A Quick Way to Take Year End Inventory
Dr. Peter Green

Old Way:

1. Shut down warehouse for a number of days

2. Print list of parts that are supposed to be in warehouse

3. Work nights and weekends to count inventory at each location

4. Write down inventory on sheet of paper

5. Manually enter Inventory Counts into accounting system

6. Reconcile inventory for mistakes

Quick Way:

1. Find each box or other container without a tracking barcode then

   a. Attach a tracking barcode from a roll of preprinted tracking barcodes, such as shown here.

   b. Scan the barcode into a system like BellHawk Online, lookup part number on screen, enter quantity in box.

2. If you need to withdraw materials from the warehouse, while taking stock, scan tracking barcode on container and enter quantity withdrawn.

3. If new materials are received, then treat as in step 1.

4. When all boxes have tracking barcodes, print out inventory as Excel export from a system like BellHawk Online.

5. Import Excel counts into accounting system and treat as an inventory audit input.

Commentary

One of our clients reduced their time to take year-end inventory in 3 large warehouses from 2 weeks, over Christmas and New Year, to 8 Hours in one day using this method.

This is much quicker, more accurate, and less error prone than old methods of manually counting total inventory at each location in a warehouse. Best of all, if you keep using the method of tracking the contents of containers rather than counting inventory at a location, you will perpetually maintain a high inventory accuracy.

In many cases, clients using this method have been able to go away from annual or quarterly inventory taking to just maintaining an accurate (greater than 99%) perpetual inventory.

Just in case you thought that this was an "oddball" method of tracking inventory, please note that this License-Plate-Number (LPN) container tracking method is the international standard for tracking materials in the global supply chain, has been adopted by Government agencies such as the FDA and DoD, as well as by the EU and China, and is also used by FedEx and UPS.

For a more detailed explanation of this method, please see the explainer video, which is reachable from the Demo Videos link at the bottom of www.BellHawkOnline.com

Author

Dr. Peter Green is an expert in the application of computer technology to solve real-time operations tracking and management problems for manufacturers and other industrial organizations. He is the architect of the BellHawk real-time operations tracking and decision support software platform and the MilramX automated data exchange software platform. He is also an expert in how to embed Artificial Intelligence knowledge into operations management systems so as to assist managers to run their operations more efficiently.

Dr. Green was educated at Leeds University in England, where he received his BSEE and Ph.D. degrees. As well as holding a number of industry positions, Dr. Green was previously a senior member of the research staff at MIT and a Professor at WPI.

Dr. Green serves as Technical Director of KnarrTek Inc., which provides the use of the BellHawk software as an online Cloud based service through www.BellHawkOnline.com and www.BellHawkRx.com. KnarrTek also assists organization implement BellHawk based systems on their own servers and develops intelligent interfaces for its clients, based on the MilramX software platform.

Dr. Green is the Technical Director of Milramco LLC which developed the BellHawk and MilramX software in collaboration with a number of partners. Milramco owns the BellHawk and MilramX intellectual property rights which are licensed to a number of partners. Please see www.BellHawk.com and www.MilramX.com for details about this software.

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