

Optimizing inventories without sacrificing customer service

Proper inventory levels keep your entire operation running smoothly. When you optimize your inventories—so the right products in the right amounts are in the right place at the right time—you're able to provide reliable deliveries to your customers while controlling inventory costs...a goal that's vital to the success of every chemical company.

Control the Complexities of Inventory Management with Picaso™ from WAM Systems

Four key capabilities are critical to unlocking the benefits of optimized inventories:

1. In-depth analysis...to evaluate past practices and target future inventory strategies
2. Flexible optimization tools...that weigh production and inventory tradeoffs
3. Efficient network design...for a distribution system that moves materials at the lowest cost
4. Powerful reporting systems...that monitor, measure and communicate performance

The Picaso suite of supply chain solutions supports all of these capabilities and delivers the information you need to successfully manage inventories and make the right decisions in a complex and competitive marketplace.

In-Depth Analysis

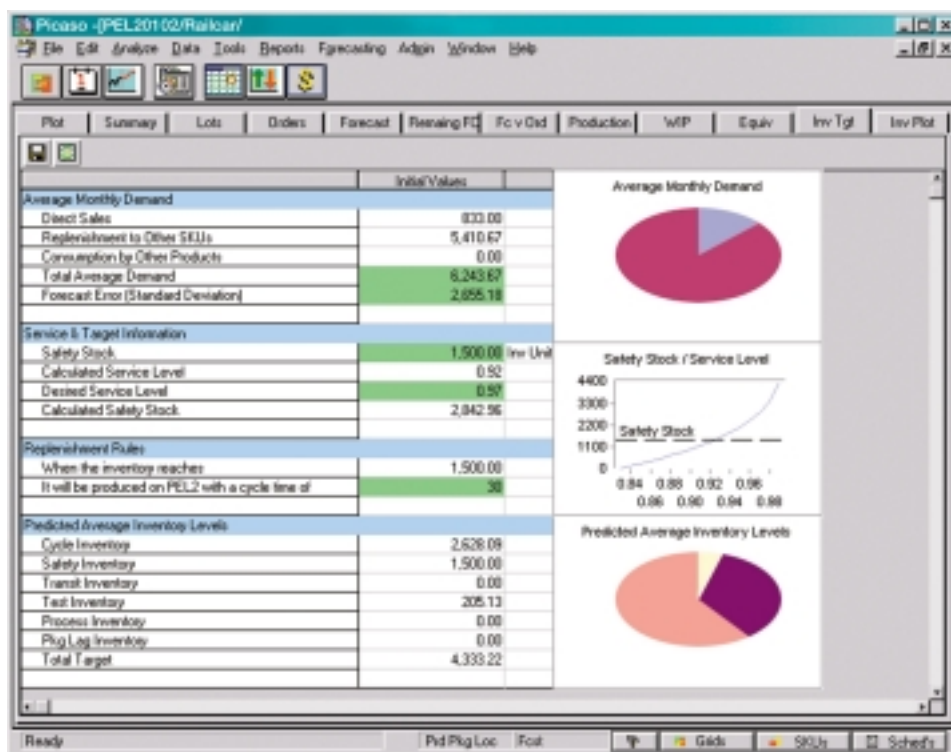
Chemical production encompasses many types of inventory: raw material, work-in-process, in-test material, rework/scrap material, products in transit, safety stock, and cycle stock. And changes in one component can significantly impact others. Smaller batch sizes reduce work-in-process levels, but also reduce productivity. Cycle times can be shortened to reduce cycle stock, but increasing the time spent

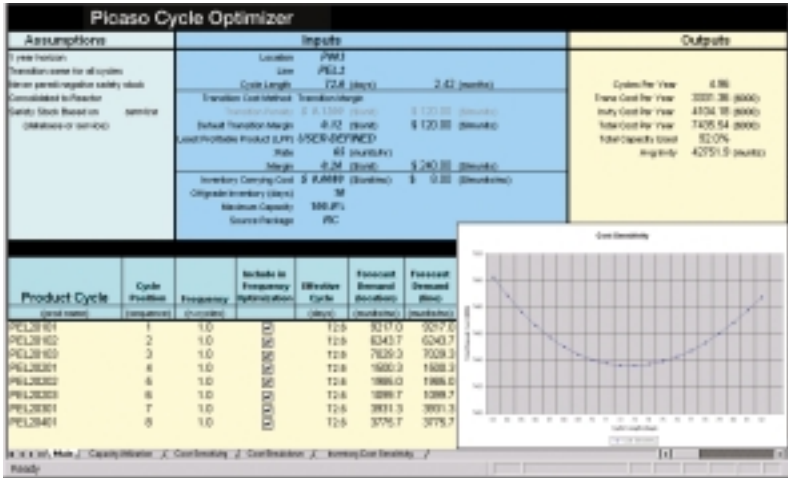
However, the demands of the global chemical marketplace make this balancing act more problematic than ever. Distribution networks are increasing in size and complexity, multiplying the difficulty of inventory decisions. Your customers demand shorter lead times and faster deliveries, creating pressure to increase rather than decrease inventory levels. Efficiency targets for your production lines dictate longer runs for each product, resulting in larger stockpiles. Most important, unbalanced inventories are a significant drain on working capital at a time when you're under tremendous pressure to keep costs down.

