



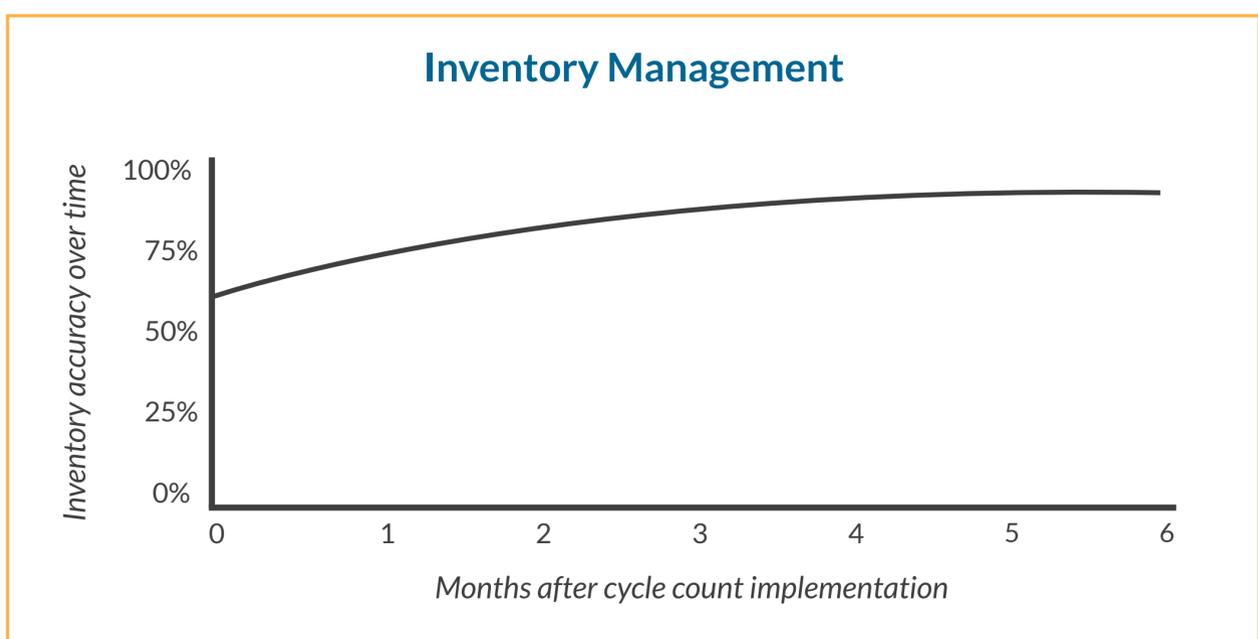
CYCLE COUNTING PROVIDES ADVANTAGES BEYOND INVENTORY

Do you know what's in your warehouse?

Inventory accuracy is a critical underpinning of an optimized supply chain. Cycle counting allows businesses to regularly validate inventory in place of or in addition to a full-scale physical inventory process. Here's a quick primer on how this tool can boost your organization's levels of efficiency, effectiveness and customer satisfaction.

HOW IT'S DONE:

- The more critical an item, the more often it is counted (i.e., monthly, quarterly, semi-annually)
- Non-critical inventory is counted once a year
- Can be implemented with or without ERP software



OPERATIONAL BENEFITS OF ACCURATE INVENTORY

While cycle counting may reduce or eliminate the need to perform an annual physical count, subject to auditor approval, this approach can bring other significant benefits to your business, including:

Sales Confidence

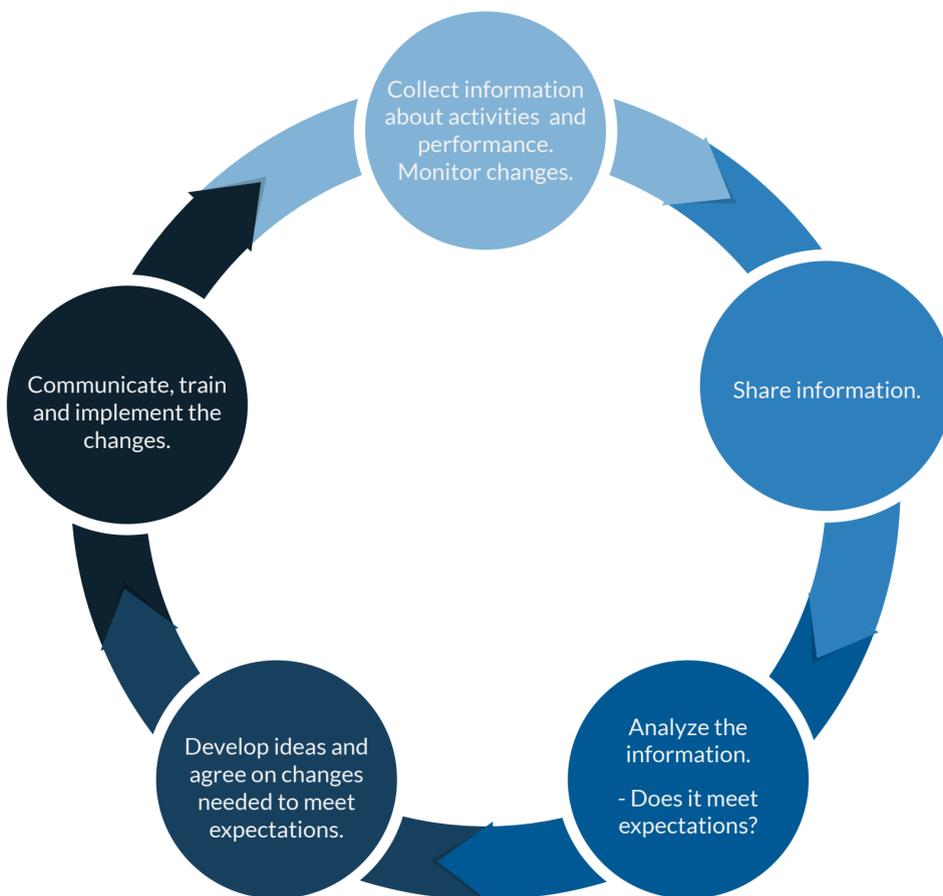
- Increased comfort with delivery commitments
- Better on-time delivery

Supply chain and production efficiencies

- Ensures materials and products are available to meet customer needs
- Lower inventory and carrying cost
- More accurate scheduling based on customer demand

Real-time feedback loops

- Key component of cycle counting that is often overlooked
- Used to identify root causes and drive continuous improvement actions to generate ROI
- Improves communication across value-streams and departments



RKL's operations consultants can implement these and other strategies to boost your company's performance through improved execution.

Contact Practice Leader Bob Pozesky at rpozesky@RKLcpa.com to get started.

