

Thrive Technologies, Inc.

DEMAND FORECAST

ClearDay Web Forecast

Benefits

- *Generates accurate demand forecasts for each item at each location*
- *Identifies and predicts seasonality for each item*
- *Exception based software minimizes required time investment*
- *Provides different user-defined forecast views for different users*
- *Assists in planning with 12 month roll up view of demand forecasts*
- *Can be connected to key customers and suppliers to share forecast data*
- *Automates the forecast adjustments for promotions and event planning*



Thrive Products

ClearDay Web Replenish

ClearDay Web Forecast

ClearDay Web Transfers

ClearDay Web Kitting

ClearDay Web Multi-Echelon

ClearDay Web Events

ClearDay Web GroupCast™

An accurate, well-built demand plan is one of the most crucial pieces of information a distributor needs for strategic decision-making and planning. However, most businesses use very rough processes to judge upcoming demand, which makes it difficult to optimize inventory levels.

ClearDay Web Forecast automates and simplifies the process of developing accurate forecasts and facilitates the process of creating a solid demand plan.

Proven Methodologies

Although it is very easy to use, ClearDay Web Forecast has a powerful statistical engine and uses proven methodologies as a basis

for generating and revising forecasts. The formulas account for long-range trends, as well as seasonality by SKU. ClearDay Web Forecast applies seven different forecast models to each product to apply the best fitting forecast for each.

Other features include:

- Multilevel forecasts
- "Top-down/Bottom-up" forecasts
- Forecast for promotions
- Geographic, customer-specific, and market level forecasts
- Family and product line forecasts
- Realtime forecast modeling and simulation
- Flexible, exception-oriented action reports

The system is designed to simplify the process of forecast management. For example, if a company has several thousand products or numerous products with highly sporadic demand, ClearDay Web Forecast provides group-level forecasts to minimize the number of individual product forecasts that need to be reviewed. Thus, products can be evaluated on a broad, more efficient basis with top-down/bottom-up forecasting.



GroupCasts™

ClearDay Web Forecast supports a virtually unlimited matrix of forecast views. Certain companies may need to manage forecasts at product category levels, and have those forecasts allocated down to the SKU forecasts.

Also, multiple forecast views can be generated for different operating groups in operations, sales, purchasing and finance. The definition of these views is easily accomplished, and can be modified at any time. Each of the views can include multiple groups to assist in developing alternative business strategies to drive different segments of the business.

Seasonality

ClearDay Web Forecast evaluates each item's demand history year over year to identify seasonal patterns. It then factors this information into an item's sales average and trends to predict seasonality in the future. This is a critical area for which ClearDay's advanced statistical forecasting is very useful because this is very difficult for buyers to predict and manage on a manual basis.

Sales Volatility

Not only should a forecasting system capture seasonality and trends, but it should just as importantly calculate how volatile the sales are for each item. No matter how good the forecasting system is, there are always going to be items with volatile and unpredictable swings in sales beyond seasonality and trends.

To handle this unpredictability, ClearDay Web Forecast calculates the sales volatility for each item at each location. These numbers can then be used by a replenishment system like ClearDay Web Replenish to factor the sales volatility per item into the safety stock calculations. That way, you will be covered for sales spikes that occur above the forecasted demand.

Efficient Mass Adjustments

Once good statistical forecasts have been interactively developed, users and managers can easily make adjustments to these statistical forecasts. ClearDay Web Forecast's powerful and flexible realtime capabilities reduce the time needed to make forecast adjustments, thereby making demand plan-

ning an efficient, manageable process, and making your forecasts more responsive to change.

For example, a user can apply inventory forecast adjustments at the group, item and customer / market levels. They also can enter forecast adjustments as percentages, incremental values or absolute overrides, whichever is the most appropriate. The mass adjustment process for group-level demand forecasts greatly reduces the time needed to adjust forecasts and ensures that the adjustment is consistently applied. Thus, with ClearDay Web Forecast, forecast adjustments can reflect the impact of promotional activities, product changes, customer-base changes, and other potential demand changes.

ClearDay Web Forecast also automatically monitors the performance of the adjusted forecast as compared to both the statistical forecast and actual demand, so that the adjustment process can be optimized. ClearDay Web Forecast creates automated, accurate demand forecasts with a minimum of effort and time.

New Product Demand Forecasts

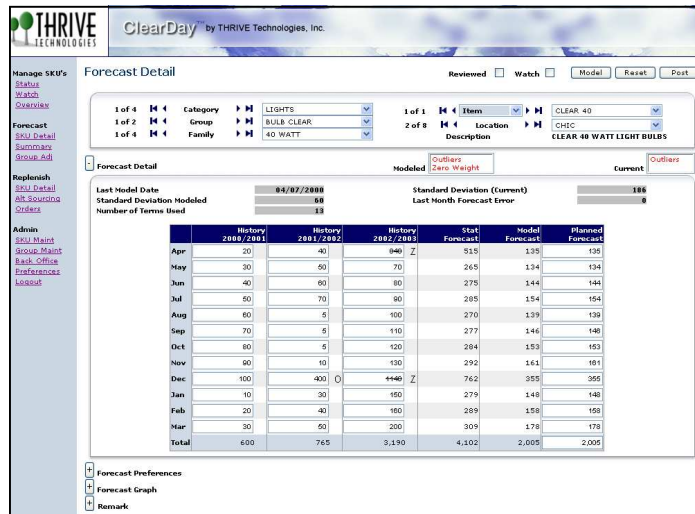
Frequently, distributors have to add, change, update or delete products in their product mix to maintain a competitive advantage. ClearDay Forecast provides the flexibility of multiple options to forecast new products.

Option One generates new product demand forecasts, based on the forecast model of an alias product or group of products. The user can simulate different demand forecast scenarios, then select the one that most represents what they believe will occur in the marketplace. Option Two utilizes predefined forecast models for developing new product demand forecasts. Option Three uses a "copy" feature to copy demand history from one or more products to develop a demand forecast based on product history.

New product forecast modeling ensures that new product trends and seasonal patterns approximate the planned level of business. Customers will be serviced better, the return on inventory investment will be maximized quicker, and the purchasing schedule changes for new products will be reduced.

Demand Forecast Optimization

Pure forecasting science does not always provide



the best demand plans to use for real world inventory buying. Many variables such as new products with little demand, mature products with declining demand, and items with sporadic demand can cause forecast algorithms to produce demand forecasts that may be statistically accurate, but undesirable for buying or planning.

ClearDay Web can be configured with assumptions or rules that catch statistical forecasts if they fall outside a certain tolerance for use in the real world, and rework the forecast automatically based on user defined rules.

About Thrive Technologies

Thrive Technologies is a leading provider of advanced replenishment and inventory optimization software to distribution intensive companies who desire best-in-class functionality, yet require low total cost of ownership. Since 1983, Thrive's easy to use products have provided companies the documented ability to reduce inventory and increase sales. Thrive's browser-based software integrates easily to a company's existing enterprise software, adding significantly greater control over service and inventory levels. Thrive's implementation staff has strong domain expertise in the area of advanced replenishment buying. For more information, visit Thrive on the Web at www.thrivetech.com.



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