

Budget Planning

INTELLIGENT SERVICE PARTS SPEND OPTIMIZATION

Budget Planning, a BaxterProphet module, empowers service organizations to reduce inventory spend intelligently while preserving service levels. It automates stock level reductions across parts and locations in alignment with financial targets backed by transparency, traceability, and built-in service safeguards. It is ideal for Service Supply Chain leaders, finance, and planners who need to manage spend without sacrificing performance.

Budget Planning for service parts begins with Finance or Operations leaders defining a purchase procurement budget, which may be segmented by commodity, region, and/or distribution center. BaxterProphet compares the baseline recommended purchases to the designated budget, using advanced cost optimization logic to sequence reductions intelligently to maximize budget attainment with the lowest service level impact.

The Budget Planning module automatically enforces spend limits by using cost-optimization logic to reduce Field Min and Safety Stock levels. It then automatically applies lowest-risk adjustments that minimize service-level

KEY FEATURES

- **Automated Budget Enforcement:** Reduces Field Min and Safety Stock levels to enforce spend limits.
- **Intelligent Optimization:** Creates ranked, cost-optimized, lowest-risk reductions using BaxterProphet's Total Cost Optimization logic.
- **Dual Operating Modes:** Preview Mode for planning, Active Mode for committed adjustments.
- **Multi-Scope Support:** Apply budgets across commodities, geographies, or distribution centers.
- **Visibility:** Adjustments shown as "Budget Adjustments" to target stock levels and safety stock in BaxterProphet screens.
- **Comprehensive Reporting:** Exportable summary and detail views by part/location with spend and service impact.

KEY BENEFITS

- **Financial Control:** Keeps inventory spend within set budget limits across multiple planning periods.
- **Automated Efficiency:** Reduces the need for manual triage, saving time and minimizing errors.
- **Optimized Stocking:** Balances budget constraints while minimizing service level disruptions.
- **Adaptability to Disruptions:** Rapidly adjusts to changing budgets in volatile or uncertain economies.

PROVEN RESULTS



Reduce purchases based on budget objectives while maintaining high service levels



Eliminate hours of manual spreadsheet triage while gaining visibility into the downstream impact of budget decisions on expedite costs and SLA misses



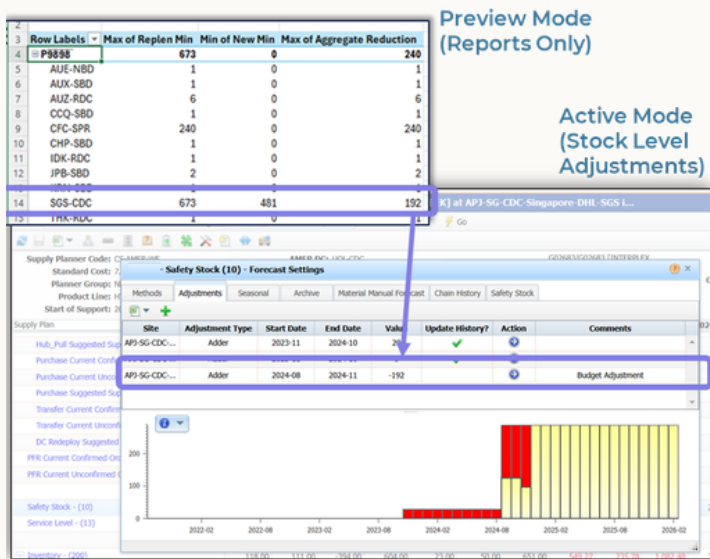
Automatically reduce inventory spend in one planning cycle with results fully visible across operations and finance.

Highly configurable, it allows budgets by DC, region, or globally, and can target commodity categories while protecting key stocking locations.

Budget Planning supports two modes:

- Preview Mode for modeling and reporting review of potential stocking reductions associated with a proposed budget.
- Active Mode for automatic execution of stocking target reductions to achieve budgetary spend goals.

Built-in automation and reporting streamline collaboration with finance and operations, making budget discussions data-driven and proactive. Budget Planning enables smarter inventory management, balancing spend control with customer service commitments.



WHY BAXTER PLANNING?



Practitioner Expertise

Decades solving real-world Service Supply Chain problems



Purpose-Built Technology

End-to-end platform embedded with specialized AI and Data Core



Industry-Leading Outcomes

Combination of technology and partnership yield accelerated results

ABOUT BAXTER PLANNING

Baxter Planning is a global leader in Service Supply Chain software, delivering a Service Experience Advantage to the world's most innovative enterprises for over 30 years. The end-to-end BaxterPredict platform empowers organizations to optimize service parts planning, execution, and resolution, driving superior customer experiences, fostering long-term loyalty, and fueling business growth.

By combining purpose-built technology, award-winning AI, decades of practitioner expertise, and a commitment to true partnership, Baxter Planning consistently delivers industry-leading outcomes for its clients.

The company is headquartered in Austin, Texas, United States, with offices around the globe.

For more information, visit www.baxterplanning.com.

