AI DIRECT

POWERED BY CLOVER

Digital
Solutions

AI **Direct**

—

Uses Artificial Intelligence &
Machine Learning to transform
your business operations,
optimize processes, reduce
costs and improve reliability

AI DIRECT
POWERED BY CLOVER

What is
Machine Learning

Machine Learning is a "Field of study that gives computers the ability to learn without being explicitly programmed".
– Arthur Samuel 1959

A simple example of Machine learning is
- Navigation for your car
- Email spam and virus detection
- Apple's Siri
- Face detection in cameras, iPhones

Machine Learning uses large data sets to continually detect patterns and make predictions

AI DIRECT
POWERED BY CLOVER

Machine Learning allows Supply Chains to be smarter, more predictive, and efficient

Overcoming
Internal Challenges

—

I'm under pressure to optimize an increasingly complex supply chain without new resources.

VP of Supply Chain

Our bottom line isn't looking good for our new expansion, despite all signs pointing towards it being successful.

Chief Financial Officer

I'm concerned that I do not have the staff or technical expertise to stay current with technology and help improve business results.

Chief Technology Officer

I need better insights on when and where to make new investments.
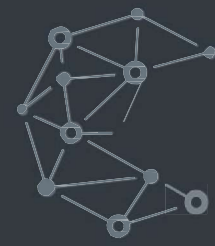
VP of Operations

I'm worried if we don't improve our plan allocation by geography and channel, our competitors will gain superior market share.

VP of Sales

I need better visibility into future headwinds and tailwinds that affect my business.

