

Forward Looking Replenishment Workflow (FLRW)

Week 1	1	2	3	4	5	6	7	8
Mean forecasted demand	110	110	115	110	105	100	110	115
Committed % of forecasted demand						75%		
Committed via advanced PO						75		
Replenishment PO	90							
Total quantity to ship this week	90							

On the first week we place the first FLRW PO to be fulfilled in “x” weeks. In this example scenario we are assuming “x” is 6 and week 1 begins May 20.

Window on replen order: May 20 – May 22
Window on FLRW PO: Jun 24 – Jun 26

Week 2	2	3	4	5	6	7	8	9
Mean forecasted demand	115	120	115	105	105	110	110	115
Committed % of forecasted demand						73%		
Committed via advanced PO					75	80		
Replenishment PO	130							
Total quantity to ship this week	130							

On the second week an incremental PO is placed and that previous PO is now one week closer to ship week.

Window on replen order: May 27 – May 29
Window on FLRW PO: Jul 1 – Jul 3

Week 3	3	4	5	6	7	8	9	10
Mean forecasted demand	120	120	125	115	110	115	110	100
Committed % of forecasted demand						74%		
Committed via advanced PO				75	80	85		
Replenishment PO	120							
Total quantity to ship this week	120							

All the while we continue placing replenishment orders. The share of product shipped this week is 100% replenishment, 0% from FLRW Pos.

Window on replen order: Jun 3 – Jun 5
Window on FLRW PO: Jul 8 – Jul 10

Week 4	4	5	6	7	8	9	10	11
Mean forecasted demand	125	115	115	115	110	100	105	110
Committed % of forecasted demand						70%		
Committed via advanced PO			75	80	85	70		
Replenishment PO	80							
Total quantity to ship this week	80							

Window on replen order: Jun 10 – Jun 12
Window on FLRW PO: Jul 15 – Jul 17

Week 5	5	6	7	8	9	10	11	12
Mean forecasted demand	115	115	115	110	105	110	115	115
Committed % of forecasted demand						64%		
Committed via advanced PO		75	80	85	70	70		
Replenishment PO	95							
Total quantity to ship this week	95							

Window on replen order: Jun 17 – Jun 19
Window on FLRW PO: Jul 22 – Jul 24

Week 6	6	7	8	9	10	11	12	13
Mean forecasted demand	115	115	110	105	110	115	110	110
Committed % of forecasted demand						78%		
Committed via advanced PO	75	80	85	70	70	90		
Replenishment PO	40							
Total quantity to ship this week	115							

Now the first FLRW PO is due to ship and we will have a replen order with the same Jun 24 – Jun 26 shipment window for that same site. The replen order is smaller because we are “topping-off” on forecasted demand. We forecasted 100 units when we placed the FLRW order but given the forecast has grown and/or our on-hand inventory position has reduced, we will be ordering 40 incremental units.

Week 7	7	8	9	10	11	12	13	14
Mean forecasted demand	115	110	105	110	115	110	105	100
Committed % of forecasted demand						68%		
Committed via advanced PO	80	85	70	70	90	75		
Replenishment PO	35							
Total quantity to ship this week	115							

This blended advanced and replen order trend continues in perpetuity or until that ASIN no longer meets the velocity criteria.

“Committed” share of forecasted demand represents the comparison between mean unconstrained demand forecast and order quantities for that week. This share will be less if we are ordering farther in advance, if the ASIN demand is variable, or if we already have a strong inventory position. This is shared as a reference point, not a representation of Amazon’s ordering strategy.