

**Dept of Industrial & Systems Engineering, NUS, Singapore**  
**&**  
**IEEE Engineering Management Society, Singapore Chapter**

**JOINT SEMINAR**

**on**

**Forecast Sharing in the Semiconductor Equipment Supply Chain**

**Speaker:** Professor Teck H. Ho, Haas School of Business, UC Berkeley, USA

**Date:** 29 July 2005 (Friday)

**Time:** 11:00 a.m. to 12:30 p.m.

**Venue:** EA-06-02, Faculty of Engineering, NUS

**Abstract:** We study the demand forecast sharing process between a buyer of customized production equipment and a set of equipment suppliers. Based on a large data collection we undertook in the semiconductor equipment supply chain, we empirically investigate the relationship between the buyer's forecasting behavior and the supplier's delivery performance. The buyer's forecasting behavior is characterized by the frequency and magnitude of forecast revisions she requests (forecast volatility) as well as by the fraction of orders that were forecasted, yet never actually purchased (forecast inflation). The supplier's delivery performance is measured by the supplier's ability to meet delivery dates requested by the customers. Based on a duration analysis, we are able to show that suppliers penalize the buyer for unreliable forecasts by providing lower service levels. Vice versa, we also show that the buyer penalizes suppliers with a history of poor service by providing them with overly inflated forecasts.

**Biography:** Teck-Hua Ho is William Halford Jr. Family Professor of Marketing, Chair of the Marketing Group, and Associate Dean of Academic Affairs at the Haas School of Business, University of California, Berkeley. Before joining Berkeley, Ho held academic appointments at the Wharton School, University of Pennsylvania and the Anderson School at UCLA. He earned a Ph.D. in decision sciences from the Wharton School, University of Pennsylvania. His research interests include pricing, consumer choice, behavioral game theory, marketing/manufacturing coordination, and retail management. His research has appeared in *Management Science*, *Journal of Marketing Research*, *Econometrica*, *American Economic Review*, and other premium journals in business and economics. Ho has been awarded several research grants by the National Science Foundation for his research in behavioral game theory. Currently he serves as Associate Editor for *Management Science*, *Marketing* and *IEEE Transactions on Engineering Management* and on the Editorial Board of *Marketing Science*, *Journal of Marketing Research*, and *MSOM*. He is a panel member of the National Science Foundation.

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