



# Inventory Engineering Project

## Objectives

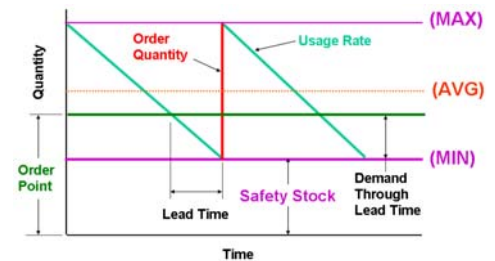
- Ensure that all people making inventory decisions have an industry standard working knowledge of the subject matter terminology, practices, and methodology.
- Engineer all related data elements and system functionality for effective, complete, and methodical inventory planning, management, and control.
- Position the necessary tools, analysis, accountabilities, methodologies, and performance measures to start/accelerate significant inventory turn improvement.

## Methodology

J.E. Boyer Company, Inc. has a time-tested proven approach for inventory engineering that has been used repeatedly in a wide variety of industries. For your inventory engineering project, this approach will be tailored to meet your specific needs in terms of scope, format, timeframe, and people. Our role is to teach/train your people, help put a project plan together that your people will execute, assist with the ongoing accomplishment of project actions, and follow-up appropriately to ensure results are being achieved.

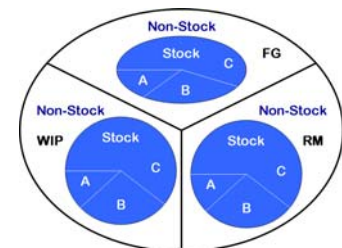
## Phase I – Inventory Basics

- Assess the current inventory planning, management, and control knowledge base, tools, methodologies, and practices.
- Establish the inventory engineering team.
- Conduct the appropriate initial training workshop for the management team.
- Establish charter part accountability.
- Establish the appropriate performance measures to track control and improvement.
- Determine the necessary data element changes and additions.
- Assign stock/non-stock to each item per the criteria.
- Segregate the inventory into RM, WIP, and FG.
- Perform a stratified ABC analysis for all inventory.
- Create the slow moving and obsolete inventory reports.
- Determine the planning method and execution method for each item.
- For all stock items establish safety stock, order quantity, order multiple, min, max, lead time, order point (if used), and cost.
- Create, modify, or verify the order action report/methodology.
- Create the conformity, inbound material, and stock status reports.
- Begin a weekly inventory review.



## Phase II – Link to S&OP

- Conduct additional training as needed.
- Create/refine additional data elements as needed.
- Implement time-phased safety stock.
- Connect the inventory model to Sales and Operations Planning.



## Phase III – Visual Replenishment

- Conduct additional training as needed.
- Implement visual kanban replenishment systems as appropriate.

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