



# STRATEGIC SAFETY STOCK PROGRAM

## Manage the vagaries of demand variability and supply chain disruptions

An unexpected spike in demand for your product is a good thing, so long as you have enough product to meet that demand. Avnet's Strategic Safety Stock program helps customers manage the vagaries of demand variability and supply chain disruptions, ensuring that materials are available when they're needed on the production line. We will work with you to determine which parts warrant safety stock, and analyze your run rates, forecasts, pipeline orders and factory lead times to recommend the right amount of material to keep on hand.

### Key Features

#### Real-time visibility

- Provides real-time visibility into safety stock status
- Calculates required safety stock based on forecast drawdowns and compares to stock on hand
- Highlights critical safety stock requirements

#### Dynamic Response

- Automatically replenishes with purchase demand once demand falls below the safety stock amount
- Monitors inventory levels and pipeline safety stock requirements out to the manufacturer's lead-time
- Tracks component lead times to avoid any impact on production schedules

#### Enhanced Analytics

- Provides analytics for billing vs. buffer value
- Allows proactive extensions or quantity revisions when necessary
- Supports decision making
- Calculates safety stock based on historical usage, future forecasted demand and delivered lead time to your customers and sets inventory levels accordingly

### Customer Benefits

- Allows for upside/downside protection during new product launches
- Expedites product launches and achieves time-to-market and revenue objectives
- Provides a buffer when lead times are extended
- Counters supply chain volatility
- Supports fulfillment to contract manufacturer partners
- Supports JIT fulfillment
- Mitigates risk from supply chain disruptions

### About Avnet

Whatever supply chain issues you're facing, there's always a solution with Avnet. We bring in-depth expertise and practical expertise from working with hundreds of customers to optimize their supply chains with a data-driven approach.