

# On Target SLOP Transformation

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Leupold & Stevens

**velocity**

CONNECT + ACCELERATE + INNOVATE

## Agenda

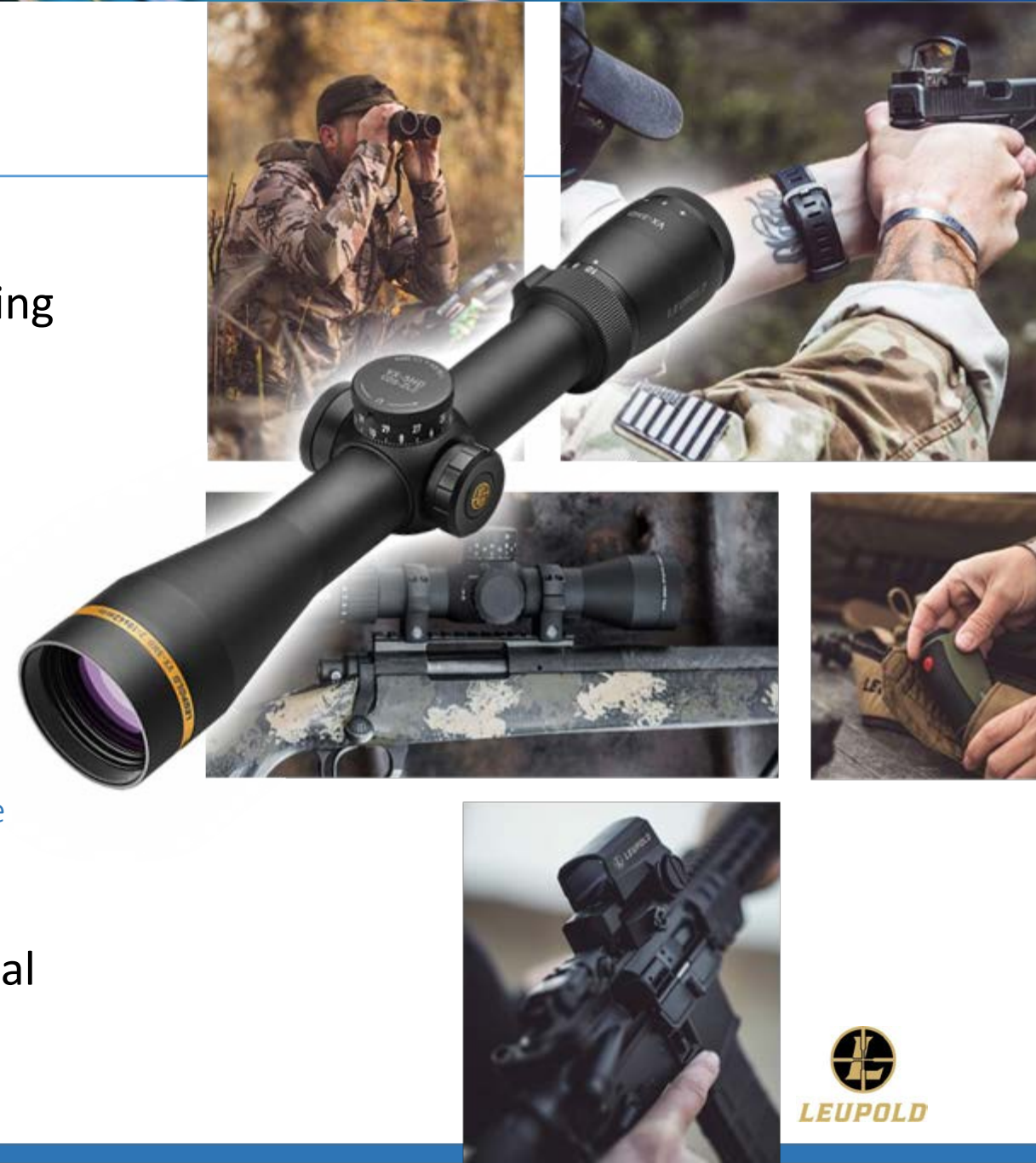
- ▶ Who is Leupold & Stevens
- ▶ Supply Chain
- ▶ Business Drivers
- ▶ Demand Planning Challenges
- ▶ The Logility Journey
- ▶ Solutions
- ▶ What's Next
- ▶ Q&A





