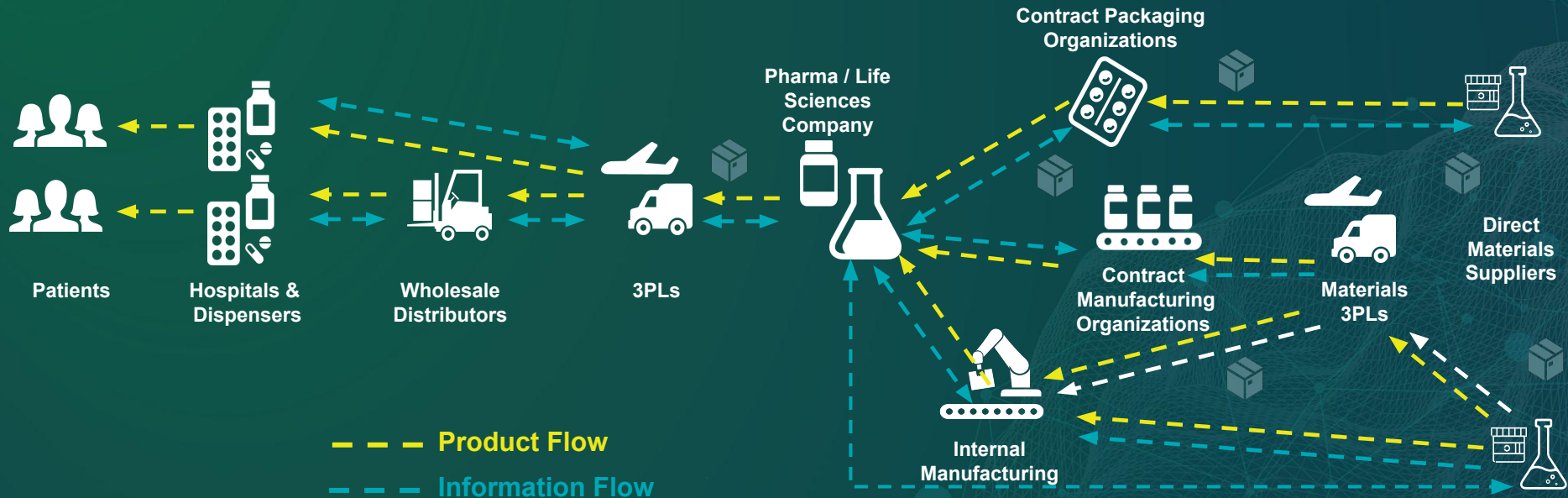
**- SVP Supply Chain, Large Manufacturer**

**“We get an inventory spreadsheet once a month from our 3PL”**

**- Top 10 Global Manufacturer**



# Lack of Real-time Inventory Visibility Across the Supply Chain Negatively Impacts OTIF, Leads to Excess Inventory and Increases Costs



