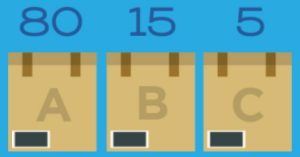
WHAT'S WRONG WITH INVENTORY CLASSIFICATION?

A-B-C INVENTORY CLASSIFICATION

Has Been The Standard Approach For Years



Volume Based A-B-C class breakdowns

Service levels based on trial and error

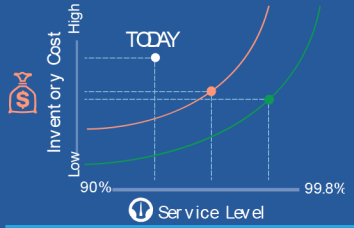
Aggregated service levels

Inventory is managed but not optimized

SKU-LEVEL CLASSES

Provides Greater Forecast Accuracy

Service class can be based on a variety of criteria such as brands, high margin, etc.



Stock to service trade-offs are modeled to achieve optimal inventory deployment

Inventory mix is optimized

toolsgroup