Chief Executive Officer

AI DIRECT
POWERED BY CLOVER

Raw Material

Supplier Forecasting and Purchasing Projections

Supplier

Statistically Driven Inventory Targets & Replenishment Planning

Manufacturing

Smarter and more predictable manufacturing Plans

Distribution

Distribution Network Planning & Warehouse Optimization

Warehousing

Customer

Top Down Customer Forecast Anomaly Detector

☁ **Machine Learning Solutions**

AI DIRECT
POWERED BY CLOVER

Use predictive analytics to
better understand our business

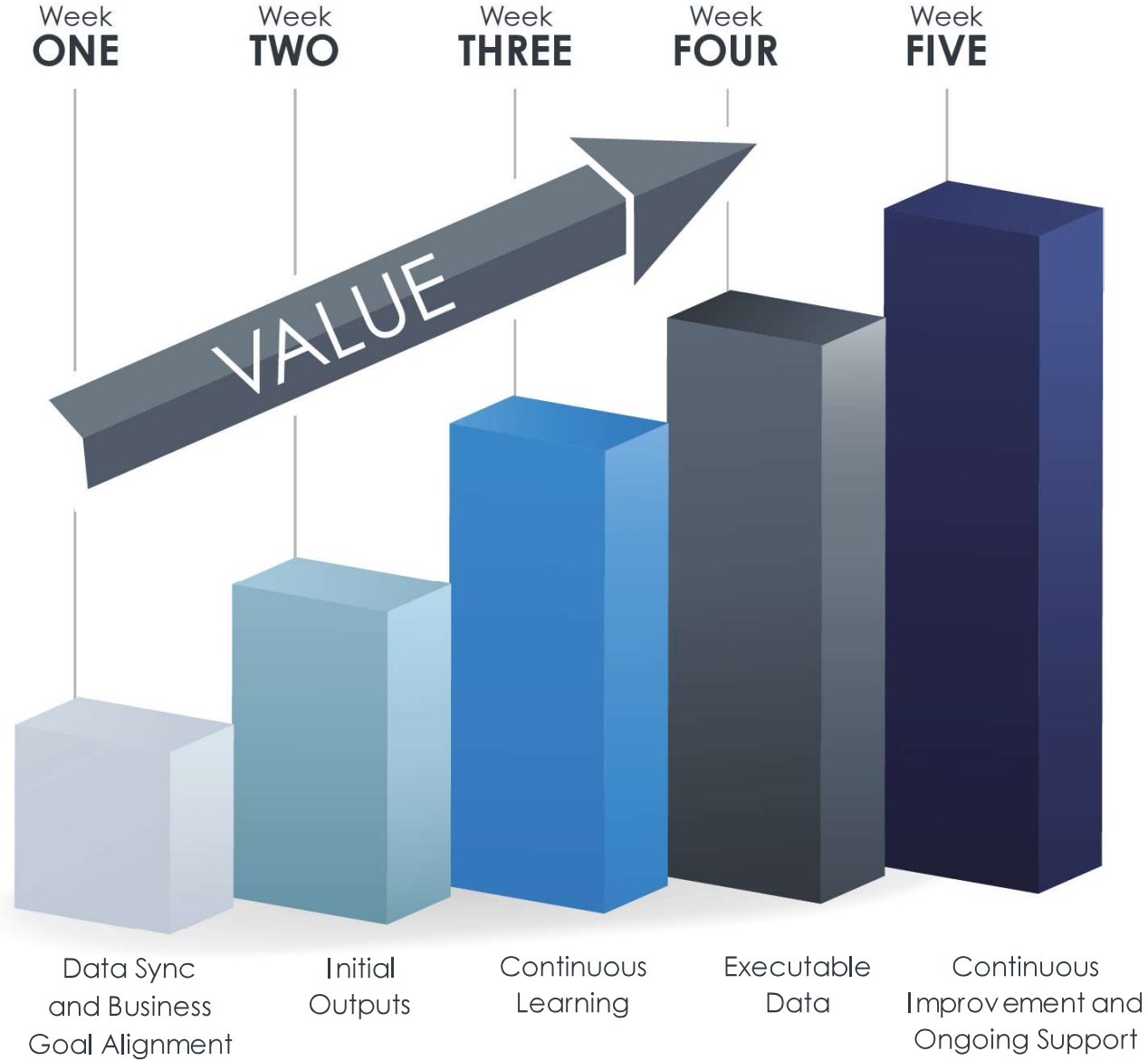|		
Sales Forecasting	Rolling forecast by sales territories, product, and market	Integrated into Sales and Operations Planning process and tools
Marketing Insights	Forecast by product category, family and brand	Contribution Report 3 & 5-year CAGRs by category and brand Market campaign spend optimization
Operational Planning	Forecast by product and distribution center/ship to	Rolling monthly demand forecast Integrated into demand forecast process and tools
Financial Forecasting	Financial forecast by business and region	Rolling monthly financial forecast Integrated into forecast and planning tools/process Daily monitoring and alerts
Executive Insights	Top level leading drivers, forecasts, and reports for leadership	ECONOMIC RISK REPORT 3, 6, 12, 18+ months forecast Real time risk monitoring
Inventory Management	Statistical Stock Targets, re-order policies, EOQ	Replenishment reporting highlighting need, urgency, and days of supply. Provide Supplier forecast and daily replenishment alerts
Warehouse Management	Optimize existing or new warehouse space.	Optimization Reporting Ongoing inventory velocity monitoring to self sort warehouse space.

Why Choose **AI Direct**

We can show you ROI during the evaluation.

Area	Description	Expected Savings
Cost Reduction		
Obsolescence	Inventory with no demand, financial write off.	**10-15%**
Manufacturing efficiency	Expected MFG efficiency gains with improved forecasting, replenishment targets, and scheduling.	**2-5%**
Transportation	Reduction in transportation related expenses due to enhanced predictability within whole supply chain.	**3-6%**
Expedite %	Reduction in expedites from suppliers to customers based on AI forecasts and replenishment	**8-15%**
Inventory Reduction		
Inventory $	Inventory cash flow savings based on AI forecasting and replenishment planning	**20-40%**
Productivity	Anticipated productivity gains by leveraging Forecasting, Replenishment, and Warehouse optimization	**30-40%**
Sales	Increase in service levels	**1-5%**

