BLUE RIDGE UNIQUE VALUE COMPARISON

The concept is basic, even if the science isn't. Your essential ingredient to business success is aligning your supply chain with customer demand as precisely as possible. The better you do this, the more sales you'll capture while eliminating excess inventory — keeping customers happy while improving your bottom line.

Our mission is to make your supply chain as profitable as possible, while ensuring product availability. We do this by providing uniquely precise forecasting and planning technology, unrivaled monitoring and guidance, and rapid results with remarkably low risk.

STRATEGIC

ARCHITECTURAL

OPERATIONAL

FUNCTIONAL

BLUE RIDGE
Cloud-Native Supply Chain

STRATEGIC	**BLUE RIDGE**	**OTHERS**	**WHY IT MATTERS**
	Forecast the customer with transaction level data	Traditional supply chain solutions use outdated algorithms and decades old methodology - resulting in imprecise recommendations, restricted visibility and limited control over demand and supply planning	Blue Ridge delivers the purest demand, including demand drivers, allowing the best translation into segmented demand forecasts in order to predict demand more effectively and drive cost-effective supply chain action. We dramatically transform supply chain performance by providing a precise planning technology that analyzes every customer transaction and translates deep customer insights into a day-by-day view at every level of the supply chain that minimizes stockouts, excess inventory, or the need for costly corrective actions.
	Precision Planning - Time-phased joined order forecast	Do not consider joined order technique	Practical (not theoretical), complete demand and supply plan optimized for economics, yet built to consider your unique supply chain rules and constraints. Blue Ridge delivers unheard of accuracy for ordering and positioning inventory, as well as pre-emptively planning sales, operations, logistics, finances, and more.
	Rapid and Sustainable Results	Long implementation timeline with heavy integration requirements	Time to (live) production in as little as 90 days. Blue Ridge provides a proven process and execution support, configured to your unique environment, rather than customized. ROI results in weeks or months, not years from deployment.

ARCHITECTURAL

BLUE RIDGE	OTHERS	WHY IT MATTERS
Cloud-Native Application	On-Premise	Although some legacy supply chain solutions are migrating to the "Cloud", most of these systems are not architected from the cloud up to take full advantage of the capabilities of a multi-server, cloud-native architecture. Some are simply older, on-premise solutions – only now hosted in the software provider's data center. These "Faux-Cloud" solutions don't deliver the big data processing power, storage and scalability found in cloud-native architecture.
Quick Implementation	Lengthy Implementation	Achieve measurable results in weeks or months with Cloud-Native delivery platform.
Rapid Innovation	Expensive and Time-Intensive Upgrades	With Cloud-Native, companies are able to work with extremely large sets of data and perform complex operations across that data without massive investments in hardware that spends nearly all of its time underutilized. For example, producing precise order projections for every SKU and location, while optimizing across echelons, for a 365-day demand plan would be cost-prohibitive without a cloud-native platform.
Pay-as-you-go Operating Expenses	Hefty Up-front Costs/Capital Expenses	With Blue Ridge's Cloud-Native technology, you do not have to purchase hardware and provision internal resources to host or implement the application.
Global Access for Employees - Lower Total Cost of Ownership	Burdensome IT Maintenance and Administration Costs	Since the software is hosted in the cloud and accessible over the internet, users can easily and securely access the application anytime, anywhere.

OPERATIONAL

BLUE RIDGE	OTHERS	WHY IT MATTERS
LifeLine™ Service	Traditional Support	Blue Ridge includes our unique LifeLine service team as part of every customer engagement.
Proactive, Domain Expertise	Responsive, Generalist	LifeLine service supply chain experts monitor all activities, proactively alerting you to issues, and guiding your team to new opportunities. By constantly evaluating the embedded Supply Chain Analytics (SCA), LifeLine provides expanded support. This enables the facilitation of quarterly updates to provide the following: key performance indicator (KPI) assessment, seasonal forecast guidance, period-ending fine tuning, and category management analysis. This level of analytics and support empowers you to continuously evaluate and improve your business.
On-Shore	Typically Off-Shore	On-Shore team of supply chain professionals not only provide guidance when you pick up the phone and ask for help, but they also proactively monitor and advise on your supply chain conditions to ensure you capitalize on every opportunity and avoid disruptions.