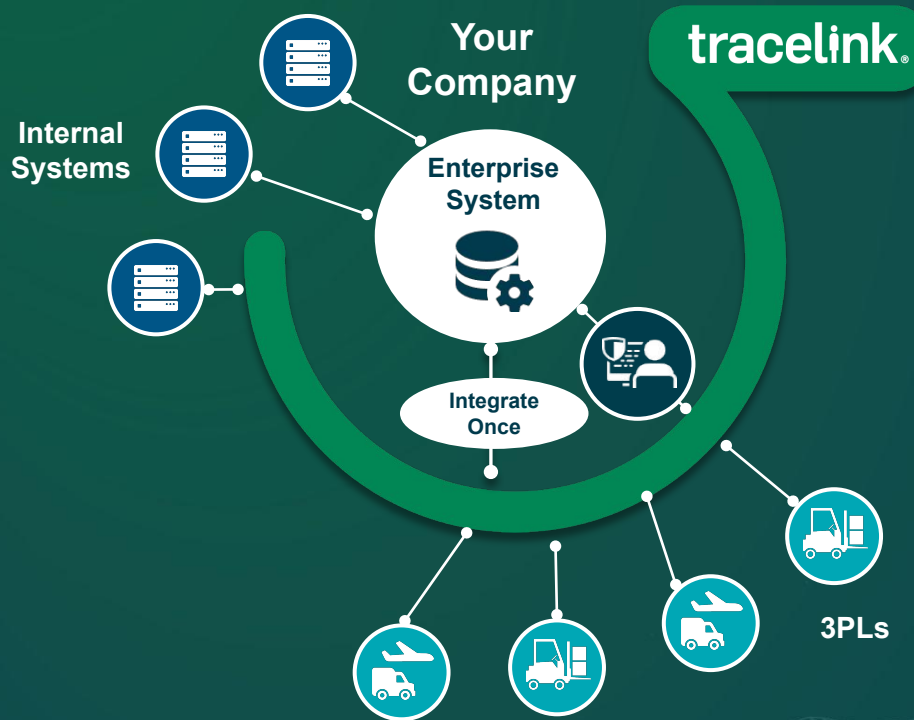
# Lack of Inventory Visibility

## *Why it is important*

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- **Inventory Visibility is the base driver for many other supply chain, financial and manufacturing decisions.**
- **Inventory Balance and Movement are Used by many other business processes and departments.**
- **Inventory levels are maintained by ERP**
  - As companies mature in ERP, Finance and Planning capabilities, there is a growing trend for Inventory information from 3PLs to be mirrored in Manufacturer's ERP systems (*"I've outgrown the 3PL Portal"*)
  - Access to real-time Inventory Data for ERP consumption has been elusive
- **Lack of inventory visibility leads to:**
  - **Excess inventory:**
    - Ties up capital and can have negative impact on company value
    - Increases carrying costs (the cost to fund and store excess inventory)
    - Increases the likelihood of expired and obsolete inventory
    - Increase unnecessary stock transfers/long distance shipments
  - **Too little inventory:**
    - Production shortages
    - Unfilled customer orders
    - Revenue shortfalls

# MINT for Logistics



## Integrate-Once™ for:

- Inventory Balance Report
- Inventory Update
- Warehouse Stock Transfer Shipping Advice
- Warehouse Stock Transfer Receiving Advice
- Warehouse Shipping Order
- Warehouse Shipping Advice
- Advance Ship Notice

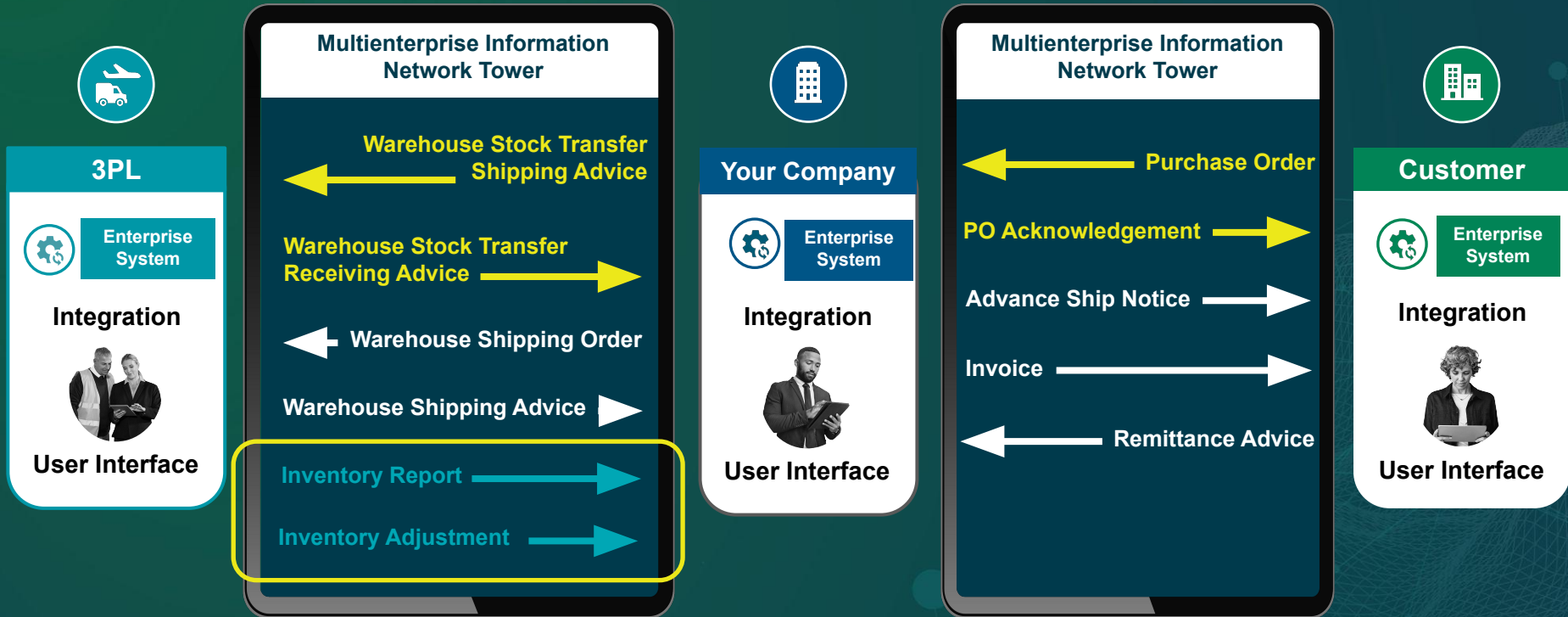
## Real-time business transaction exchange to:

