



Making Year-End Inventory Make Sense

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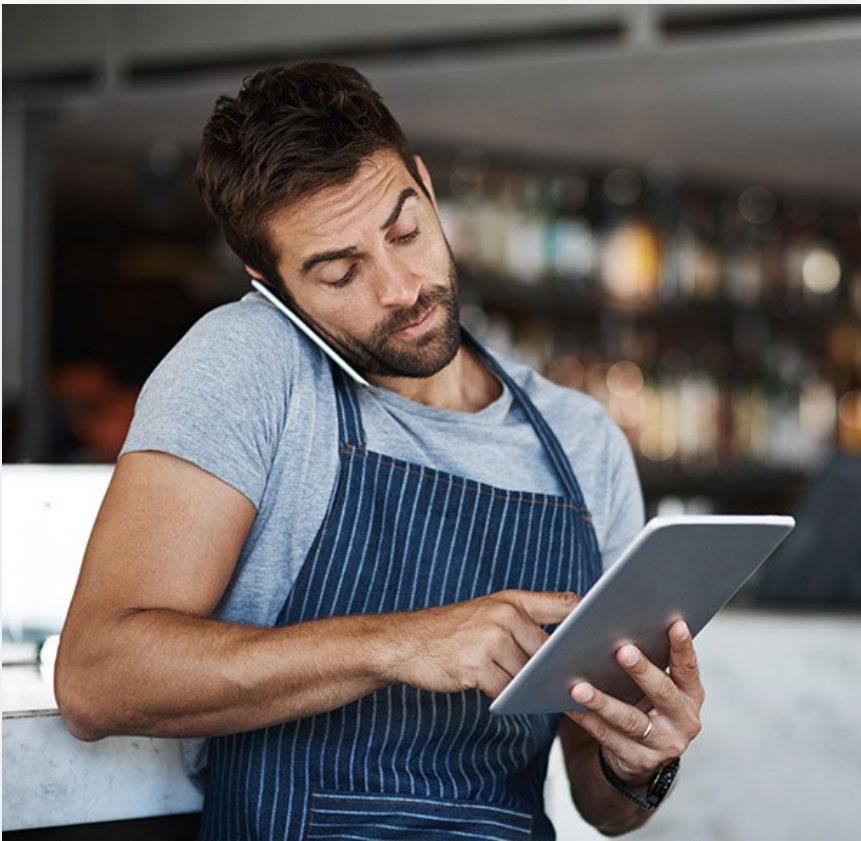
WHAT YOU'LL LEARN

- The Big Picture
- Why it makes sense to constantly manage inventory
- Primary advantages of reviewing your inventory.
- Inventory management challenges if not reviewed.
- Getting started – How to get your inventory in shape
- Best practices:
 - The inventory reviewing process.
 - Creating and adding location codes.
 - Using the Investment Review tool.
- Monitor and adjust inventory using Paladin's reporting tools.

The Big Inventory Picture

- Because success depends on store intelligence, we built **PaladinPOS™**, a powerful point-of-sale system that simplifies transactions, **inventory** and back-office operations.
- Because every shopping journey starts online, we built **PaladinShop™**, a POS-based e-commerce solution that connects physical stores **inventory** with digital customers.
- Because every shopping journey is assisted with mobile technology, we built **PaladinGo™**, a mobile app that lets retailers manage their **inventory** and support customers from anywhere.

Why it makes sense to constantly manage inventory



Your largest business investment is typically your store's **inventory**.



The return on inventory investment (**GMROI**) is highly correlated with the quality of your customer experience.



You will develop **customer loyalty** and increase your turns when items are correctly labeled, easy to find, attractively priced, well presented, and in stock.



When you **regularly review your inventory** and apply high customer standards, you are properly managing your inventory investment.

Primary advantages of reviewing your inventory



- Keeps track of your investments.
- Necessary for determining inventory valuation.
- Required for IRS reporting.
- Enables the use of Paladin's inventory management tools and suggested ordering system, which accommodates simplified ordering and optimal stocking levels.
- Reduces product outs and overstock.
- Enhances the consumer experience.
- Keeps your customers coming back.

