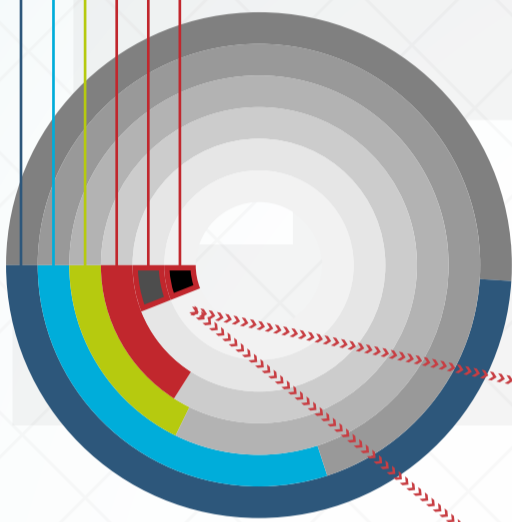


VMI STRATEGIES

Breaking Down the Numbers

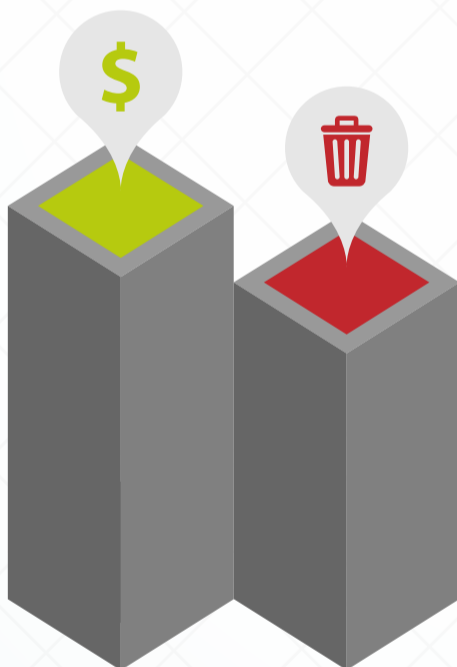
WHAT TYPE OF VENDOR MANAGED INVENTORY (VMI) ARE YOU CURRENTLY USING OR PLANNING TO USE?

- 49% Consigned inventory at buyer's VMI location
- 30% VMI at third-party logistics provider hub
- 18% Unallocated inventory stock at supplier "virtual" hubs
- 16% None, and no plans to implement
- 6% None, but planning to implement in 6-12 months
- 6% None, but early stages investigating options 0-6 months



28% of survey respondents don't employ any type of VMI

ABILITY TO MANAGE INVENTORY LEVELS



36%

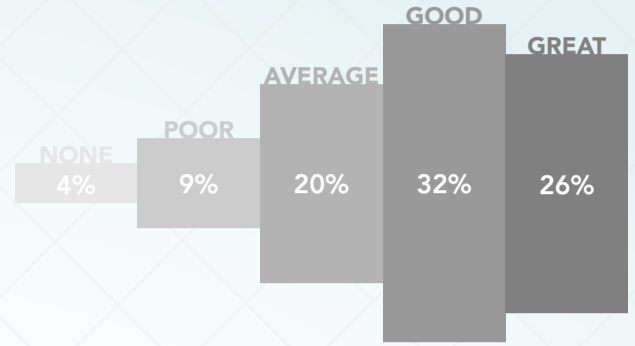
Too much cash tied up in inventory

29%

Too much excess and/or obsolete inventory

A range of inventory level problems were reported. Only 33% felt that inventory levels reflected optimized cost and service levels.

HOW DO YOU RATE THE VISIBILITY INTO CURRENT INVENTORY LEVELS?