- To align on on-hand inventory at all 3PL warehouses
- To monitor stock transfers from CMOs to 3PLs
- Monitor stock transfers between 3PL locations
- Provide accurate customer order data to 3PLs
- Track customer orders fulfilled by 3PLs

# 3PL Inventory Transaction Definitions

Transaction	From	To	Description (ANSI X12, EDIFACT, IDoc)	Source Systems
<b>Inventory Balances Report</b>	3PL	MAH	Inventory dispositions by material/lot for stock reconciliation of MAH owned stock at 3PL location. Includes product information, lot/expiry, quantity, status. Information shared on a scheduled recurring basis.	ERP WMS
<b>Inventory Update</b>	3PL	MAH	Report inventory quantity and status changes by material/lot, with reason code (e.g., loss, damage, etc.).  Scenarios <ul style="list-style-type: none"> <li>• Stock Discrepancies</li> <li>• Damaged or Expired Products</li> <li>• Theft or Loss</li> <li>• Returns or Recalls</li> <li>• Quality Control Adjustment</li> <li>• System Migration or Integration</li> <li>• Inventory Adjustment Reversal</li> </ul>	ERP WMS

# MINT Transaction Flow for Logistics Orchestration





# Impact of Using MINT for 3PL Inventory Visibility

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## **Populate Inventory Data Accurately in ERP**

Source real-time B2B information directly into ERP systems, which greatly improves the accuracy of data.

## **Reduce the Business Team's Dependence on IT for Expensive Integrations**

Eliminate the need to wait for IT to build and maintain new EDI connections or point-to-point integrations which often get stuck in backlog.

## **Improve Financial Performance**

Reduced inventory holding costs and improved cash flow reducing financing costs.

## **Improve Customer Satisfaction**

Lower stockouts and backorders resulting in higher customer satisfaction and retention rates, as well as lower costs associated with backorders.

## **Better Supplier Relationships**

Collaborate more effectively on demand planning and inventory management can lead to reduced lead times.

## **Improved Forecasting**

Accuracy that can lead to reduced forecasting errors and inventory holding costs, as well as higher profitability.

# Call to Action

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- Share with colleagues responsible finance, planning/forecasting and procurement.
- Determine use cases for accurate and available inventory visibility in ERP.
- Schedule a meeting your TraceLink account executive to discover how MINT can improve your Inventory management processes.
- Stop by the **Product and Solution Fair** to see **MINT live**.

# Thank You