No risk to
the Business

Cloud solution that is simple, scalable, low cost, with no disruption to your current processes.
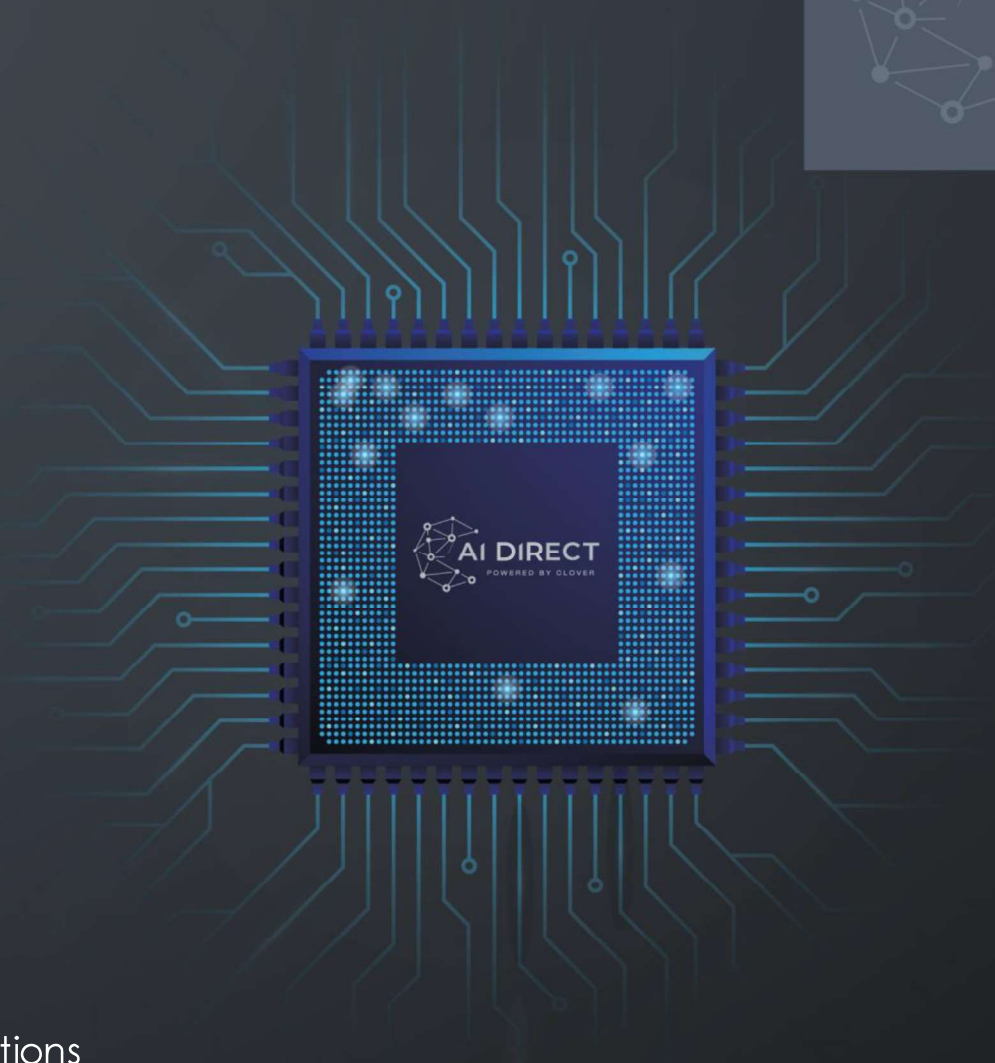
AI Direct delivers you actionable data.