## Company Overview

- ▶ Founded in 1907 to repair survey instruments
- ▶ In 1911 began manufacturing water level recording equipment with J.C. Stevens
- ▶ After WWII Leupold began manufacturing rifle scopes after Marcus Leupold missed a shot on a hunt because his scope fogged up. He famously proclaimed that he “could make a better scope than this.”
- ▶ Still family owned
  - 750 employees in Beaverton, Oregon primarily making rifle scopes, but also sells binoculars, rangefinders, spotting scopes, and thermal-American manufacturer
- ▶ Channels include retail, government, international direct to consumers (website, custom shop)



# Supply Chain

- ▶ Manufacturing is located in Beaverton, Oregon
- ▶ Storage for raw materials is onsite
- ▶ Warehousing is nearby
- ▶ Suppliers for major raw materials are largely local
- ▶ Other suppliers exist in Asia and Europe



Business  
Drivers –  
Goals and/or  
Challenges



Corporate goals: profitability, flexibility in manufacturing



No collaborative planning across silos



Unsupported system



No long-term forecasting visibility

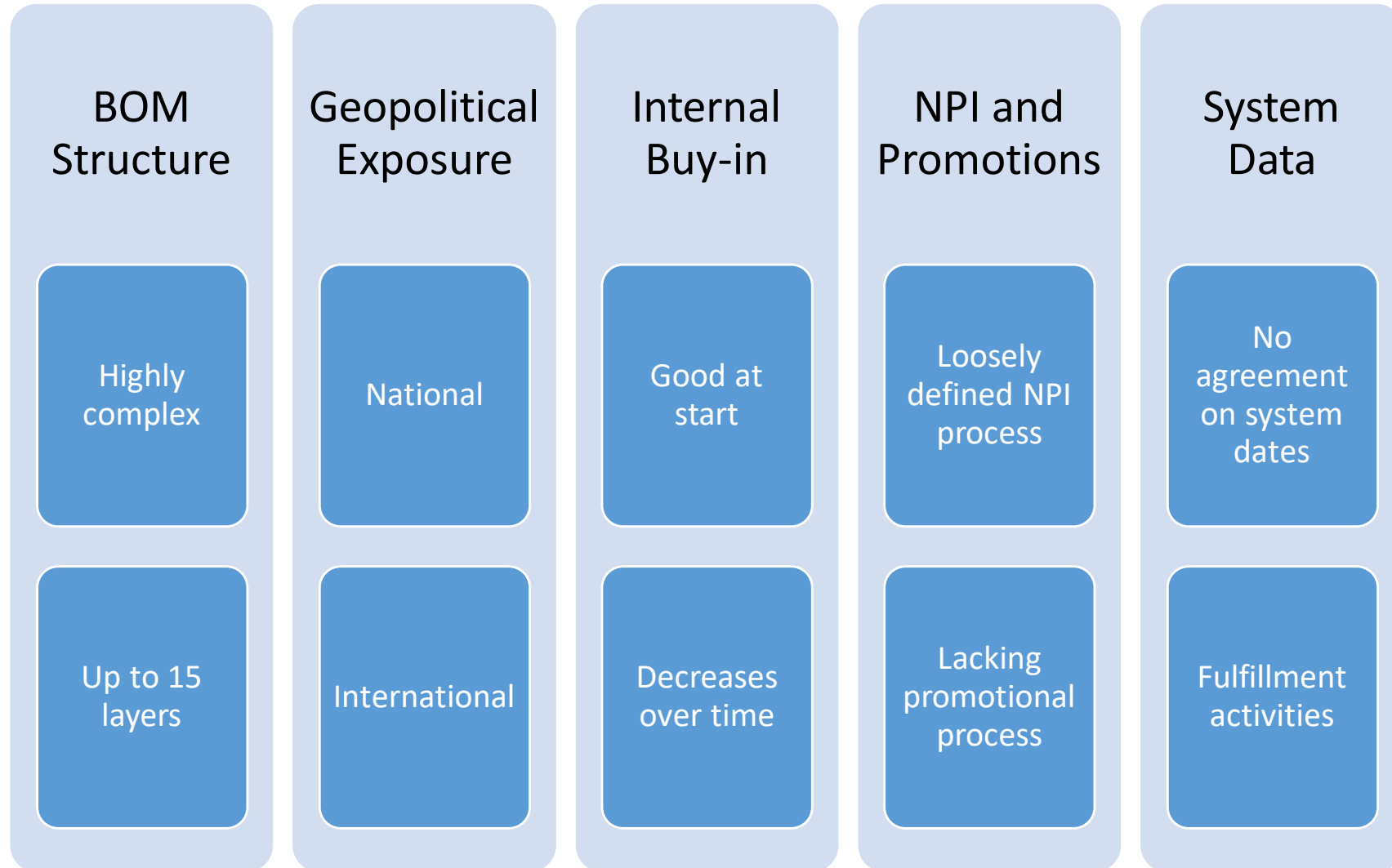


No capability to respond to customer demand



Management wanted to unify the systems and functional areas

# Demand Planning Challenges

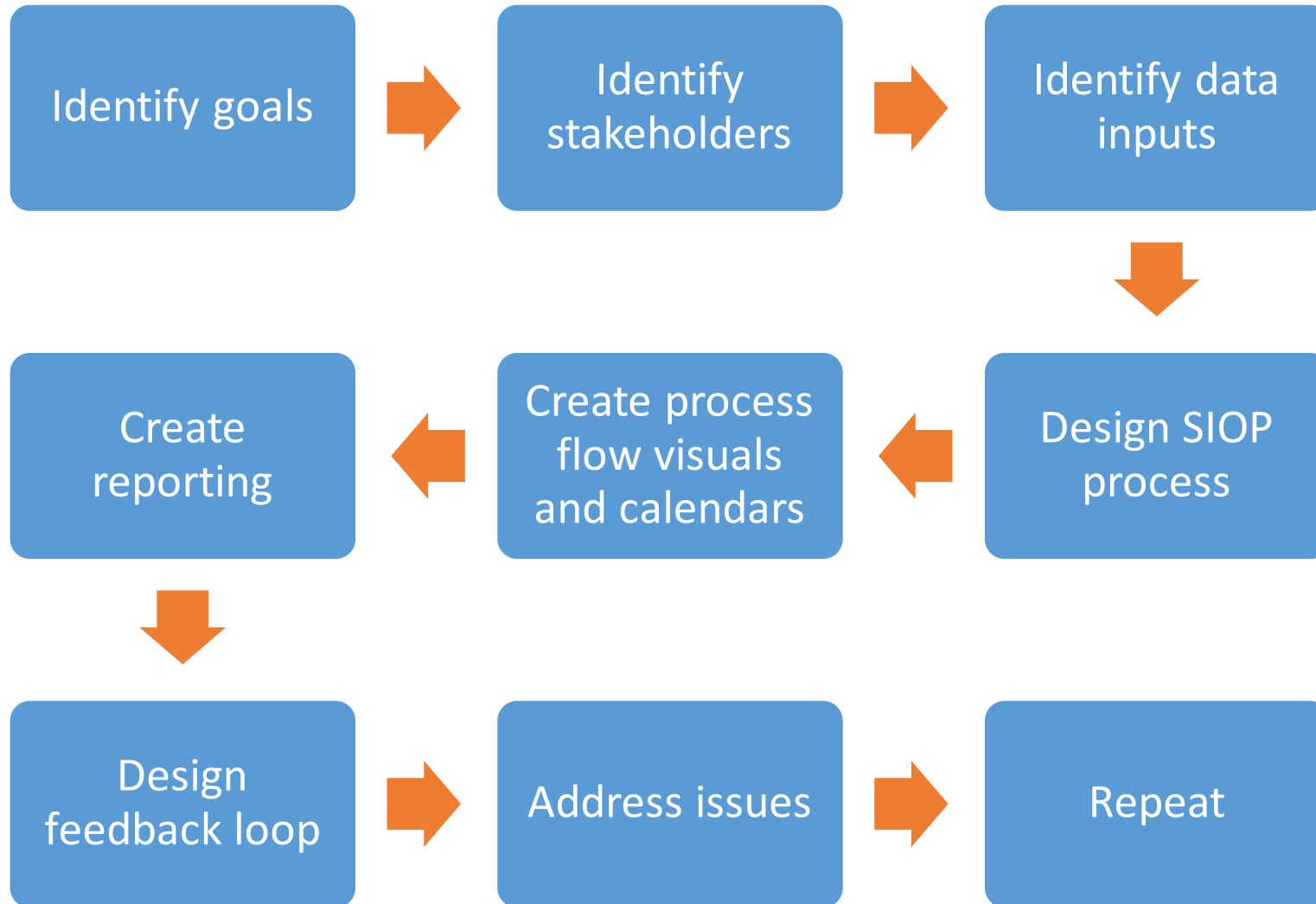


# Logility Rollout



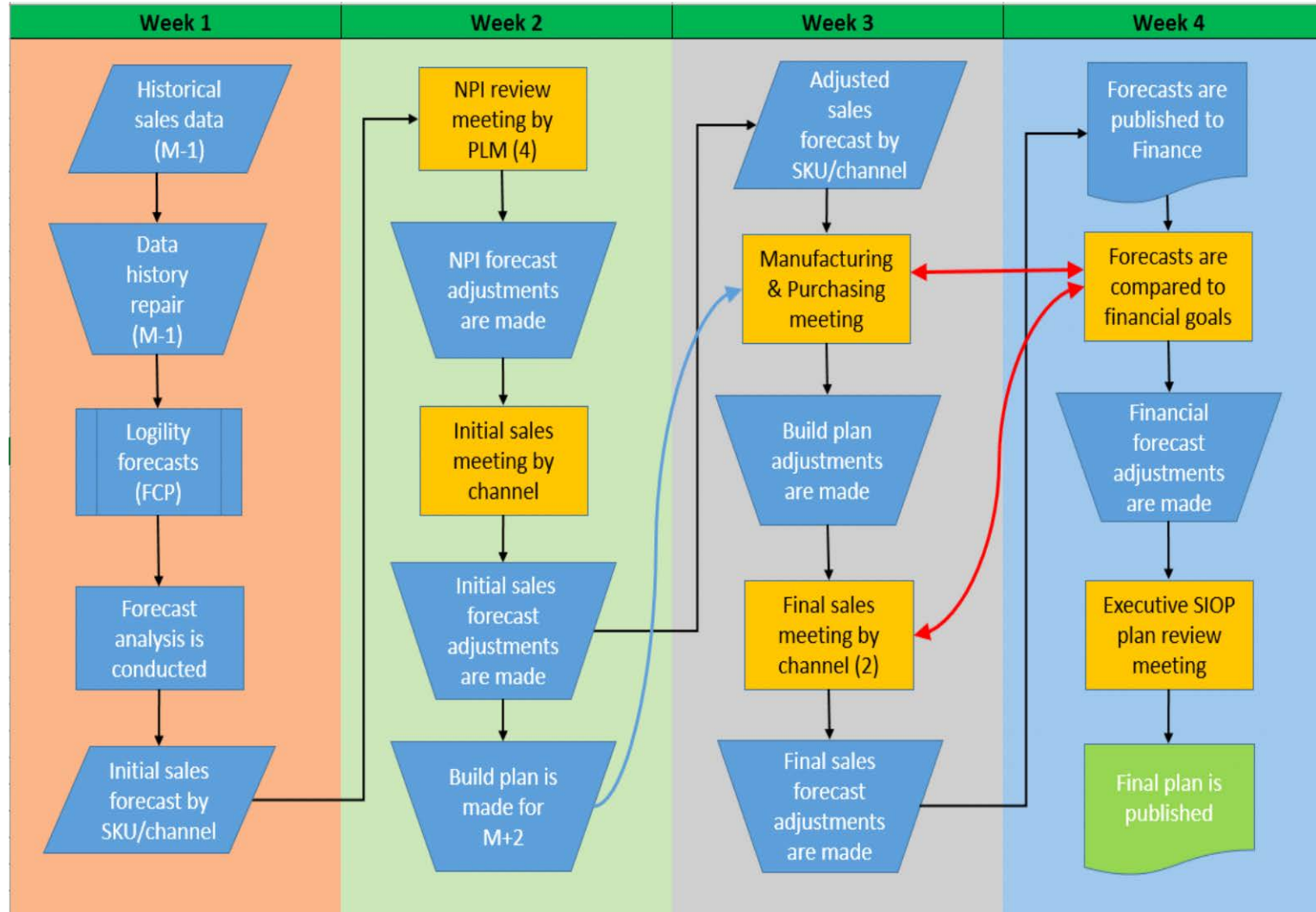


# SIOP Process Development Steps





# SIOP Flow Chart



# SIOP Calendar

## Leupold + Stevens SIOP

January 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 Logility month rollover	2 Data history repair/ Forecast analysis	3 Data history repair/ Forecast analysis	4 NPI Reviews	5
6	7 NPI Reviews	8 NPI Reviews	9 NPI Reviews	10 Initial sales meeting 11:00 AM Training Room	11 Build Plan Requested	12
13	14	15	16 Operations meeting 10:00 AM RJ Stevens	17 Final sales meeting 11:00 AM Training Room	18	19
20	21	22 Forecasted Volumes Submitted	23	24 Finance Meeting 10:00 AM Ruth Room	25	26
