

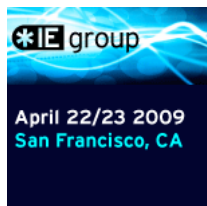


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Demand Planning Newsletter	March '09 /1st Spring edition
<p><b>DemandPlanning.Net services include:</b></p> <ul style="list-style-type: none"> <li>» <a href="#">Demand Diagnostics</a></li> <li>» <a href="#">Demand Modeling</a></li> <li>» <a href="#">Metrics Design</a></li> <li>» <a href="#">Supply Chain Process Development</a></li> <li>» <a href="#">Forecasting Systems Implementation</a></li> </ul>	<p><b>LATEST NEWS</b></p> <p>Due to popular demand, we are pleased to offer our Demand Planning and Forecasting web workshop, which will be conducted as a two-part program - each is a 3-hour session on March 20th and 27th, 2009, starting 10AM EST. <a href="#">Learn more!</a></p>
<p><b>Featured Article: Forecast Reconciliation</b> by Mark Chockalingam, Ph.D.</p> <p><b>Part 1: Bottom-up and Top-Down forecasting - Introduction</b></p> <p><i>In demand planning terminology, Forecast Reconciliation is also referred to as Bottom-up and Top-down Forecasting or Proportional Forecasting. Forecast Reconciliation, however, could also stand for reconciling the demand forecast with a modeled forecast vs. a judgmental forecast or a financial forecast.</i></p> <p><i>In this article, we will be reconciling a top-down forecast and Bottom-up forecast through aggregation and disaggregation methodology. The second title is more direct in referring to this process as "Bottom-up/Top-Down forecasting", but we may also call it "Proportional forecasting" since this method involves using proportions to develop the disaggregated detail level forecasts into the future.</i></p> <p><i>Adding more excitement to this menu of terminology, different software tools have different methodologies to perform forecast reconciliation between the different levels of forecast. Typically, forecast reconciliation is sought after in cases where you need to forecast multiple levels of the product hierarchy, so in some sense it's aligned with product grouping and product hierarchy. If you are also forecasting at the customer level, then the levels of aggregation multiply by the customer dimension. Customers may roll up into a sales territory, sales district, and sales region to the national level. In this article, we are going to limit ourselves to illustrating forecast aggregation and disaggregation just using the product hierarchy. We would abstract away from further disaggregation at the customer SKU level.</i></p> <p><i>When you develop your forecasting process, you have a choice to make – <b>at what level do you develop the forecast?</b> You could forecast at SKU level or slightly higher (at brand or sub-brand level) or, given a simpler supply chain you could get away with forecasting at the category or division level. <a href="#">Continue Reading</a></i></p>	<p><b>NEW</b> <b>Attending a Demand Planning Web Workshop?</b></p> <p><b>Now Available for a limited time:</b> Demand Planning Workshop Manuals</p> <p>These manuals contain the full contents of our Demand planning and forecasting training seminar, offering past and future workshop attendees the option of getting hard copy of their materials for review. <a href="#">Learn More!</a></p> <hr/> <p><b>NEW</b> <b>Join the DemandPlanning.net professional group on Linked-In!</b> View and join the group <a href="#">here</a></p> <hr/> <p><b>Upcoming Boston APICS Professional Development Meeting:</b> Managing End-to-End Supply Chain Costs in a Down Economy / What is the challenge for senior supply chain managers?</p> <p><i>March 10, 2009 - Stoneham MA</i></p> <p>This session will help you think about these five areas while you focus on short term survival as well as longer term opportunity: Supplier relationship and risk management has become a strategic priority Managing commodities in an economy with extreme commodity price volatility In the desperate pursuit of revenue, maintain customer profitability by controlling cost to serve While reducing capacity, restructure your value chain to be more efficient, scaleable and responsive to uncertain demand Get the most for your scarce R&amp;D dollars by tightening your product portfolio management and stage gate process.</p> <p>Visit the event page on <a href="#">Boston APICS website</a> to register.</p>

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Post Office Box 261, Lexington, MA, 02420 USA | (781) 995-0685 | [info@demandplanning.net](mailto:info@demandplanning.net)  
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