Week **ONE**

Week **TWO**

Week **THREE**

Week **FOUR**

Week **FIVE**

VALUE

Data Sync and Business Goal Alignment

Initial Outputs

Continuous Learning

Executable Data

Continuous Improvement and Ongoing Support

AI DIRECT

POWERED BY CLOVER

Technology and Support

- Leveraging Microsoft latest AI technology

- No in-house technical expertise needed

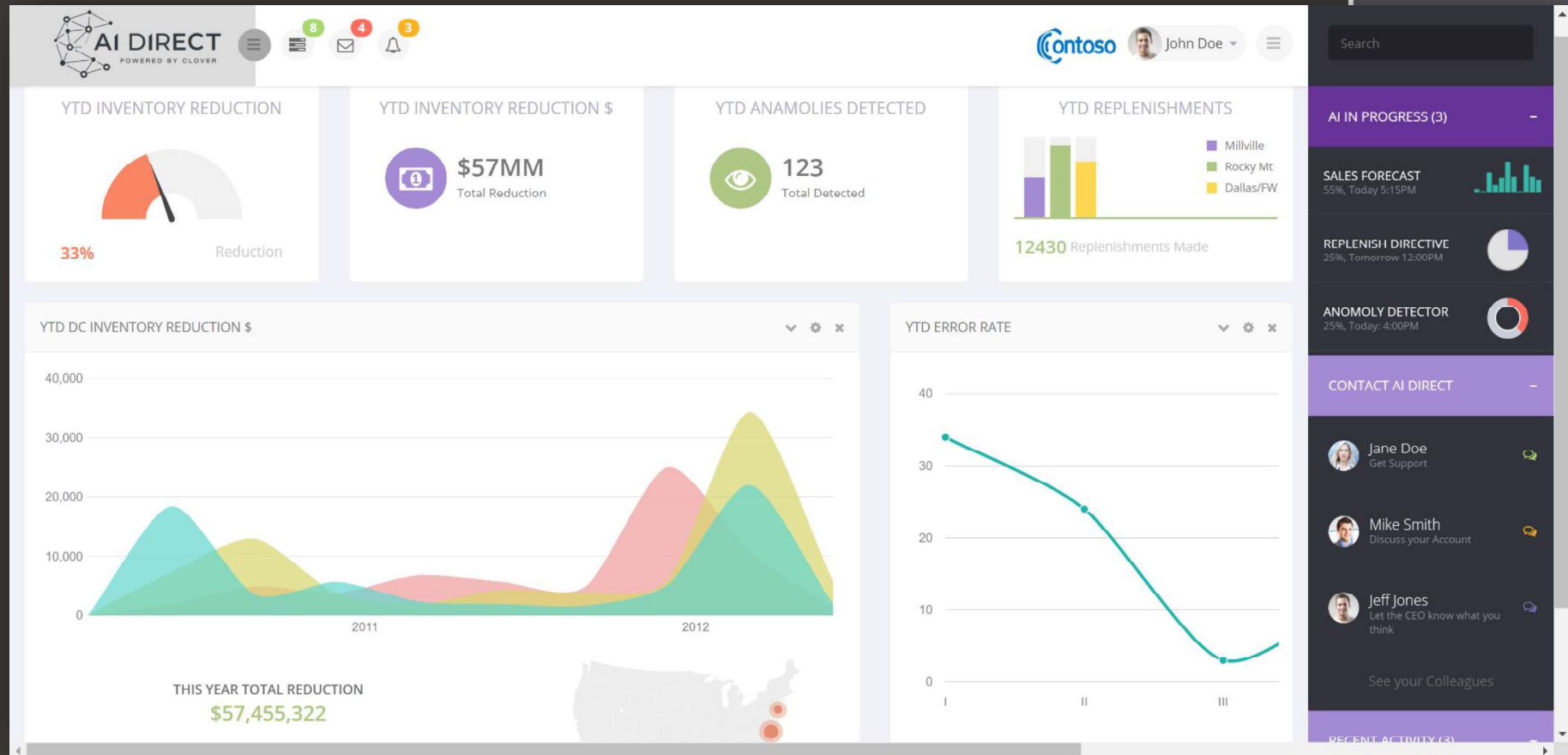- Proactive data monitoring

Microsoft Partner
- Azure Cloud Platform
  - 100+ of custom built Algorithms
    - Bayesian AI

