

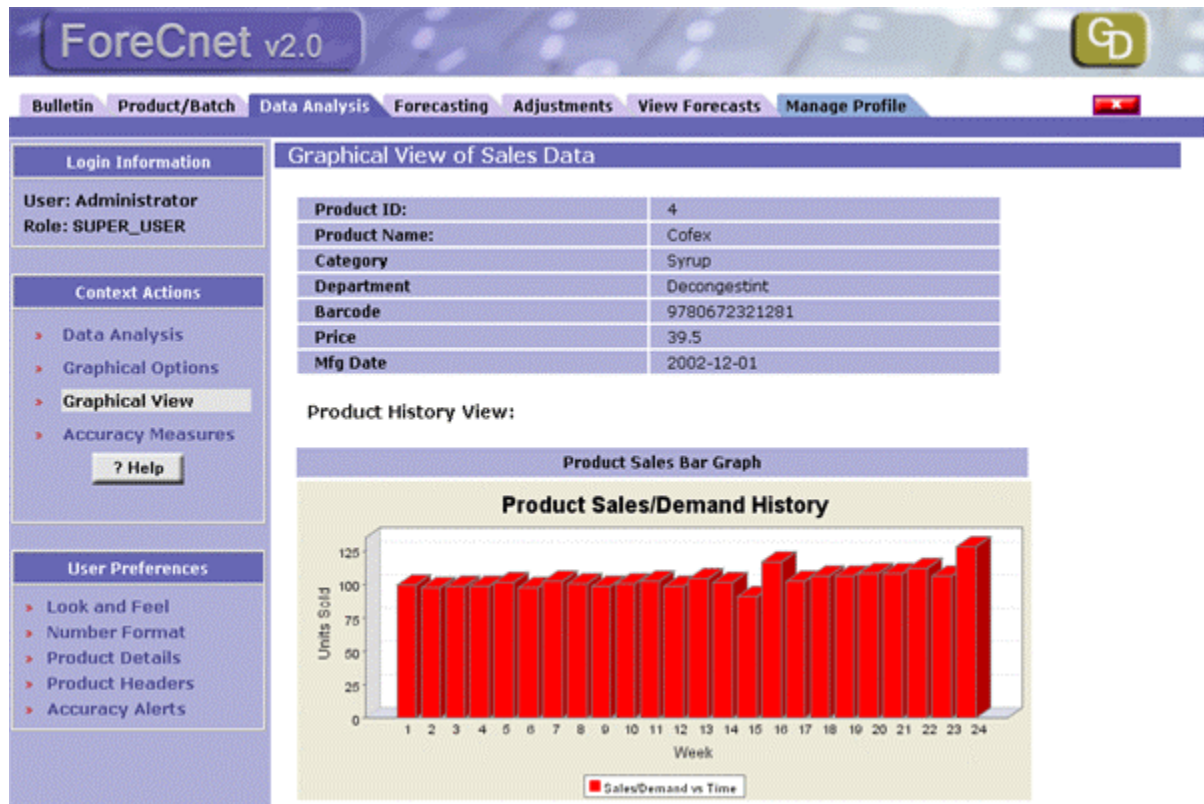
# Case Study of a Pharmaceutical Company

## **Objective:**

We would like to automatically generate forecasts for medical product called 'Cofex' and observe the accuracy alerts and study the relevant error indices such as MSE, MAPE and MAD. We will also present the details of forecasting model used. The time horizon that has been chosen is for the first quarter in 2005 with an alias Q1, 2005.

## **Available Data for this Product:**

The following screen shot displays the graphical view of the sales history data spread over 24 periods/months. Our objective is to find the forecasts for a 3 month horizon. The sales data unit is in thousands.



## **Time Horizon Details:**

The time horizon is for 3 months beginning on 1-1-2005 to 31-3-2005 and thus comprises 3 periods. The identifier for the time horizon is Q1, 2005. Now the forecasts are generated for each month in the time horizon starting on 1-1-2005.

### Details of Automatic Forecast Generated by FORESIGHT:

The following display shows the forecasts that have been generated using the automatic feature in FORESIGHT:

#### Product and Time Horizon Details:

Product ID:	4
Product Name:	Cofex
Category:	Syrup
Department:	Decongestant
Barcode:	9780672321281
Price:	39.5
Mfg Date:	2002-12-01
Time Horizon Name:	Q1, 2005
Number of Periods:	3
Start Date:	2005-01-01
End Date:	2005-03-31

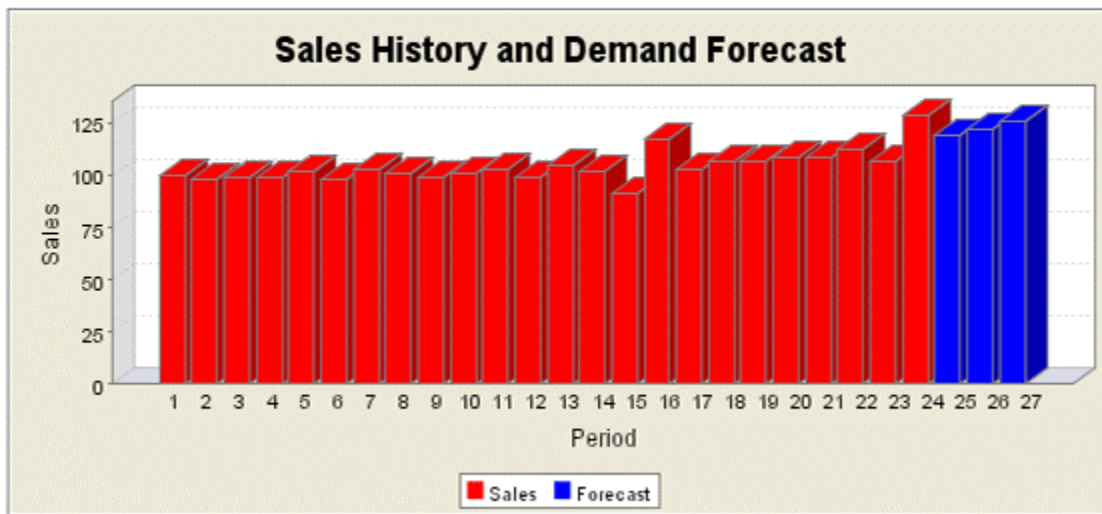
#### Forecasting Results:

!	Period	Relative Period	Forecast
●	1	25	118.8379
●	2	26	122.4094
●	3	27	125.9808

! Accuracy Control Alerts ●:0-5%, ●:5-10%, ●:10-20%, ●:20-100%)

Here is the graphical view of the forecasts that have been generated:

#### Sales and Forecast - Bar Graph View:



***Accuracy Alerts:***

Please notice the accuracy alerts that were generated by FORESIGHT. The results that have been generated display green alerts indicating that the forecasts are in a very satisfactory range of accuracy. You may also check the computation of errors from the computation details. We believe this kind of alert system can avert a probable disaster of over or under production of products that can potentially reduce the profits.