

# Effective Logistics & Inventory Management

Turn-off a giant cash vacuum by reducing inventory waste and deploying efficient logistics management system

Renaissance Hotel, Seoul Korea

14th & 15th September 2006

**"Companies must achieve operation innovation, greater technological utilisation, and collaboration when dealing with information proliferation, customer demands, and other challenges in the global marketplace."**

Robert Rice

Effective logistics and inventory management allows a company to meet their customer's expectation of product availability with the amount of each item that will maximise the company's net profit!



## Attend this uniquely designed event to gain crucial insights into:

- Gaining the bird eye's view of environment-conscious logistics system for global company
- Connecting your logistics strategy with a global business context
- Improving the logistics and inventory management system by implementing an advanced technology
- Benchmarking against logistics innovation in retail industry
- Integrating your sales and operation planning
- Enhancing your inventory management system through the world-class masterclass

## Your Distinguished Chairperson :

**Yoo Kyun Shin** Vice Chairman  
Korea Logistics Association

## Including best practice case studies presented by:

**Umit Nedim** General Manager, Logistics & Quality Assurance Division  
**Toyota Tsusho (Australasia) PTY LTD (Australia)**

**Yoon Sung Cho** Vice President, Logistics Division/ Management Innovation Division  
**GS Retail**

**Min-Cheol Park** RFID Senior Consultant  
**BEA Systems**

**Austin Park** CEO  
**Hillslogis**

**Shim Yoon** Vice President, Incubation Center  
**Samsung SDS**

**Young Jin Lee** Managing Consultant, Logistics Group  
**LG CNS**

Silver Sponsors



## Featuring an exclusive one-day Masterclass on:

"Forecasting, Demand, Planning & Lean Inventory"

## Facilitated for the first time in Korea by an international expert:

**Lindsay Harding** Director  
**Hilf Supply Chain Solutions (UK)**

*Certified in Production Inventory Management (CPIM) & Certified in Resource Management (CIRM)*