What happens if your inventory isn't reviewed



- Excessive out-of-stock items
 - Risk of losing customers to the competition.
 - At best, customers get frustrated, become less tolerant.
- Abundance of overstocked product
 - Ties up money in inventory with non-performing assets.
 - Limits funds to reinvest in your business/marketing/sales.
- Workflow inefficiencies
 - Manual ordering significantly reduces productivity.
 - Flawed processes like counting once a year.
- Unorderly and messy shelves
 - Customers struggle to find products.
 - Risk of prices on shelf not matching checkout price.
 - Products on the wrong pegs.

How to get your inventory in shape



Count every day

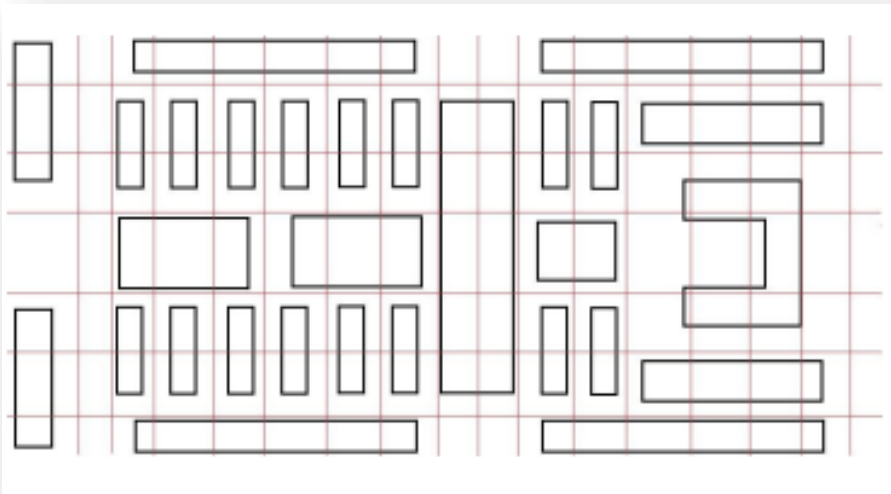
- Begin cycle counting one 4-foot section (or less) daily.

Utilize reports

- Track reviewed items with PaladinNsight Investment Review tool.
- Regularly review your inventory reports to identify and repair pricing, unit-of-measure, and margin anomalies.

Reviewing inventory

Reviewing is more than simply counting



Embrace Location Codes – Know Your Store

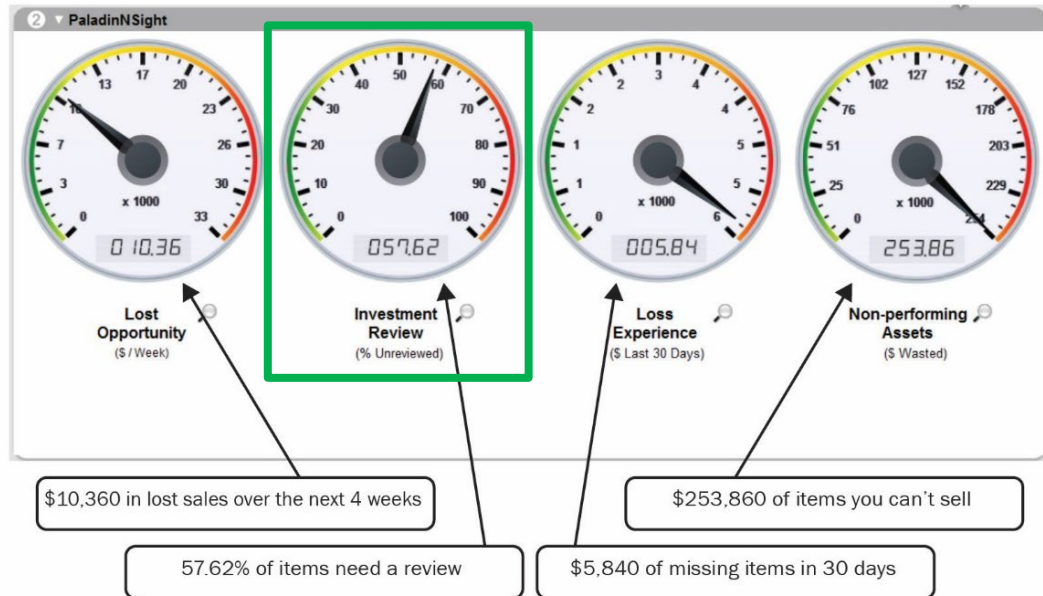
Benefits

- Reduce time to find product, resolving hidden inventory.