- Microsoft Security - $1B annual investment, 90 compliance certifications

Customer **Portal**

- Simple Customizable Design
- Cloud Solution
- No licensing fees
- Interactive
- Scenario building*
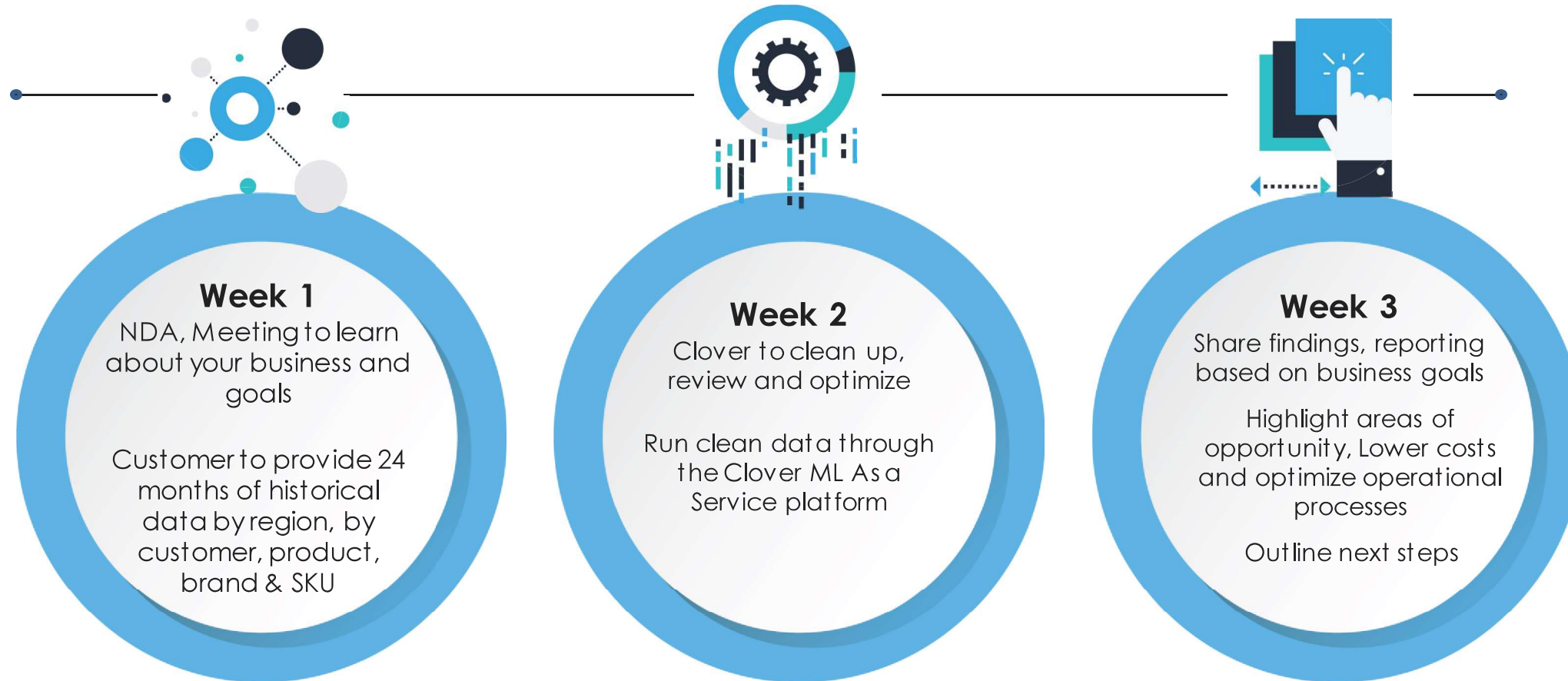
coming Q12020

If not now, When?

- Industry experts expect AI to see increased adoption by over 50% - 3 years

  - Adopters are experiencing significant savings.

    Change is happening now, AI Direct will allow you to use current technology without risk to your business and add value to your bottom line.
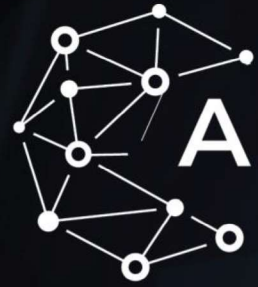
AI DIRECT
POWERED BY CLOVER

See What AI can do for **You**

Week 1
NDA, Meeting to learn about your business and goals

Customer to provide 24 months of historical data by region, by customer, product, brand & SKU

Week 2
Clover to clean up, review and optimize

Run clean data through the Clover ML As a Service platform

Week 3
Share findings, reporting based on business goals

Highlight areas of opportunity, Lower costs and optimize operational processes

Outline next steps

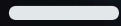# Let Data be Your Guide

Data Field	Description	Benefit
Item Number	Your Unique Part Number	Forecast at the Item Level
Product Type Level	Inventory Classification for Like Items	Forecast at the Product Type
Brand	Product Brand Type or Name	Forecast at the Brand Level
UOM	Item Unit of Measure	Forecast at the EA/ CASE and Item Level
Bundle/ KIT	Individual Items sold together	Forecast at the EA/ Kit Level
Customer Shipment Lead Time	Time from Customer order to when product is required to ship from your warehouse	Allows for Enhanced Inventory & Replenishment Planning Targets
Shipment Date/ Time	The Date and Time Customer Order was Shipped	Allows ML to Better Learn Customer Habits
Quantity	The Total Quantity that was Shipped	Allows ML to Better Learn Customer Habits
On Hand Inventory	On Hand Inventory Snap Shot by Item	Used for Plan vs Actual and Targets
Supplier Lead Time	The Time from PO placement to Delivery at Your Warehouse	Allows for Enhanced Inventory & Replenishment Planning Targets
Reorder Cycle Time	The Planning Cycle Time Set for Replenishment Planning	Allows for Enhanced Inventory & Replenishment Planning Targets
Service Level Target	The Current and Target Goals of % of Customer Order Lines shipped On-Time	Allows for Enhanced Inventory & Replenishment Planning Targets

AI DIRECT

POWERED BY CLOVER

Thank
You

—