27	28	29 Executive review 11:00 AM Training Room	30	31		

### EVENTS

**Operations Meeting**  
Jan 16  
10:00 AM

**Final Sales Meeting**  
Jan 17  
11:00 AM

**Finance Meeting**  
Jan 24  
10:00 AM

**Executive SIOP Review**  
Jan 29  
11:00 AM



# 3D Report

1/14/2019		NET INVOICED		GOAL		ORDERS NEEDED					
Product Line	Category	Jan Build/Buy Units	\$0	Jan Shippable Booked Orders	Jan Total Booked Orders	\$2000	Jan Month Ending Unsold	Feb Build/Buy Units	\$448	Feb Shippable Booked Orders	Feb Budget
SCOPES	VX-FREEDOM										
SCOPES	MARK AR										
SCOPES	VX-3										
SCOPES	VX-R										
<b>SCOPES TOTAL</b>		-	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -
BINOCULAR	SANTIAM										
BINOCULAR	PRO GUIDE										
BINOCULAR	MCKENZIE										
<b>BINOCULAR TOTAL</b>		-	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -
RANGEFINDERS	RX										
RANGEFINDERS	MARKSMAN RF										
RANGEFINDERS	VENDETTA										
RANGEFINDERS	GX										
<b>RANGEFINDERS TOTAL</b>		-	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -
<b>THERMAL TOTAL</b>											
<b>MOUNTS TOTAL</b>											
<b>ACCESSORIES TOTAL</b>											
SPOTTING SCOPES	MARKSMAN SS										
SPOTTING SCOPES	SANTIAM SS										
<b>SPOTTING SCOPES TOTAL</b>											
<b>TOTALS</b>				<b>\$1552</b>			<b>\$1836</b>				

## How New Processes and Logility Addressed Business Drivers

- ▶ During 2018 a new collaborative SIOp process was implemented
- ▶ The process is continually evolving
- ▶ The first statistical forecast was in July 2018
- ▶ In August Leupold used a statistical forecast for budgeting
- ▶ Forecast accuracy in November showed a 25% improvement, accuracy is currently ?
  - *Scopes, OEM, leading indicators, retail softness, customer data was deceiving*
- ▶ The SIOp creates one plan that is executed to a 96% match to demand and supply
- ▶ 3D was developed to deliver a single view of the SIOp efforts