Getting Started

- Define location codes in Paladin.
 - Use Paladin-recommended Location ID and Names.
- Assign location codes while reviewing your inventory.
 - Be sure to enter the location code for each section.
- Label each 4-foot section while reviewing inventory the first time.

PaladinNsight™ helps you monitor your inventory

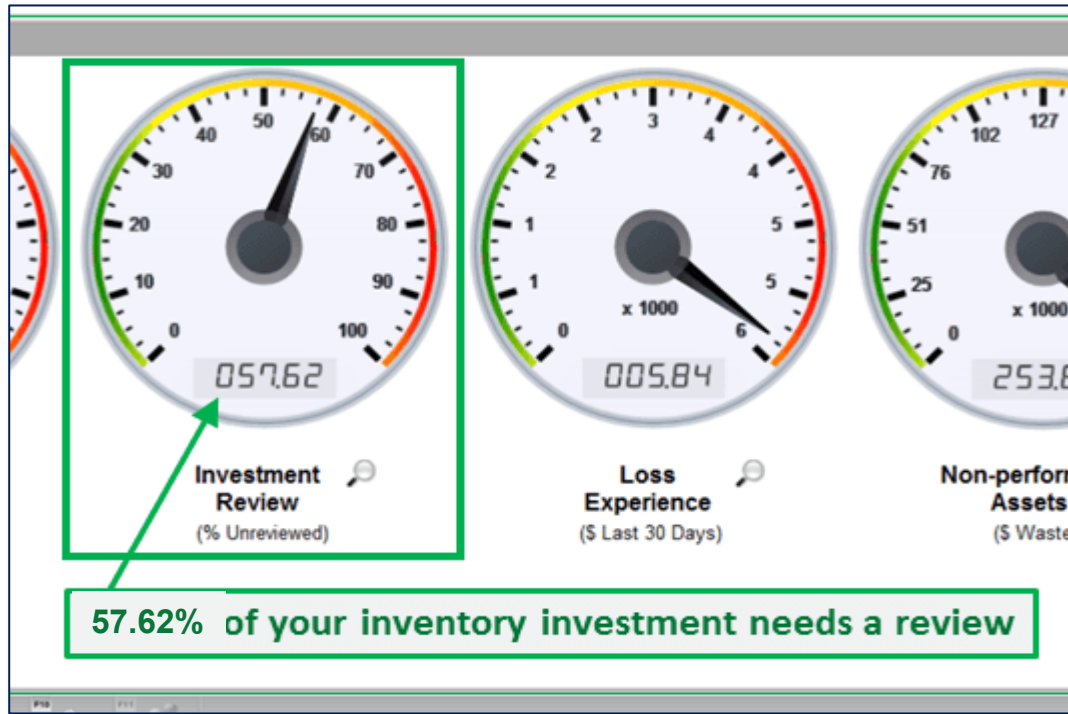


PaladinNsight™ helps you make informed decisions to maximize profits and minimize losses.

PaladinNsight™ tells you what is selling and what isn't which helps you fine-tune your product offerings.

