

## 6 Forecasting or Fortune-telling

### Discounts Galore

I walked into our local hypermarket. It was three days after Christmas. A happy chappy was coming out the door pushing a trolley full of legs of lamb. I knew people bought extras for Christmas but it looked like he was expecting to feed an army. As I moved further into the store more happy people were coming towards me with trolleys full of trifle and beef roasts. There were obviously bargains to be had and I headed for the frozen meat aisle. Well, all the freezers on either side were filled with lamb legs and beef roasts and the shelves were loaded with trifles all going for less than half price. Some Buyer had made a big mistake!

### A Decade of Cleaning

My phone rang, it was the foreman. *“Best you come down to the bulk store straight away”.*

I hopped on my bicycle and pedalled hell for leather. I found two forty footers being unloaded with the foreman standing anxiously by. I peered into the open doors. He said, *“Cleaning cloths!”*

I said, *“A lot of them.”*

He said, *“Someone has ordered 1000 on the computer and not noticed they come in bales of 144.”*

I said, *“These will keep us going for a while”* and cycled back to my office.

### A Numbers Game

It was Friday afternoon on the factory floor. Paul from Logistics Extraordinaire Ltd was on his weekly visit to find out what was going on and to hand deliver some urgent parts. As he was walking back along the production lines from his meeting with Frank, the Production Manager, young Jem suddenly noticed him and said, *“Ho, by the way we need 800 widget assemblies by next Thursday. We have a vitally important new contract; our new salesman is a bit of an enthusiast.”*

Paul turned white. *“That’s more than you ordered the whole of last year and you know that the lead time is 12 weeks – we only hold 100 in stock! Why didn’t Frank mention this?”*

### Grilled Sausages Anyone?

*“It’s going to be hot this weekend. Everyone is going to fire up their BBQs. Last time they didn’t order enough and we had a last minute scramble. So, we’ll fill their shelves whether they like it or not. Their forecasting is rubbish and they won’t give us a terminal to adjust delivery quantities. They don’t trust us!”*



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