How do you meet the challenge of trimming inventory costs without sacrificing customer service? By taking charge of the complex inventory optimization process with Picaso™ from WAM Systems. Picaso's supply chain analysis and optimizing tools help you control inventory levels and position your products for maximum profitability. Which means a better bottom line for your company.

making production transitions. Optimizing the distribution network and rationalizing inventories at each point in that network are the keys to an efficient supply chain.

Picaso's Inventory Targeting capability calculates all the components of inventory at every point in the supply chain to help you maximize inventory efficiency. It compares historical forecasts to actual sales data and models all the processes that contribute to inventory...allowing you to quickly identify problem areas and make adjustments that decrease inventory without reducing customer service. At each point in the supply chain, you get the information you need to determine optimum inventory levels and redeploy the excess to improve service at high-priority locations.



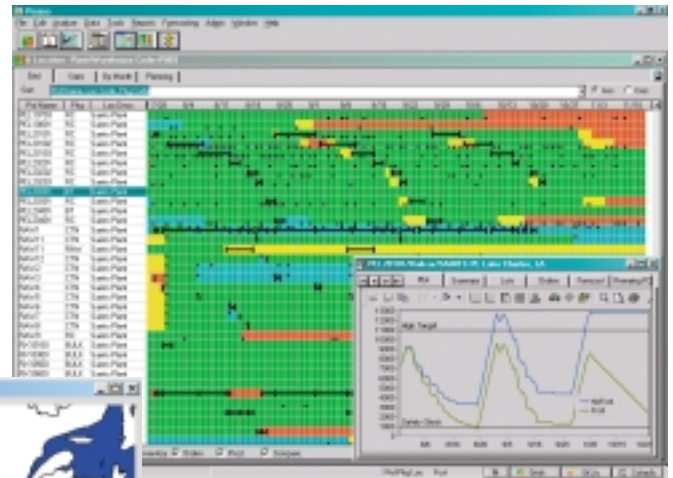


Powerful Reporting Systems

The Picaso Supply Chain Event Monitor maintains an up-to-the-minute simulation of your supply chain into the future, so you can rapidly identify problems and take corrective actions to maintain a balanced inventory. Deviations from the plan are instantly highlighted in on-screen consoles and through Picaso's Reporting Engine assuring that the performance of every inventory decision point in the supply chain is measured and communicated continuously.

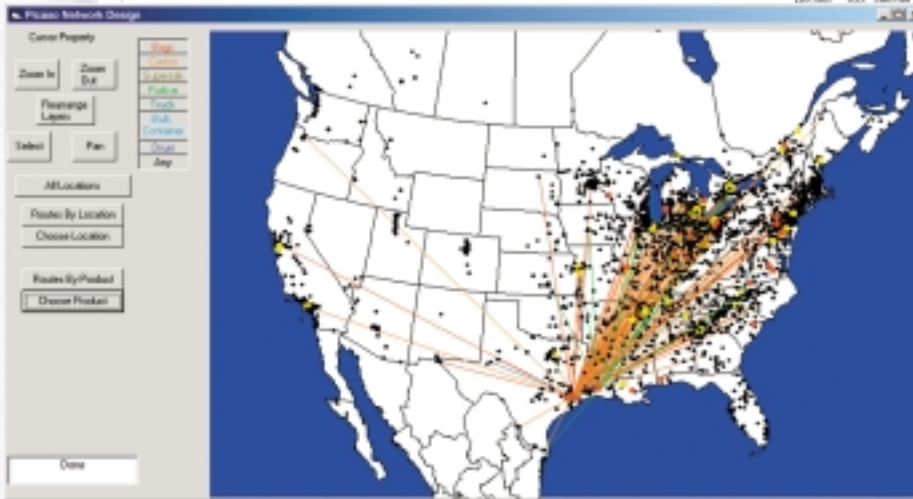
Flexible Optimization Tools

Picaso's flexible optimization tools help you minimize the combined costs of manufacturing and inventory...without sacrificing service. These tools allow you to examine all the factors that contribute to inventory costs, such as cycle times and cycle stock levels, production line transition costs, inventory holding costs, safety stock requirements, delivery times, transportation costs, and demand forecasts. By balancing various inventory tradeoffs and minimizing costs, Picaso enables you to set realistic inventory policies that support both good service and good profit margins.



Take Control of Inventory Management

Now is the time to optimize your inventories and take control of inventory management with Picaso from WAM Systems...for lower inventory costs...reduced working capital requirements...and increased profitability.



Efficient Network Design

With ever increasing numbers of products and delivery points, an efficient distribution network is vital to controlling inventory costs. Picaso optimizes the supply chain network by finding the most economical way to supply each customer...such as changing distribution locations to support more frequent service...changing transportation modes to reduce costs...packaging changes...or improving forecasts to reduce overall inventory levels. The result is a cost-effective distribution system that minimizes inventory costs while maintaining acceptable customer service levels.

For more information about how the supply chain solutions from WAM Systems can help you meet the many challenges of today's complex chemical marketplace, please contact:

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