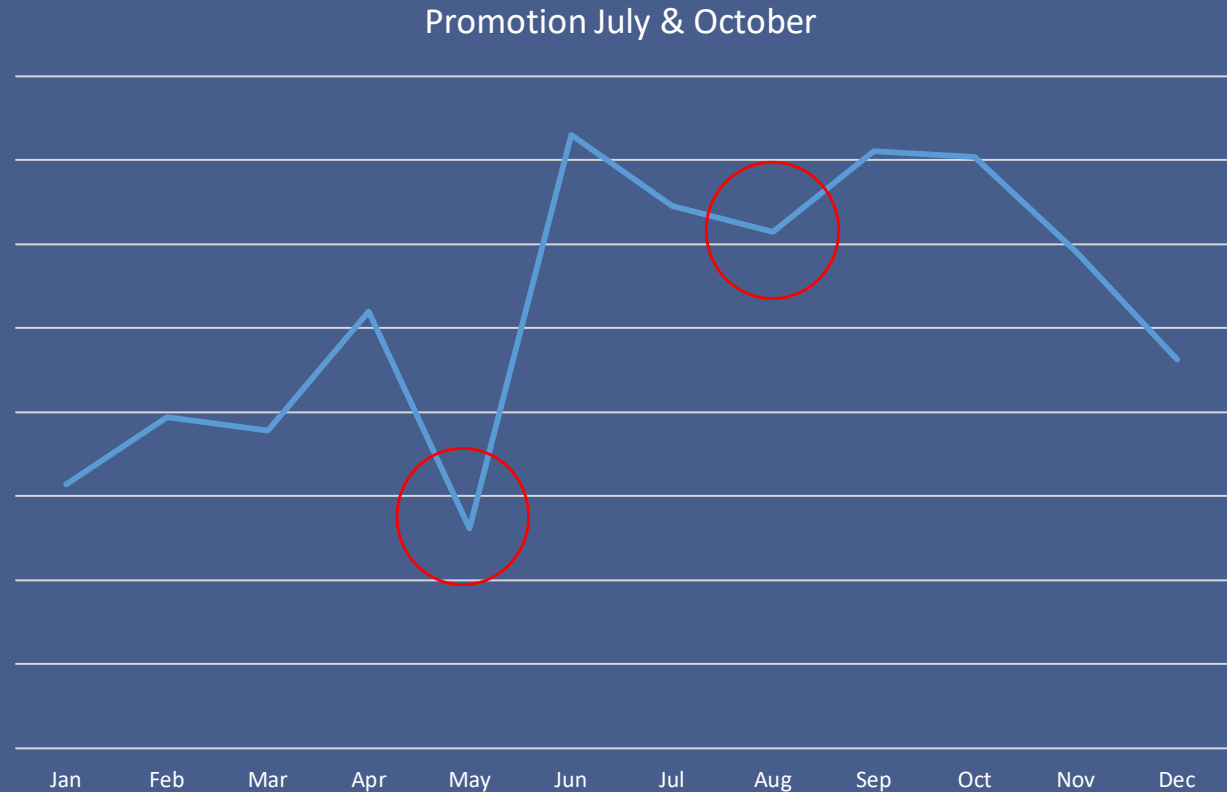
## Aha Moments

- ▶ Promotional events have had a dire effect on the historical data
  - As a result, promotional planning has become a stable process including efforts to keep the data clean for base forecasting
- ▶ Proper system setup is vital to building a sound SIOP process
  - About three months into the SIOP development a glitch was noticed in the Logility month-end processes
  - The historical data was not being written before the forecast calculations were done
  - The results were ever-decreasing forecasts across all data sets with no logical explanation
  - IT was engaged to fix the problem and stabilize the system
- ▶ Data Cleanup was extensive

## Benefits with Logility:

- ▶ High match-off of statistical forecast to actual made product – **96%, supply to demand balance**
- ▶ Team buy-in to the SIOp process
- ▶ Common planning units of measure in hours
- ▶ Cross-functional collaborative planning
- ▶ New Market Insights, promotions

## Unexpected Benefits



# FUTURE

## What's Next

Our current future plans include the following:



Revenue planning entirely within the Logility Voyager Solutions



Continued collaboration with the Purchasing function



Building a data warehouse to make the Logility data more available



Link other areas of our business including our Custom Shop and Tech Services area



Collaborative Planning and Forecasting with our top customers and suppliers



Lifecycle Planning



QUESTIONS?

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THANK YOU