FUNCTIONAL

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Integrated Time-Phased Planning

WHY IT MATTERS

In order for an enterprise to assess current and future conditions, time-phased planning is essential. Blue Ridge provides unique precision and granularity in the time-phased plan.

First, granularity is provided in terms of daily detail of the time-phased plan. Rather than the accumulation of what sales, orders and receipts will happen during a week, Blue Ridge offers the ability to see all of these happenings and more on the specific day they will occur. This plan is revised daily to react to the most recent occurrences in the supply chain, which provides significant precision in enabling planning for the enterprise. For instance:

- Distribution centers can determine how much labor to plan for a specific day in the future, because they know precisely how many and what size orders will be arriving
- Transportation can plan routing and equipment requirements with the same visibility to when orders will be ready for pick up from suppliers

Second, the precision of the time-phased plan is assured by the daily level demand forecast and the daily detail of the replenishment plan. This daily granularity provides the ability to create fully configured orders for up to 24 months into the future. These precise order projections use the same logic to produce current orders and adhere to the following:

- Order schedules or projected needs for replenishment to assure service level goals are met
- Case pack, pallet or other SKU level rounding requirements
- Order level constraints, such as truckload weight or cube that require further quantity rounding precision

This level of detail allows for very precise projection of future sales demand, future inventory value, future space needs, and many other projections that help all departments in the enterprise to plan, project and react appropriately to the impact of supply chain conditions. For instance:

- Finance can determine end-of-month cash commitments for inventory
- Category Management/Merchandising can identify seasonal or market trends for categories, items, regions or stores

There are more options and the information can be aggregated and disaggregated in any way since it is built from consumer demand. Integration of this "single version of truth" is essential to planning and executing effectively in today's complex and fast-moving marketplace.

FUNCTIONAL

BLUE RIDGE

WHY IT MATTERS

**Multi-Echelon
(True Stochastic /
Deterministic)**

For clients who need to manage inventory, planning and replenishment across vast distribution networks, Blue Ridge's multi-echelon functionality is critical for successful inventory alignment. The value is in utilizing demand aggregation forecasting using deterministic modeling, where forecast revisions occur daily. In a multi-tiered supply chain, to properly represent demand in higher tiers, it is the ordering logic of the lower tiers that must be understood. It is this ordering methodology that provides the greatest accuracy in providing a forecast of future demand to be fulfilled. For instance, the most accurate representation of future demand for the DC is what will be ordered in the future by the stores. What the stores will sell is only an input to the overall process. Blue Ridge has an understandable and simulate-able method for predicting future store order requirements. This helps ensure a more precise demand signal from the lower tiers to the higher tiers. However, most industry competitors still use the sales or shipments from the past to create a demand forecast for the DC. While a traditional stochastic 'demand forecast' works for stores, there are some inherent flaws with this technique for DC's or suppliers. Over/under simulations of the aggregated store stock status do not provide an adequate understanding of what will drive order quantities from the stores. They do not consider individual store stock conditions and order schedules, and are therefore inaccurate.

**Inventory Income
Statement**

As an example of what LifeLine Support Service can provide to your company, we created an Inventory Income Statement that is available to all current Blue Ridge clients. This report is in SCA, which is embedded in the base Blue Ridge suite. This Income Statement can be shared with C-level executives across the company (or anyone else you wish), and can be filtered by any number of attributes (user, location, supplier, status, etc.). Current clients tell us – 'It's a game changer. The ability to have access to this level of stratification in our business will help take us further than we have been able to go before'. The Inventory Income Statement is just one of a host of reports and analytical guidance we provide to our clients on an ongoing basis. So, what could your company do with this kind of leverage?