Documentation Sponsor



Endorser



Supporting Publication



- 0830 Registration and morning coffee**
- 0900 Opening address from the Chairman**  
**Yoo Kyun Shin** Vice Chairman  
**Korea Logistics Association**
- 0915 Session One**  
**Building and managing effective internal communication channel through systematic approach**
- Understanding the importance of internal communications and the consequences of facility to communicate
  - Establishing a system that empowers faster and move efficient channel for everyone involved in the activities - Get all relevant departments
  - Designing and deciding what needs to be shared and between who?
  - Creations the company culture to share win - win strategy
- 1000 Session Two – Case Study**  
**Achieving a logistics renovation through the Toyota Productive System (TPS) implementation in conjunction with advanced technologies**
- Constructing a logistics system that supports the individuality of the company's total distribution network
  - Adapting Operation Management System (OMS) and Warehouse Management System (WMS) for various venues including the department store, outlet, supermarket, convenient store
  - Critically analysing ROI -What have been achieved so far
  - How GS Retail has applied Toyota's TPS into its own business environment
  - Encountering future challenges
- Yoon Sung Cho** Vice President, Logistics Division/ Management Innovation Division  
**GS Retail**
- 1045 Morning refreshments and networking break**
- 1120 Session Three**  
**Accelerating ubiquitous-Supply Chain Management (u-SCM) through RFID**
- Reviewing and analysing traditional SCM scenario
  - Realising u-SCM by using RFID technologies
  - Understanding the roles of RFID middleware
  - Interpreting RFID from SOA point of view
- Min-Cheol Park** RFID Senior Consultant  
**BEA Systems**
- 1205 Session Four**  
**Achieving distribution stock rationalization through an optimal logistics network**
- Logistics professionals must be capable and more responsive to optimising distribution network to operate at the lowest costs while providing the best customer service. In this session, attendees will learn how to come to the right decisions on logistics network infrastructure, cut costs, and improve their service. Also, this will explore how companies have improved their distribution stock level and give an idea to decide which stocking locations optimally cover a new geographic territory or service contract
- Reviewing current changes of logistics market as a result of industry restructuring in Korea
  - Addressing some of the typical considerations
  - Analysing effects and variables of inventory management resulted from logistics network
  - Exploring methodologies of optimal logistics network
  - Reaping benefits from industry case studies - Inventory rationalisation through logistics re-adjustment
- Austin Park** CEO  
**Hillslogis**
- 1250 Networking luncheon**
- 1425 Session Five – Case Study**  
**SAMSUNG's RFID adoption in logistics & inventory management**
- Among various RFID application areas, logistics & inventory management are the areas where people expect to get most valuable and visible benefits. Samsung implemented several RFID projects in order to enhance their current business processes or to improve their current supply chain visibility capability. In this session, we will discuss a implemented these projects, what were the benefits expected, and how we will prepare for next RFID adoption stage
- Integrating RFID in manufacturing, warehousing and delivery processes
  - Analysing value proposition of using RFID in logistics & inventory management
  - Sharing lessons learned for preparing more effective RFID adoption
- Shim Yoon** Vice President, Incubation Center  
**Samsung SDS**
- 1510 Session Six – Expert Advise**  
**Visibility as a key driver to logistics excellence**
- Addressing key business issues in logistics and reasons of visibility tasking
  - Analysing logistics mega trends and IT trends
  - Defining visibility - scope and definition
  - Building steps for visibility
  - Sharing lessons & overcoming future challenges
- Young Jin Lee** Managing Consultant, Logistics Group  
**LG CNS**
- 1555 Afternoon refreshments & networking break**
- 1630 Session Seven – Case Study**  
**Integrating effective vendor managed inventory strategies to achieve cost saving**
- Taking control and ownership of the supply chain cost
  - Separating logistics cost and parts cost to identify the actual costs
  - Reviewing consolidation of transport and shipping
  - Implementing web-based supply chain management to reduce cost and lead-time
  - Putting the cost of quality back to suppliers
- Umit Nedim** General Manager, Logistics & Quality Assurance Division  
**Toyota Tsusho (Australasia) PTY LTD (Australia)**
- 1730 Closing remarks and end of Day One**

### Why you cannot miss this event

Keeping inventory management costs down and effective logistics management is vital to the companies' competitive advantage while enhancing communications with customers, improving operations' efficiency, reducing waste and meeting the challenges of global competition. This uniquely designed conference will provide and help inventory and logistics professionals to gladly trade all know-how. This event presents ready-to-use information in key area from successful case studies to advanced technologies as well as one-day masterclass facilitated by an international expert.

### Who should attend

This uniquely designed conference has been developed for top decision makers such as CEO, VPs, Directors, Division Heads, Senior Managers, Managers of the following departments:

- Inventory
- Warehouse management
- Purchasing
- Sourcing
- Business development
- Procurement
- Logistics
- Material planning
- Supply Chain Management
- IT projects
- Operation
- Transportation

I would like to thank everyone who has helped with the research and organisation of this event, particularly the speakers and their staff for their support and commitment.

**Hyun Ju Lee**, Conference Producer

**One-Day Masterclass****Forecasting, Demand, Planning & Lean Inventory**

*"Improving your inventory turnover ratio and transform frozen assets into cash."*

**AMA**

**Background**

Precise control and safeguarding of inventory are an essential task for a successful, well-organised company; business required timely and accurate information on inventory.

Inventory management is the cornerstone of an effective manufacturing and distribution solution. Inaccurate inventory counts can cost your sales and delay shipment past the promise date. Out-of-stock item as well as overstock item in inventory can be devastating to your business. Additionally, an overstated or understated inventory valuation can result in incorrectly reported assets with your financial statements.

