The next step: PO Exceptions

Now that the Purchase Order is acknowledged, many things can change.

What drives these changes:

- **DATE**
  - CUSTOMER CHANGES
  - PRODUCTION CHANGES
  - INVENTORY CHANGES

**TYPES OF PO EXCEPTIONS:**

- **PULL IN**
  - Buyer needs the inventory sooner
  - Buyer receives message that order is needed sooner

- **PUSH OUT**
  - Buyer needs the inventory later
  - Buyer emails supplier asking for earlier delivery date

- **CANCEL**
  - No demand
  - Supplier needs to acknowledge change

RESULT OF MISSED EXCEPTION REQUESTS

- **REDUCED CUSTOMER SATISFACTION**
  - The product does not get produced on time, delivery date is delayed.

- **PRODUCTION IS HALTED**
  - Finance and revenue of the company is negatively affected.

- **NO INVENTORY**
  - Lack of inventory effects the supply chain and revenue of the company.

This is just the process for ONE Purchase Order.

1,000 Purchase Orders AVERAGE per customer

Countless changes

Endless opportunities for failure