bp BAXTER PLANNING™

Network Optimization

THE IMPORTANCE OF NETWORK OPTIMIZATION

Best-in-class Service Supply Chains (SSC) offer same day service level agreements (SLA's) to meet customer expectations, especially in mission-critical environments. Often overlooked is the need to optimize the logistics network used to place service inventory within eight, four, or even less delivery hours from the customer.

While this seems simple on the surface, the complexity of analyzing drive times between a constantly changing list of service contracts and hundreds of stocking locations can leave basic questions unanswered.

> What percent of your 4-hour SLA customers can have inventory delivered within four hours from a stocking node in your current network?
>
> Who are the customers that cannot be covered?
>
> Which locations are no longer required due to changes in your installed base?
>
> Where are new locations required to support changes in your installed base?

A successful SSC is built on an optimized network of sites capable of efficiently fulfilling customer demand.

Baxter Planning offers a Network Optimization consulting engagement to help BaxterProphet customers validate their current network and recommend changes by modeling the impact on customer coverage.

THE FRAMEWORK FOR NETWORK OPTIMIZATION CONSULTING

Baxter's Network Optimization consulting engagement is performed in 3 stages:

DISCOVERY

All Network Optimization projects begin with an in-depth review of the customer's current network. Our Network Optimization Questionnaire helps Baxter Planning experts understand your unique network, coverage agreements, current logistics costs, and specific network optimization goals.

MODELING

Findings from the discovery phase is then utilized in BaxterProphet's powerful Network Modeling module to generate scenarios that explore the viability of different network structures. Network scenarios are customized depending on your goals, whether it is to evaluate potential locations to add, identify under-utilized locations to remove, or perform a regular validation of current network capabilities. These scenarios can be reviewed individually or the Networking Modeling tool also includes functionality for comparison of multiple network configurations.

ANALYSIS

The consultants facilitate the analysis of the modeled network scenarios by providing data supporting any recommended network changes as well as analytics detailing the impact on key operational metrics. This includes a map depicting stocking locations alongside customer install base before and after modeling, a comprehensive list of any sites added or removed, and any change in customer coverage. The Baxter Planning team will also provide analytics that enable the customer to understand the impact on key metrics such as change in inventory investment, improvement in projected service level, any impact to transportation costs, and savings in warehousing and inventory costs.

Scenario	Description	Actions
Baseline Scenario	All Echelon Locations Within the Current Network with All IB/Contracts	➜
Network Scenario 1	Scenario 1: Best Coverage Using Full 3PL List	➜
Network Scenario 2	Scenario 2: Map All SBD IB/Contracts to 3PL SBD Network Sites	➜
Network Scenario 3	Scenario 3: Map All SBD IB/Contracts to Field Technicians	➜

![Baxter Planning logo]

Why wait?

Baxter Planning Network Optimization projects deliver visibility to network modifications before the changes are implemented which eliminates uncertainty on how changes to stocking locations will impact your ability to meet contract SLAs.

Scale your network, meet tighter SLAs, and validate your current configuration with a Baxter Planning expert today.

DELIVERABLES

VISUALIZATION
Graphics depict the current logistics network, unused sites, and all service contracts.

SITE LIST
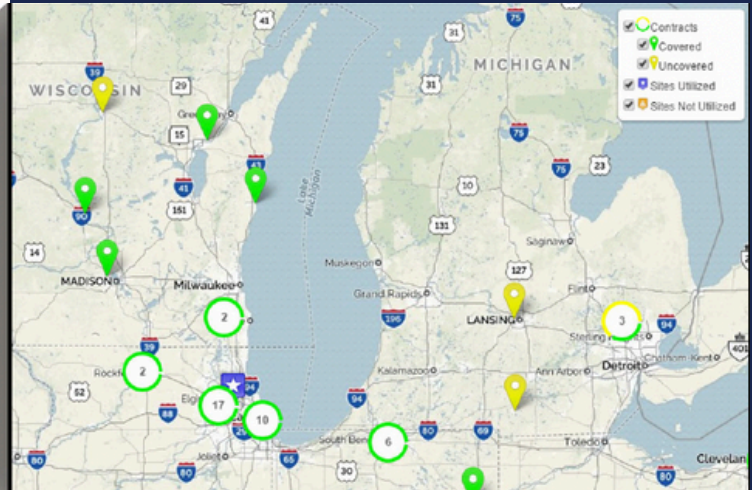Detailed list of sites recommended for addition or removal.

COVERAGE AND SERVICE LEVEL ANALYSIS
- Coverage analysis quantifies the percentage of service contracts that can and cannot be reached within the SLA as well as the density of contracts assigned to each stocking location.
- Service Level analysis quantifies the probability of inventory availability to support the service contracts within the network.

OPERATIONAL EXPENSE ANALYSIS
Quantified assessment of financial impact of Network Optimization based on the ongoing costs associated with warehousing and inventory.

AN OPTIMIZED LOGISTICS NETWORK IS THE FOUNDATION ON WHICH A SUCCESSFUL SERVICE SUPPLY CHAIN IS BUILT.

ABOUT BAXTER PLANNING

Baxter Planning is a global leader in Service Supply Chain software, delivering a Service Experience Advantage to the world's most innovative enterprises for over 30 years. The BaxterPredict platform empowers organizations to optimize service parts planning, execution, and resolution, driving superior customer experiences, fostering long-term loyalty, and fueling business growth.

By combining purpose-built technology, award-winning AI, decades of practitioner expertise, and a commitment to true partnership, Baxter Planning consistently delivers industry-leading outcomes for its clients.

The company is headquartered in Austin, Texas, United States, with offices around the globe.

For more information, visit
www.baxterplanning.com.