

## PROCUREMENT INVENTORY MANAGEMENT SYSTEMS

Ideal Supply can implement an inventory system that will reduce your overall procurement costs. Through lower inventory, purchasing, and operating costs that will improve and enhance your financial statement and increase the profitability of your product line.

### What are your actual costs?

- ◆ How many requisitions and purchase orders do you process?
- ◆ What does it cost to process a purchase order?
- ◆ How many invoices do your purchase?
- ◆ How many items are repetitive?
- ◆ How many people are involved in the process of receiving, storing, and processing your inventory?
- ◆ How much is downtime costing due to stock outs?

#### Inventory Programs

- ◆ Dedicated Inventory with Safety Stock
- ◆ Physically Replenish Inventory into Stocking Locations
- ◆ Stocking a Central Store or Location
- ◆ Stocking Directly to the Lines
- ◆ MRP Data Interchange
- ◆ Special Labeling & Packaging
- ◆ Pre-Inspected Inventory with Segregated Lots
- ◆ Returnable Containers
- ◆ Bar Coding
- ◆ Consignment of Inventory
- ◆ JIT
- ◆ Monthly Statement Billing
- ◆ Standardization of Products
- ◆ Firm Pricing for 1-3 Years
- ◆ Long Term Agreement

#### Benefits of an Inventory Program

- ◆ Reduces Purchase Orders
- ◆ Reduces Inventory & Possession Costs
- ◆ Reduces Stock Outs & Down Time
- ◆ Reduces Direct Labor Costs
- ◆ Reduces Paperwork (Payables & Purchasing)
- ◆ Reduces Vendor Base
- ◆ Reduces Current Assets
  
- ◆ Increases Return of Investment
- ◆ Increases Margins Through Lower Operating Costs
- ◆ Increases Profitability Ratios
- ◆ Increases Service Levels
- ◆ Increases Control of Expensed Items
- ◆ Increases Sales Though Lower Costs
- ◆ Increases Productivity with Reallocation of Money to R&D.
- ◆ Increases Efficiency of Time Spent on Type A & B Commodities.
- ◆ Increases Inventory Turnover