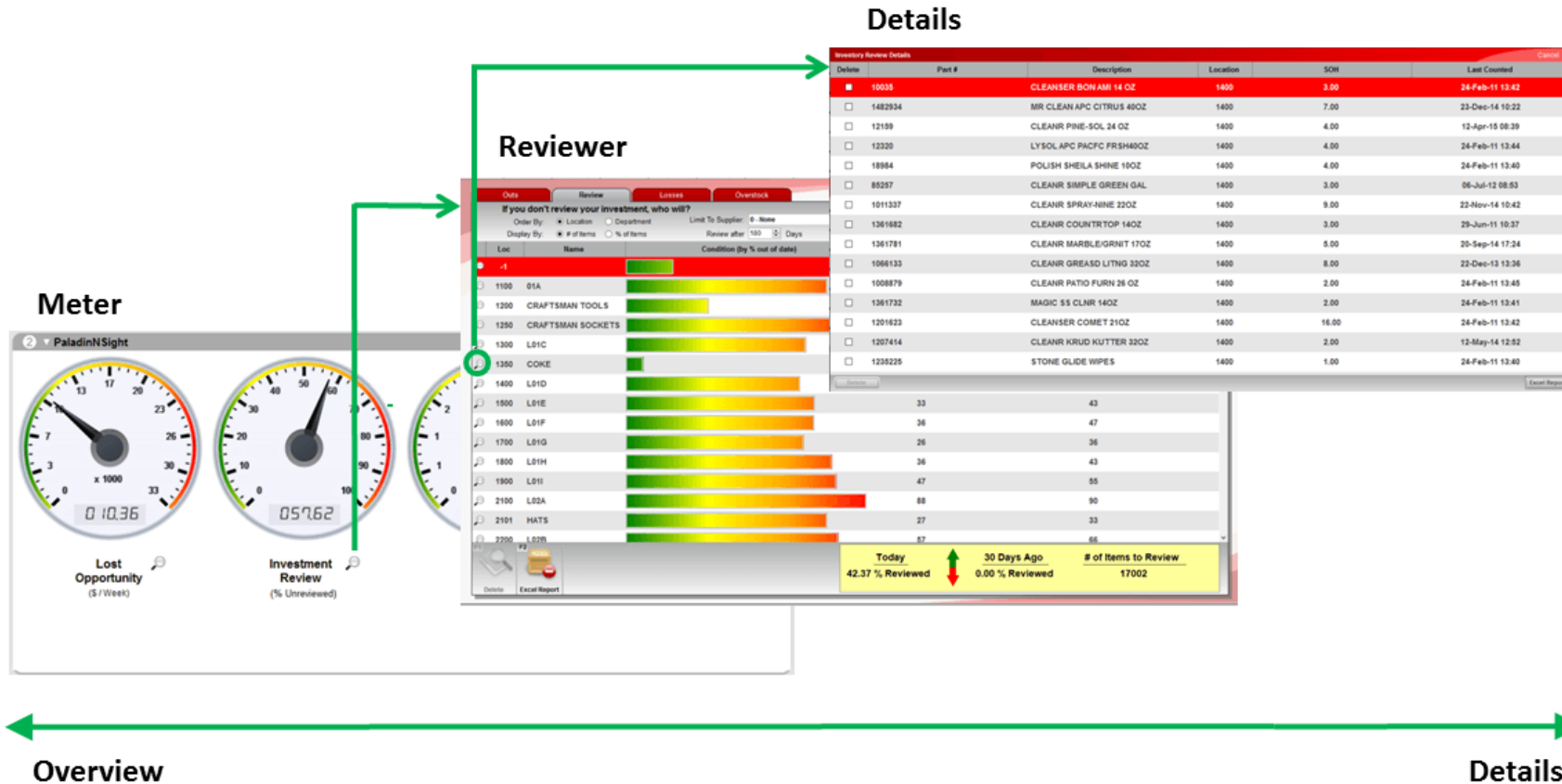
The **Investment Review Tool** is part of the **PaladinNsight™** dashboard in the Paladin POS **Inventory** module.

