VENDOR MANAGED INVENTORY

MINIMIZE STOCKOUTS

With access to real-time inventory data, the vendor can proactively anticipate fluctuations in demand and replenish stocks before they run out. This significantly reduces the occurrence of stock-outs, which can lead to lost sales.

STREAMLINED SUPPLY CHAIN

The collaborative nature of VMI leads to a more streamlined and synchronized supply chain. The vendor and distributor work closely together to optimize inventory levels and maintain a smooth flow of goods. This coordination results in a reduction of lead times, production delays, and bottlenecks, contributing to increased inventory turns.

REDUCED INVENTORY COST

Increased visibility within the supply chain removes uncertainties and allows you to lower the amount of on-hand inventory.

INCREASE SALES

Reduce your missed sales as a result of improved inventory positioning through VMI.

IMPROVED OPERATIONAL EFFICIENCY

Improve control over inventory and keep inventory levels stable.

INCREASED PARTNERSHIP

VMI fosters a collaborative partnership between the vendor and the distributor. The close cooperation and shared goals in maintaining optimal inventory levels promote trust and understanding between the two parties. This results in smoother operations and a more efficient supply chain.

INNOVATIVE SOLUTIONS
Driven to Provide Value to Your System

MERIT BRASS
DIRECTING THE FLOW OF Quality

VENDOR MANAGED INVENTORY
What You Need to Know

HOW DOES VMI WORK?

- The VMI system receives data (called a Product Activity Report) from a distribution partner. This report contains data on sales, product transfers and inventory positions (on hand, on order, in transit)
- The VMI platform reviews the data and sends a recommended inventory replenishment order based on key factors and agreed objectives
- The supplier reviews and approves the recommendations
- The VMI system sends a purchase order (PO) to the supplier
- The supplier sends PO acknowledgement to the distribution partner in an electronic data interchange (EDI) format
- Once the distributor approves the PO, the order can be shipped

IMPLEMENTING VMI WITH MERIT BRASS

- Contact E-Business Program Manager
- Introductory meeting to discuss the program and answer questions
- Kick – off call with our VMI partner, TrueCommerce Datalliance, to discuss VMI calculations, process, distributor goals and setup activities
- Participate in the setup activities (minimal IT resources needed from the distributor)
- Review test order to ensure the calculations meet expectations
- Test EDI 850 & 855
- Live PO review
- VMI is operational and performance is monitored

GET STARTED TODAY

Corry Bena
E-Business Program Manager
620.899.3676 or 800.726.9800 ext. 921 | VMI@meritbrass.com