

## **Eindhoven University gives software license to Flostock demand forecasting company**

**Feb 1, 2012.** Eindhoven University of Technology (TU/e) announced today that it has given an exclusive license to Flostock, a new demand forecasting company, for a supply chain model. The model has shown to be able to correctly estimate the impact of the destocking in the global supply chains after the bankruptcy of Lehman Brothers.

Jan Fransoo, Professor of Operations Management & Logistics at TU/e, remarks: *“This model shows how cooperation between our School, of Industrial Engineering on the one hand and companies on the other hand can give great results and practical spin-offs. System Dynamics is a great way of thinking and has many more opportunities in business applications. We are happy that this model will now be further developed and commercialized. In parallel the university will continue to research the subject in close collaboration with DSM, Lanxess Elastomers, CBS, and Flostock.”*

### **DSM Resins**

Dimitri de Vreeze, President DSM Resins, adds: *“The models have been very beneficial to our business over the past 2 years because the forecast accuracy was unparalleled - especially in the most volatile times of the crisis. It helped us making the right, informed decisions at the right moment and gain market share in doing so. We therefore intend to continue the cooperation with Flostock and TU/e in the future “*

### **Model**

The supply chain model was built in System Dynamics software and is a good example of the practical applications this way of thinking can bring. Since 2005 TU/e offers a new graduate course in System Dynamics to its Industrial Engineering students, which is well attended. The theory of System Dynamics was originally developed by Professor Jay Forrester at MIT in Boston in the 1950s.

### **Eindhoven University of Technology**

Eindhoven University of Technology (TU/e) is a research-driven, design-oriented university of technology with a strong international focus. The university was founded in 1956, and has around 7,200 students and 3000 staff. TU/e has defined strategic areas focusing on the societal challenges in Energy, Health and Smart Mobility. The Brainport Eindhoven region is the world's smartest this year; it won the title Intelligent Community of the Year 2011.

### **Flostock Stock & Flow Analyses**

Flostock is a consultancy and IT firm. Its vision is that the business world consists of stocks and flows, whereby a change in stocks will impact the flow of many products. The mission of Flostock is to help its customers in the manufacturing industries understand the impact of the supply chains on their demand. On this understanding a demand forecast can be built to optimize production and logistics planning and maximize business results. Flostock was founded in 2011 by Robert Peels around the idea on stock and flow analyses for which he, as strategy director at DSM Resins, developed the supply chain model with TU/e.