

Customer Collaborative Supply Chain Models

1. CRP

2. CPFR

CRP

CRP stands for Continuous Replenishment Planning.

CRP
Definition

CRP is the process where the supplier became the responsible for replenish products.

Is the practice of partnering between distribution channel members that changes the traditional replenishment process from distributor-generated purchase orders, based on economic order quantities, to the replenishment of products based on actual and forecasted product demand.

PROCESS DESIGN

Customer Warehouse



5 – Loading Confirmation



Supplier Plant

1 – Inventory report



2 – Order

CRP TOOL



2 – Order

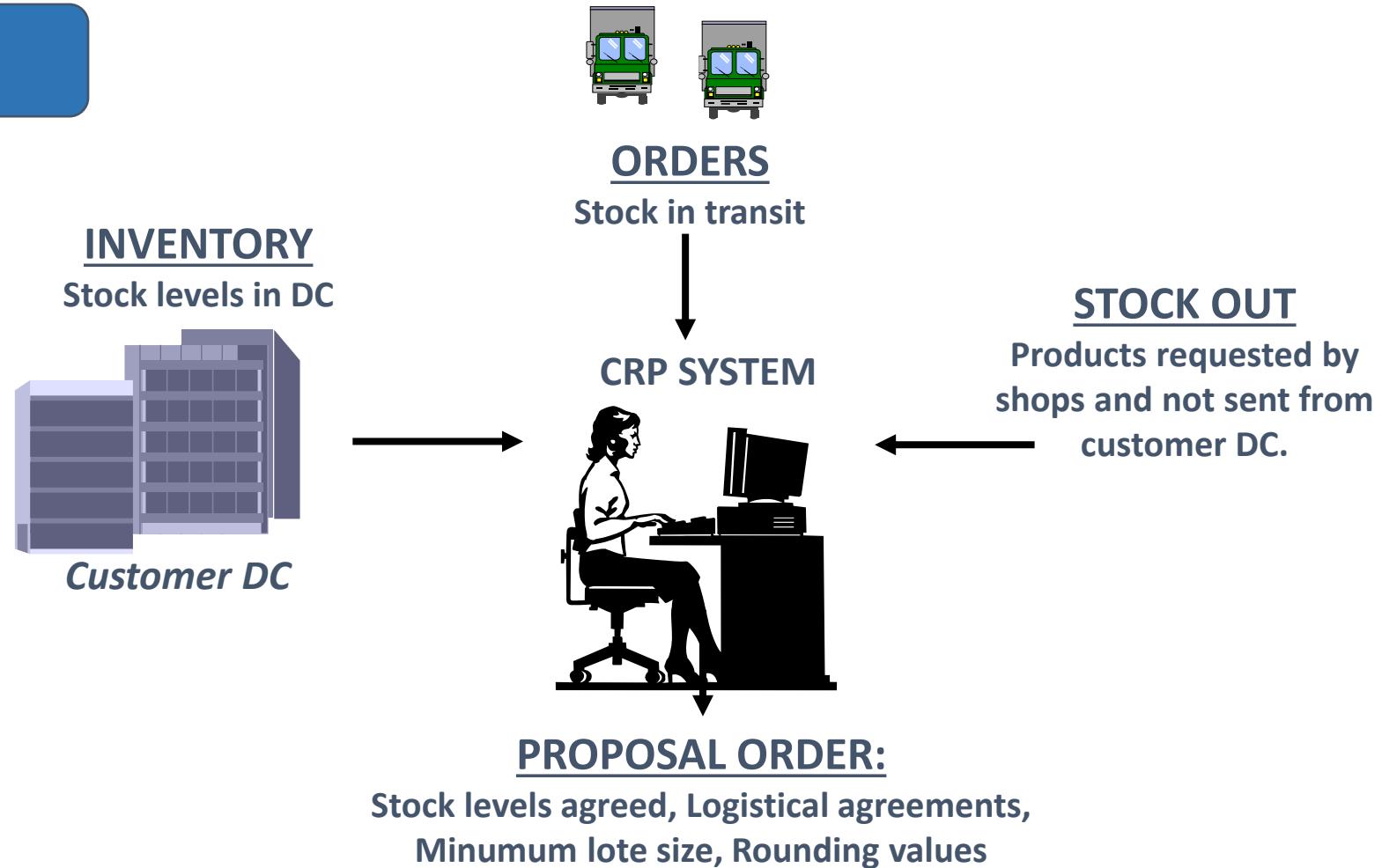
ERP



4 – Final Order



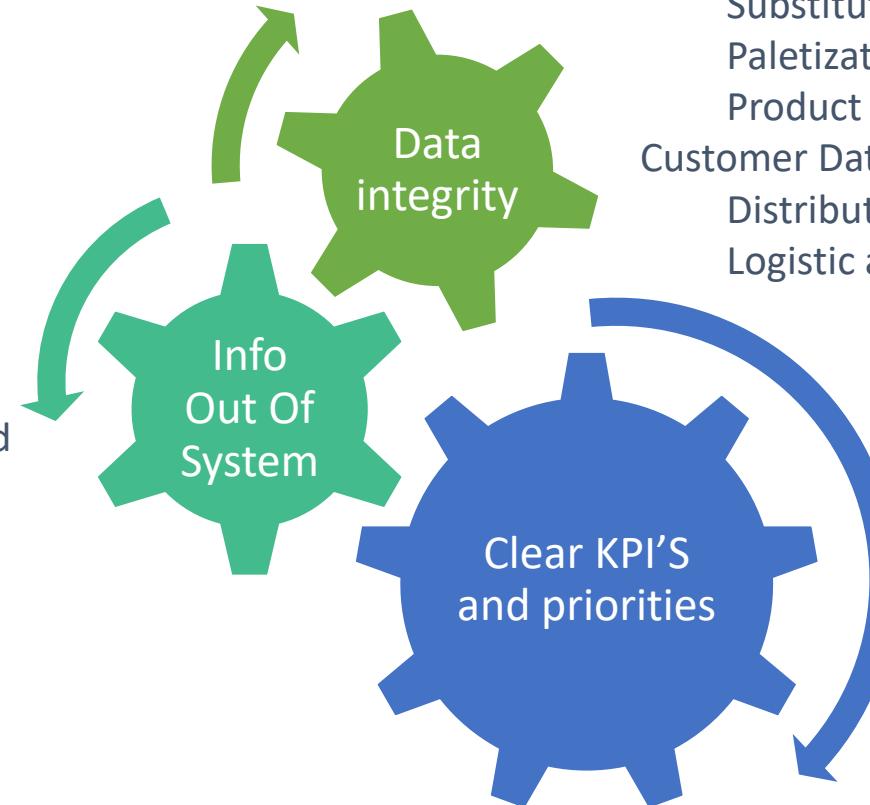
3 - Availability

INPUTS

KEY ELEMENTS

Fluent communication:

1. Future Promotions
2. Over shipments not informed



Supplier Data Base:

New products
Product discontinued

Substitution

Paletization

Product info: cx/layer; layers/palet;

Customer Data Base:

Distribution Center, Data Exchange

Logistic agreement

Clear KPI'S and priorities:

1. Define KPI's (stock coverage, case fill rate,...)
2. Priorization in case of conflict.
3. Analysis of deviations & Action Plan

PROS & CONS



CUSTOMER



- ✓ Define parameters and KPI's
 - ✓ Inventory reduction in warehouse
 - ✓ Increase availability (reduce stock out)
 - ✓ Decrease of urgencies
 - ✓ Reduce transport costs
 - ✓ Build a long term relationship
 - ✓ Resources reduction
- ✓ Is mandatory to share information of sales
 - ✓ Loose certain control of inventories