Investment Review Tool



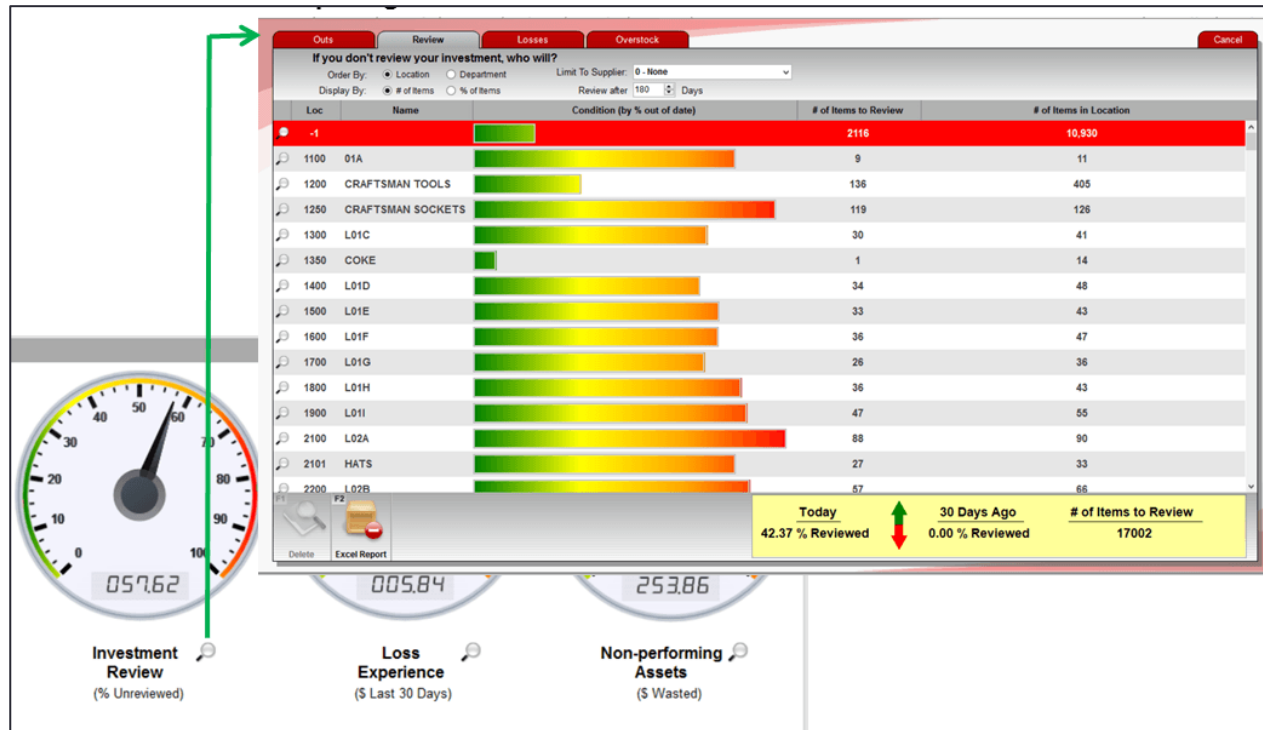
- The **Investment Review Tool** displays the percentage of inventory that was not reviewed in the last X-number of days. The default is 180 days or 6 months.
- **Tip:** Typically, the % of the **Unreviewed** meter value will be less than 10% when you perform year-round inventory reviews. To keep your investment on track, monitor this meter frequently for trends.
- **Tip:** If the % **Unreviewed** percentage is increasing over time, verify that reviews are being performed daily so you can reverse the trend.
- **Tip:** Location codes make cycle counting faster and more efficient.

From a ballpark view to inventory details



- The **Investment Review Tool** provides multiple levels of detail to help you manage your inventory investment.

