



WD HUB AND SPOKE DISTRIBUTION ENVIRONMENT



Purchase Forecasting and Branch Store / Warehouse Replenishment

In a WD hub & spoke environment, where product is being purchased centrally and then re-distributed to the branches, replenishment forecasts are automatically generated by the DMS System each night and Purchase Orders are created for the remote sites based on the daily sales demand at each of those locations. When the P/O is generated for the branch location, and if the WD is designated as an internal Supplier, a transfer order (Pick ticket) is generated at the WD location providing the product. That order is then processed in the WD warehouse location exactly the same manner as an order for an external customer.

There are two (2) options for updating inventory balances at the receiving branch location:

- ▶ The P/O can be received just as one from an external supplier would be processed.
- ▶ The P/O can be automatically closed and the “Shipped” quantities of the replenishment order updated to the branch location’s inventory when the pick ticket(s) are invoiced at the WD warehouse location. This is a popular way of handling these transactions when branch location orders are scanned for accuracy at the WD Hub warehouse location.

Either option is available and provides full audit trails for management.

Sales demand at the WD hub for Branch replenishment is updated exactly as demand would be from normal customers.

Inventory Balancing and Overstock Returns to WD Hub Location

- ▶ Overstock parameters can be set for each location by product type
- ▶ Automated transfer of overstocks in Daily Replenishment process as above
- ▶ On-line Purchase Order transfer of overstocks by Buyer (s) at WD location