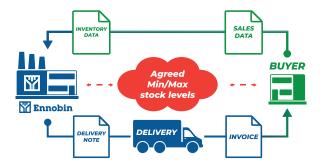


VENDOR MANAGED INVENTORY

What is VMI?

Have you ever wondered how Kroger manages to keep the shelves of their 3000 stores stocked, while simultaneously keeping track of thousands upon thousands of individual product SKUs? Well, they do not actually do this themselves, but rather delegate the work to their vendors, who then take care of all of their restocking needs. This method of inventory management is called Vendor Managed Inventory. It is a means of optimizing supply chain performance, in which the customer's inventory levels are managed and maintained by the vendor.



Benefits to supply chain businesses

Not being able to supply your customers with products because you have run out of stock can leave them feeling disgruntled. With VMI implemented into your supply chain business, your vendor will be responsible for your stock management, and have prior insight into your inventory levels, meaning you will never run out of stock.

Having a vendor manage your stock levels means more efficient management of stock, this results in less excess stock, which in turn, helps decrease your carrying costs by up to 40%.

Spending a significant portion of your day managing inventory levels, and writing purchase orders for stock that is in need of replenishment requires time and energy. Delegating these tasks to specialists will allow you to get back lost time and energy which would have otherwise been dedicated to tasks that help grow your business.









OUR VMI

SOLUTIONS

We offer two methods of VMI for your business needs; vending-machine based VMI and on-shelf based VMI. Our VMI Support Replenishment Team, will ensure your vending machines are always fully stocked. Focus on business-growing tasks while simultaneously taking full advantage of the power of VMI. We will fully manage the stock levels and availability of your inventory.

When it comes to on-shelf based VMI, you periodically provide us with your current inventory levels. Replenishment orders are then shipped to you, allowing you to perform all physical tasks related to your inventory yourself, at your facility.

Our VMI solutions are available for:

01. General packaging supples

These include but are not limited to tapes, straps, gloves, dispensers, cardboard boxes, postal tubes, bubble wrap, tissue paper, bags, loose fill, packing list envelopes, strapping and string, cutters and knives, and stretch wrap.



02. Maintenance supplies

These include but are not limited to industrial machine parts. packaging machines, manufacturing machine parts and tools for technicians.









03. Fasteners

These include but are not limited to bolts, screws, buckles. buttons, cable tie, cam, captive fastener, clasps, lobster clasp, clips and so on.











HOW IT WORKS

Instead of sending us purchase orders, we require a product-activity report containing information about your inventory including transfers and sales. We review your inventory level report and create replenishment orders. Replenishment orders are shipped to you and you, and you can then take over the process.



You send us a product-activity on report which contains inventory data and sales data



Our VMI system analyses the data in 02) the report then creates recommended replenishment orders



We review everything before accepting.



After order confirmation, we create a purchase order, then send you order acknowledgement



Goods are shipped

Why VMI will make a difference in your business

Syngenta, a world-leading agri-business with over 26.000 employees in over 90 countries implemented VMI and saw:

- ◆ M.A.P.E. reduced by 50 %
- ◆ A reduction of lost sales reduced by 15%
- An increase of service level by 6%
- An increase in depth and number of commercial partnerships

According to a study of 822 distributors and retailers, it was found that they were able to:

- ◆ Reduce out-of-stock situations by 24%
- ◆ Increase turns by 22%,
- Increase sales by 22% in their first year after VMI implementation

In a separate survey, 97% of respondents said that they planned to expand their VMI programs over the coming

After implementing VMI, Arvin Meritor Distributor realised:

- ◆ Increased Sales
- ◆ Reduced Inventory Investment
- ◆ Reduced Time to Process Orders by 50%

Ennobin will help you build the kind of trust your customers can rely on, by improving on-shelf availability of your products. Customers won't walk away dissatisfied, but instead, truly value your service and reliability. Get in contact now, and let us help you achieve your business goals.