FUNCTIONAL

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WHY IT MATTERS

Standard Deviation vs. MADP

Standard Deviation is a statistical measure that calculates the historical fluctuations in demand when using a statistical forecast. Rather than averages calculated by mean deviation calculations, Blue Ridge utilizes a true Standard Deviation calculation, and uses the actual deviation incurred. Standard Deviation is a more accurate deviation and results in more refined and precise computation of safety stock required to account for demand deviation.

Due to this precision, Blue Ridge safety stock levels have performed at a 20% to 25% greater accuracy, resulting in reduced inventory levels while sustaining increases in fill-rates and in-stocks. For calculation of demand variability, many industry competitors still utilize the traditional Mean Deviation calculations (MAPE or MADP). Because of the processing power required to take into account the square root function required in Standard Deviation and the fact that early systems (platforms) could not process the information in a timely manner, an alternative was sought after. Mean Deviations are simply a way of estimating Standard Deviation without calculating a square root. In addition to the averages calculated by these methods, arbitrary multipliers are applied to attempt to approximate the precision of Standard Deviation. The degradation of accuracy impacts the factors the system uses to compute safety stock and results in unnecessary inventory due to these estimates.

Unit / $ Due Order Logic

Many replenishment solutions don't even offer the ability to prompt an order to be approved by trying to avoid out-of-stocks and lost sales, and the few that do, prompt orders to be "Due" based on avoiding lost sales in dollars. This can have the effect of letting lower cost, but higher volume items run out of stock. It's clear that your consumers don't care how much the item costs, but they want you to have it in stock. Recognizing this, Blue Ridge offers you the ability to utilize Due Order prompting based on potential lost sales in units. This ensures you meet the needs of your customers on high-volume items - regardless of price.

Safety Stock Rounding

Blue Ridge uses actual calculated safety stock to ensure the most efficient and optimal levels of inventory needed. For example, if an item had a calculated safety stock amount of 1.5 units, industry competitors will automatically round that up to 2 units. Blue Ridge will retain the 1.5 units, as the impact of rounding across multiple items could have a discernible impact on the amount of safety stock that is carried over.

BLUE RIDGE

WHY IT MATTERS

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Events / Planned Promotions

In the Event functionality, Blue Ridge offers the ability to determine the amounts of inventory needed (and when) for an upcoming promotional event. Blue Ridge will time the purchase of the event quantity so the user does not have to track it, and the goods can be ordered with timing for an arrival immediately prior to the start date of the promotional event. Once the event is active, the event demand will be segmented from normal demand to protect the forecast, and to allow the user to analyze the impact of the event on the overall demand of the item. The benefits of using Blue Ridge Event functionality include increased service attainment for events, and better control of promotional inventories (the biggest culprit of excess inventory or overstocks). Our competitors offer limited functionality for Events, however, it is generally an additional module to be purchased and integrated to the base program with an incremental cost to you.

Reporting Capabilities

Supply Chain Analytics, an integrated tool in Blue Ridge, is perhaps the most wide ranging offering available - in terms of user friendliness, adaptive usage, analytic leverage, collaboration opportunities, KPI and benchmarking, etc. SCA has the ability to integrate information from other sources outside of Blue Ridge, if the user needs to combine data or information from multiple sources. This is the best proactive 'pre/post-exception' tool available for ensuring optimal service and inventory alignment. Reports can be created in Blue Ridge for analytic guidance as well as creating information to be shared in a collaborative environment. Users have leverage to be proactive, in sharing updated and timely information on a daily basis. The value of thorough in-depth analysis and a process that allows the user to affect change can't be overlooked - service can be dramatically increased, dead inventory reduced, and profitability optimized. Very few of our competitors offer any type of reporting or analytic capabilities at all, or have a basic offering that does not have the strong structure and capabilities that Blue Ridge offers. The reporting and analytic functionalities offered by our competitors are considered additional modules to the base program, and will incur additional costs to you.