As an inventory control professional, you probably already know what to do to forecast future inventory needs, maintain acceptable levels of inventory and safety stock and keep accurate inventory records. However in a world filled with human error, lost and misplaced overstock and unrealistic demands from customers, co workers, management, vendors and suppliers, you need real-world answers about how you can organise, build and maintain the smoothest-running inventory management system possible.

By attending this powerful and practical masterclass, you'll learn how to gain profits up and customer satisfaction high. Simply this masterclass will enable your company to gain additional & practical edge over competitors.

**Session One****Positioning and definitions**

The opening session looks at a selection of issues facing the inventory management function in modern business. The objective of maximising customer service, with an optimized inventory investment, in an environment of shrinking product life cycles, is a difficult balancing act to control

- Industry dilemmas and conflicting measures
  - Life cycle management and obsolescence risk
  - Demand amplification
  - Trade off decisions faced by an Inventory Manager
- The Lead- Time gap (P: D ratio)
- De-coupling points within push and pull systems
- Systems evolution MRP&MRPII&ERP
- Where some companies have gone wrong

**Session Two****Forecasting demand**

Forecasting itself is an uncertainty, It is widely acknowledged that the ultimate aim of a business in this context should be to reduce the need to forecast completely. However, until end-to-end supply chains become sufficiently agile, there is usually always a degree of forecasting somewhere along the supply chain, irrespective of replenishment strategy, to meet customer service demands. This session overviews various forecasting issues and techniques

- Trends and seasonality
- Qualitative and quantitative techniques
  - Moving Averages
  - Exponential Smoothing
  - Pyramid Forecasting
- Forecasting accuracy measures and deviation techniques

**Session Three****Master Planning and Demand Management**

Product seasonality, capacity constraints and communications channels with Sales & Marketing have a major impact on the creation and execution of the higher level plan. Such issues will be discussed in relation to inventory availability and order fulfilment processes

- S&OP (Sales & Operations Planning)
- The MPS (Master Production Schedule)
- Replenishment strategies (Make- to- stock. Make-to-order, postponement etc)
- Sources of Demand
- ATP (Available To Promise)

**Session Four****Inventory Management**

A number of the traditional key concepts of Inventory Management will be discussed - applications and implications, along with some thought provoking views. As with sessions 2 and 3, this segment aims to assist delegates in getting the right basic building blocks in position, for example obtaining a more thorough grasp of why their ERP system may be making particular recommendations, or highlighting where data fields require attention to maintain system integrity

- ABC classification
- Cycle counting
- Independent Demand Inventory Techniques (e.g. EOQ, ROP)
- Dependent demand Inventory techniques (e.g. MRP)
- Safety stocks and service levels
- VMI and Consignment Stocking
- Containerisation and point of use delivery

**About your MasterClass Leaders**

**Lindsay Harding**, Director of Hilf Supply Chain Solutions who is APICS Certified in both CPIM and CIRP. He has extensive industrial experience, predominantly within the manufacturing sector.

Following successful MRP II implementation involvement at Acco-Rexel Engineering, Lindsay joined Richmond based Consultancy - Peter Chadwick Ltd (now Celerant Consulting) where he was involved in Productivity improvement projects with major client companies. Here, reducing 'lost time' through improvement initiatives resulted in cost reduction, throughput increases and sustainable savings for clients.

This was followed by six and a half years at Mitel where he headed up the Demand Planning team and was heavily involved in a global SAP R/3 implementation. Following this, two years with Manchester based consultancy Strategem Ltd, working predominantly on Regional Economic Development Programmes, prior to becoming a founding Director of Hilf Supply Chain Solutions.

Lindsay holds an MSc in Logistics & Supply Chain Management from Cranfield University. In addition to undertaking Training and Consultancy assignments, he is also a guest lecturer at the University of Wales, Newport and the University of Leeds, where he presents sessions around MRP and matching supply with demand. He has also delivered consultancy on behalf of the University of Warwick Science Park on an Interim Management basis.