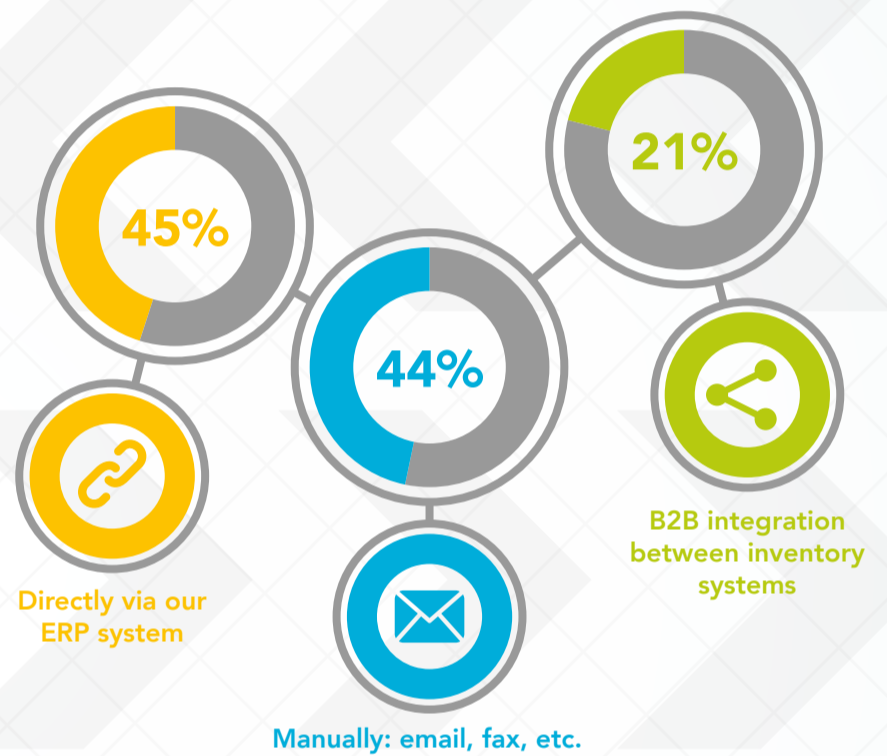


A third of respondents rated their visibility levels between "average" and "none."

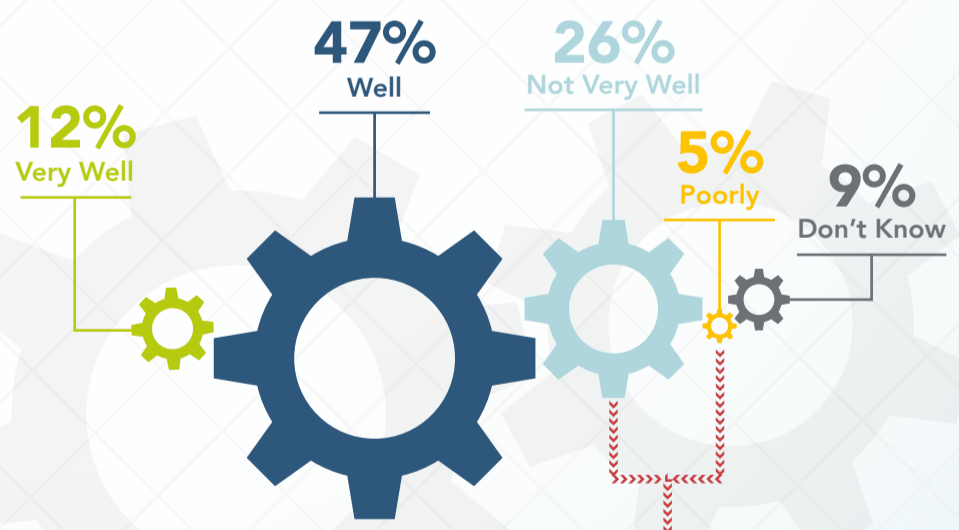


Only 26% of respondents rated their visibility levels as "great."

HOW DO YOU AND YOUR PARTNERS SHARE INVENTORY INFORMATION?



HOW WELL DO YOU COLLABORATE WITH TRADING PARTNERS ON INVENTORY MANAGEMENT PROCESSES?



12% Very Well

47% Well

26% Not Very Well

5% Poorly

9% Don't Know

31% reported below-average collaboration results with trading partners

SEE THE FULL REPORT

www.e2open.com/VMI



The study was conducted by Gatepoint Research from February-March 2015 through an online survey for quantitative analysis (n=100)