Projections

Planning is such an integral and critical activity for most clients, in any given industry. As part of the overall methodology of Blue Ridge, we provide robust functionality that allows the user to project any number of factors (demand, purchases, receipts, inventory levels, etc.), for user-selected time frames for use in future planning activities. The Advanced Projections provides users with the ability to conduct effective negotiations as a collaboration tool for supplier relations. Our competitors offer limited functionality for Projections that do not include the broad flexibility that Blue Ridge offers. The functionality that our competitors offer is generally an additional module to be purchased and integrated to the base program with an incremental cost to you.

FUNCTIONAL

BLUE RIDGE	WHY IT MATTERS
Advanced Profiling Techniques	This gives you the ability to assign individual seasonal profiles to groups of items, by assigning a seasonal probability value to each individual item - this determines the degree of seasonal patterns recognized by the system. Correct profiling increases service during peak periods while reducing inventory during low periods.
Collaboration	These days, partnering with your suppliers can help establish and maintain a positive and productive relationship that can help improve KPI's for both of your companies. Many companies find it difficult as the information and the path to collaborating are not timely and hard to maintain. Blue Ridge offers the most robust tools for entire supply chain collaboration in the industry. With the use of LifeLine services, and the analytics tool, users can easily access, provide and trade updated information on an ongoing basis. Industry competitors offer an elementary level of supplier collaboration, which has limited ability for the users to access and only use a single source of updated and relevant information.
Lead Time with Zero On Hand	Lead time is valuable for replenishment purposes in order to account for inventory requirements between orders. On initial fills, or when there are zero units on hand, lead-time is not required as it is the initial fill. Our competitors incorporate lead-time in the initial order- adding to days on hand. Blue Ridge recognizes that inventory for lead-time is not needed initially and will not add the unnecessary days of supply to the order amount.
Due Order by Units or Dollars	Other competitors' Due Order Logic is by Dollars only, giving greater focus on big ticket items. Unit Due Order Logic gives greater weight to the number of units needed, thereby allowing lower priced items to place greater emphasis on the 'dueness' of an order. The result: orders become due earlier based on unit need and service is protected as a result.
Auto Range Forecasting	Because current demand is so important for produce/perishable replenishment, the need to use current demand in forecasting is paramount. Range Forecasting allows the buyer (produce/perishable) to control the amount of history used in forecasting. Range Forecasting is available in other systems, however, it is a feature that needs to be manually activated every time a range forecast is required. For Produce/Perishable buyers this would require going in and selecting the range forecasting for every produce and perishable item, every week for as long as you were using the solution. Bottom line benefit is not only increased efficiency, but more accurate forecasts with increased service attainment.

BLUE RIDGE

WHY IT MATTERS

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Profiles - Auto Daily Profiling

Daily profiles in Blue Ridge are built by the system for the buyer which removes manual and time consuming builds. Additionally, daily profiles may be built from a single item or across items (groups, categories, etc.).

Profiles - Group Profiles

This functionality gives the buyer the ability to group multiple items together for the purposes of creating group profiles. An area of potential use would be on slow moving products. Slow moving products typically do not have enough demand to clearly identify seasonal patterns. By grouping slow movers across a department or category, the buyer may find that the slow mover is actually seasonal and a profile may be assigned. Correct profiling increases service during peak periods while reducing inventory during low periods.

Special Account Forecasting

With Blue Ridge, the buyer has the ability to forecast special account demand. The buyer will have the ability to forecast the demand of your largest or 'special' customers putting you in a much better position to understand not just the DC's inventory needs, but the customer's inventory needs as well. Benefits are increased service and superior inventory control.

Fractional Demand

Blue Ridge has the ability to use fractional numbers, not just whole numbers, to facilitate demand forecasting. For example, if a retailer or distributor sells items by the case, Blue Ridge has the capability to use fractional numbers (e.g .5 = 1/2 case).