In addition to being a member of APICS, Lindsay also holds membership to the following professional bodies:

MCMI: Member of Chartered Institute of Management  
MIMC: Member of The Institute of Management Consultancy  
MIOM: Member of The Institute of Operations Management  
MILT: Member of The Chartered Institute of Logistics & Transportation  
AIBA: Associate of The Institute of Business Advisors

**Testimonials from Lindsay's clients**

*"The examples used by Lindsay during the sessions were both relevant and thought provoking, the implications of data accuracy and housekeeping in particular will likely ensure our teams consider the wider picture whilst conducting their operations. A number of valuable issues have been highlighted to us...we believe our teams will perform to a higher standard and reach our business excellence goals at an accelerated pace."*

Purchasing Manager

**Bergstrom**

*"Lindsay Demonstrates considerable commitment to manufacturing and public bodies in South Wales through continually seeking best practices and using his extensive network. He has provided the Steering Committee a base to take Swimm forward."*

Purchasing & Materials Manager

**Swimm (South Wales Innovation In Materials Management)**

*"The course you taught was useful and helped me developed strategic thinking on Supply Chain Management. I will recommend you to others and also wish you best."*

Technical Portfolio Manager

**Nokia UK Limited**

**MasterClass Schedule**

0830	Registration and coffee
0900	Session one
1030	Morning refreshments & networking break
1050	Session two
1230	Networking luncheon
1330	Session Three
1530	Afternoon refreshments & networking break
1550	Session Four
1700	End of MasterClass

## About our business partners

### About the Silver Sponsors



**BEA Systems, Inc. (NASDAQ: BEAS)** is a world leader in enterprise infrastructure software, delivering unified SOA platforms for business transformation and optimization. Customers depend on BEA Tuxedo®, WebLogic®, and AquaLogic™ product lines to help reduce IT complexity and leverage existing resources - for achieving a state of Business LiquidTy™ where enterprise assets are freed up to deliver maximum business value and grow new revenue streams. Find out more at [www.bea.com](http://www.bea.com).



As a leading logistics consultancy, **Hillslogis** has various 1-Tier Customer groups such as Samsung, LG, Lotte and IIAC ( Incheon International airport Cooperation) etc. A strong tie with partners like IPACS solution ( Singapore), Loedige System ( Germany ) , BAAN (USA) ,JML ( Japan ) respectively and the company's Blue ocean strategy have enabled Hillslogis to provide optimal services in both global and local marketplace.

Furthermore, the company has a proven record of its ability to convey the best service to the clients by winning ' The Grand Korea Logistics Award' (2006) and 'The Grand SCM Award' (2006) . For more information please visit <http://www.hillslogis.com>.

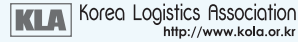
### About the Documentation Sponsor



**Pantos Logistics**, the largest global freight forwarder company in Korea, was founded in 1977 with a name Pan Korea Express. With our new name Pantos Logistics, we aim to reborn as the world's leading Logistics Company by 2010.

Today, we employ about 2500 people in 60 overseas branch offices around the world with a headquarter in Seoul. In 2005, we achieved \$1.8 billion sales globally by providing the Total Logistic Service to: LG Electronics, LG Chemical, GS Construction, GS Caltex, Lotte Canon, LG Phillips LCD, OTIS, LG MMA and more.

### About the Endorser



**Korea Logistics Association** ([www.kola.or.kr](http://www.kola.or.kr)) is a non-profit organization established in 1984 as a umbrella body of Ministry of Construction & Transportation, with an exclusive goal to promote the appreciation of logistics, logistics industry popularly to renew systematical approach to logistics sector for logistician as well as the policymakers and others. Since its establishment in 1975, KLA has made exhaustive efforts to become a leading logistics organization acting as the focal point to have companies, organizations and individuals of all logistics sectors build networks with other sector at all levels of logistics activities in Korea. Also we are responsible for implementing the international collaboration as secretariat of APLF (Asian Pacific Logistics Federation)