

# Bubbling over

How Demand Solutions helped put the sparkle back into forecasting

Supplying supermarket chains is a demanding business with increasingly complex customer needs, diversification of products and constantly changing in-store promotions.

It's a challenge faced daily by Cott, the world's leading supplier of retailer-brand carbonated soft drinks. With manufacturing facilities in Canada, the USA, the UK and Mexico, the company produces and packages a large range of products including clear, sparkling and flavored beverages, juices and juice-based drinks, bottled water and iced teas.

Cott Beverages is the UK arm of the Cott Corporation, producing and packaging soft drinks for multiple customers. These include some of the biggest food retailers and wholesalers in the UK as well as a large number of leading retailers throughout Europe. The company's recent acquisition of Macaw Soft Drinks in a \$135 million (£75.7 million) deal makes it the major British player in retailer-brand soft drinks.

In this sometimes volatile business, finely-tuned forecasting is all-important. The beverage industry experiences regular fluctuations in product demand due to promotions, price changes and seasonal shifts, so balancing efficiency with inventory



“Soft drinks are in what’s known as FMCG—fast-moving consumable goods—where products are driven by promotions, as well as seasonal factors. As in other retail sectors, certain customers will buy in certain weeks, rather than within months, so it’s vital to forecast on a weekly basis.”

levels creates a real challenge, explains Cott Beverages’ customer service and demand manager Nathan Ross.

“Soft drinks are in what’s known as FMCG—fast-moving consumable goods—where products are driven by promotions, as well as seasonal factors. As in other retail sectors, certain customers will buy in certain weeks, rather than within months, so it’s vital to forecast on a weekly basis.

When Ross joined the company 18 months ago it was already using DS Forecast Management and DS Requirements Planning, but anything that needed to be done to the

forecast in terms of weekly, rather than monthly, manipulation had to be done offline in spreadsheets and then keyed in manually. In February 2005, Cott went to a weekly forecast cycle using Demand Solutions, allowing Ross’s team to make adjustments to the weekly forecast directly within the system.

The results were immediate, says Ross: “It’s automatic and there’s no repetition of workload. It’s greatly increased the fluidity of information. From a time perspective, it has reduced time within the process and made our process more efficient.” 