BP Lubricants… Another Demand Solutions Success Story

"Demand Solutions...a tool which caters for many different demand patterns."

For most of us the extent of our understanding of BP ends at the petrol bowser. However, the markets which BP Lubricants services are widely diverse, in both customers and demand volatility. Demand Solutions has enabled BP Lubricants to manage many different demand patterns.

In Australia and New Zealand BP Lubricants has four manufacturing sites. All four sites use Demand Solutions software. There are many market sectors which BP Lubricants supply. Three of these that give a good cross-section of demand patterns are:

- **International Marine...** large market, however highly volatile;
- **Mining & Industrial...** provides constant high volume;
- **Automotive (Retail)...** steady volume with seasonality.

BP carry 800 product pack combinations across the Australia and New Zealand region, produced on a manufacturing philosophy of "make-to-stock". Their manufacturing process is categorised by long lead times and their demand is highly volatile, thus requiring high accuracy levels from their forecast.

As part of the development of their systems BP converted to an ERP software, "PRISM" from Marcam, with MRP/CRP capability. This software is driven by an external forecast. It was this requirement that led to Demand Solutions Software.

BP are currently using the three Demand Solutions modules, helping them achieve their objectives of streamlining work-processes and reducing their investment in inventory whilst minimising risk and maintaining customer service.

DSW Forecasting (DSWF): provided flexibility and visibility which enabled BP to improve their forecasting process and accuracy.

DS Requirements Planning (DSRP): provided a tool which enabled BP to develop realistic master production schedules to effectively manage and reduce their inventory.

DSW Feedback (DSF): enabled BP to centralise their forecasting process without an impact on the organisations structure. DSF has provided BP with the opportunity to export the central forecast out to remote users for evaluation, analysis and adjustment. This solution has allowed central control of the forecasting process whilst maintaining independence and local knowledge at the remote sites.

The ease with which DS suite of Solutions was implemented, in addition to its operational effectiveness from day one reinforced BP's decision. Add to this, the fact that projected results and return on investment were achieved within a short-time frame. BP Australia found that DS softwares achieved something that they had always sought in their planning, a tool that catered for many different demand patterns.

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