PROS & CONS



SUPPLIER

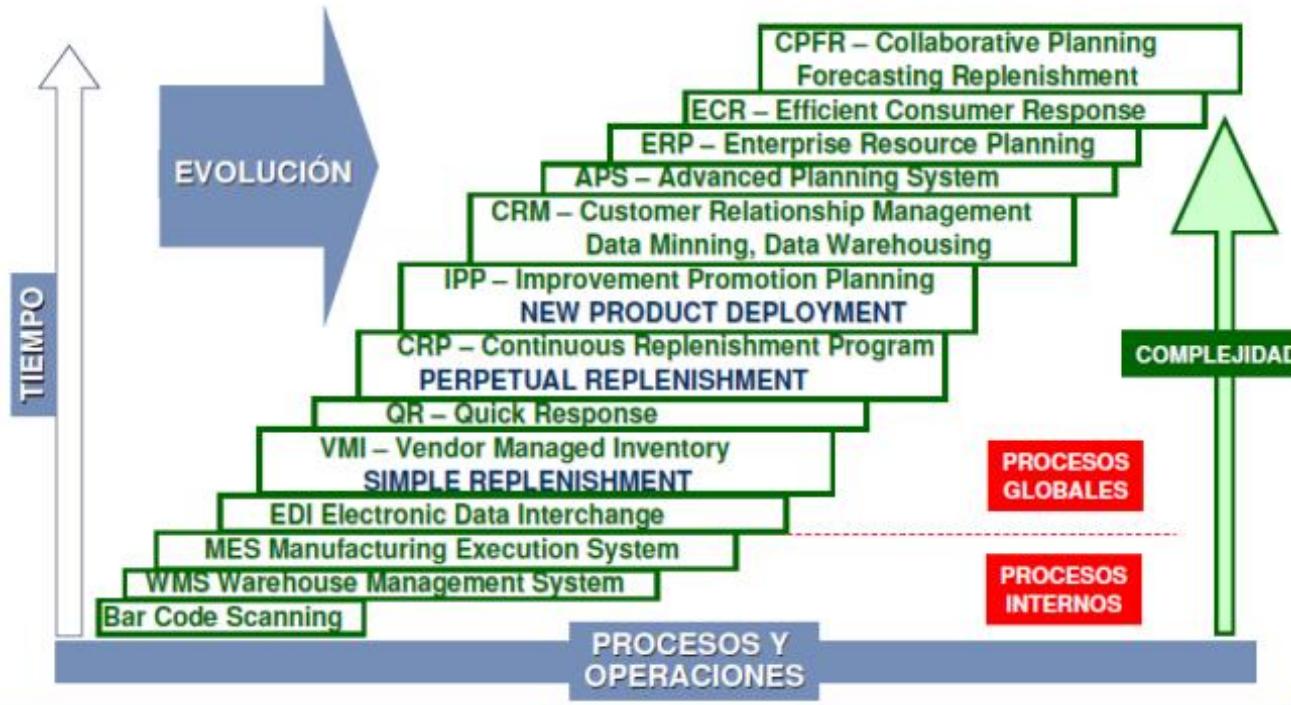


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| <ul style="list-style-type: none">✓ Increase value added to the customer✓ Build a long term relationship✓ Get influence in customers✓ Flexibility✓ Manage internal crisis of inventories | <ul style="list-style-type: none">✓ Assign resources✓ Increase responsibility on inventory & availability |
|--|--|

CPFR



CRP stands for Colaborative Planning Forecasting and Replenishment



IMPROVE the information flux between suppliers, manufacturers & clients.

1. Maximize Customer Satisfaction
2. Increase SC efficiency
3. Jointly forecasting
4. Joint supply plans
5. Increase demand visibility



BENEFITS:

1. Improved Forecast Accuracy
2. Cost Reduction
3. Enhanced Customer Satisfaction
4. Optimized Inventory Levels
5. Better Coordination Between Partners
6. Increased Flexibility and Responsiveness
7. Enhanced Sustainability

