

IT'S 2 A.M.:



Do you know where your inventory is?



Inventory represents **45% to 90%** of all expenses for small businesses

(U.S. Small Business Administration)

How you manage inventory says a lot about the potential for your success, or maybe your downfall.

Getting caught short

can lead to lost sales opportunities and disappointed customers

Having too much

increases storage costs, leads to waste, and can erode profits

Getting inventory right serves as a barometer for your company's overall health!

For small **MANUFACTURERS**, inventory management is even more difficult, as there are **MANY MOVING PARTS** and **PIECES**

IT'S TIME TO WAKE UP!

Gain control of inventory with these five best practices.

1

Categorize inventory into three categories: safety, replenishment and excess/obsolete stock to pinpoint when and what you need to order.

2

Balance cost-effective inventory levels with providing great customer service. If you are always out of stock, customers will go elsewhere.

3

Determine who is responsible for inventory. Is it a team? Is it an inventory manager? You?

4

Consider all parts of your inventory including raw materials and works in progress. Only look at finished goods, and you miss the bigger picture of your inventory.

5

Use automated inventory management to know the difference between your best seller and your most profitable items, and to find ways to sell off excess stock.

AN INVENTORY MANAGEMENT SYSTEM CAN HELP...



Cut costs

Create inventory profitability reports to see which items are selling and which have the greatest (and least) profit margins

Increase productivity

Set up automatic purchase orders to replenish inventory when it reaches a certain level

Eliminate errors

Create Assemblies that define exactly how many parts, components or materials are required to complete a product

- ✓ **MANAGE INVENTORY.**
- ✓ **GAIN INSIGHT.**
- ✓ **ACHIEVE MORE.**

Get the core accounting features you need, plus powerful and flexible tools especially for manufacturing-related businesses, including robust inventory management, improved control and tracking of assembly jobs, and industry-specific reports. Save time, increase accuracy and become more profitable from start to finish.

Sage 50 Quantum Accounting