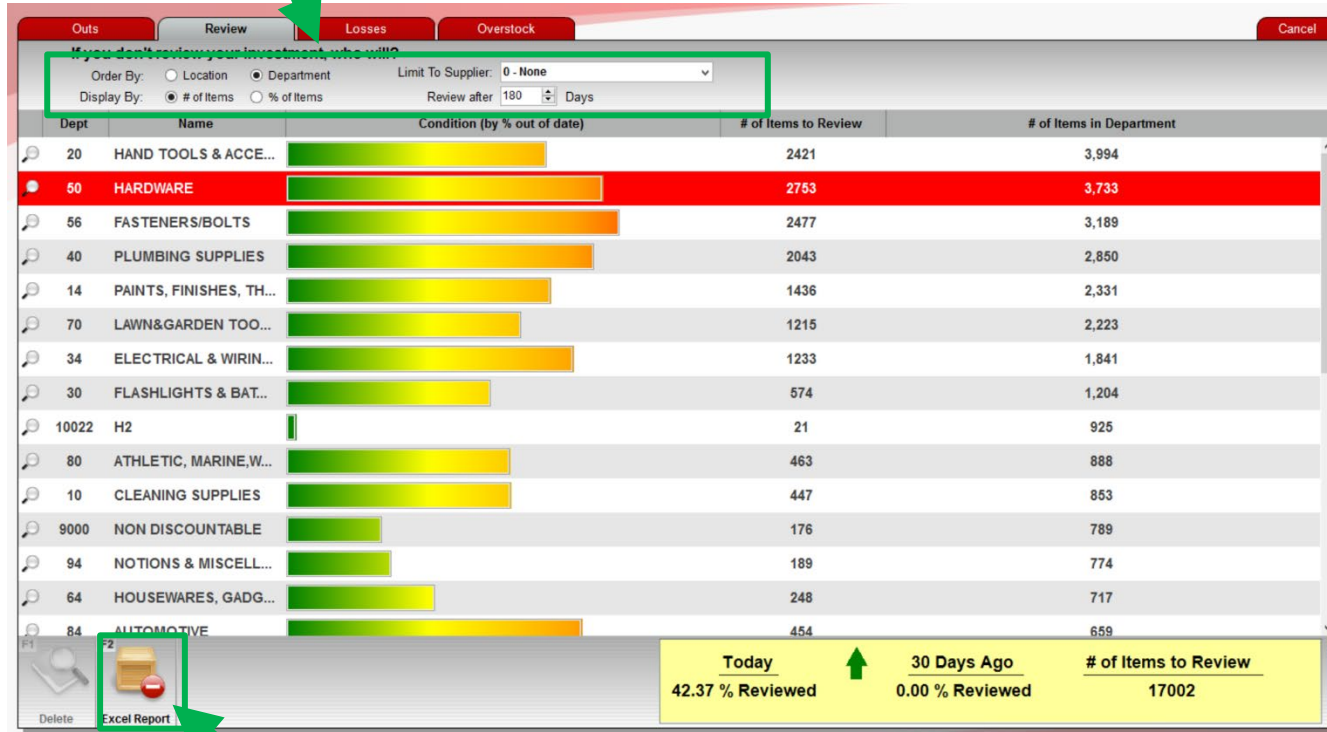
Investment Reviewer



- Click the **Investment Review Tool** magnifying glass to open the tool.
- This view gives you a detailed look of departments or locations with items that have not been reviewed in 180 days (or whatever number of days you desire).

Investment Reviewer

View options



Dept	Name	Condition (by % out of date)	# of Items to Review	# of Items in Department
20	HAND TOOLS & ACCE...	<div></div>	2421	3,994
50	HARDWARE	<div></div>	2753	3,733
56	FASTENERS/BOLTS	<div></div>	2477	3,189
40	PLUMBING SUPPLIES	<div></div>	2043	2,850
14	PAINTS, FINISHES, TH...	<div></div>	1436	2,331
70	LAWN&GARDEN TOO...	<div></div>	1215	2,223
34	ELECTRICAL & WIRIN...	<div></div>	1233	1,841
30	FLASHLIGHTS & BAT...	<div></div>	574	1,204
10022	H2	<div></div>	21	925
80	ATHLETIC, MARINE,W...	<div></div>	463	888
10	CLEANING SUPPLIES	<div></div>	447	853
9000	NON DISCOUNTABLE	<div></div>	176	789
94	NOTIONS & MISCELL...	<div></div>	189	774
64	HOUSEWARES, GADG...	<div></div>	248	717
84	AUTOMOTIVE	<div></div>	454	659

Today: 42.37 % Reviewed

30 Days Ago: 0.00 % Reviewed

of Items to Review: 17002

Export to Excel

- You can customize your view by:
 - Department or location
 - # items or % of items
 - # of days since the last review
 - Supplier
 - Sorting by any column's data (click the column title).
- Tip:** Sort the list by the **# of Items to Review** column so that the largest number of unreviewed items is on top.

Investment Reviewer details


View the inventory item in the **Inventory** module

Inventory item information

Location

Current stock-on-hand (SOH)

Last review date



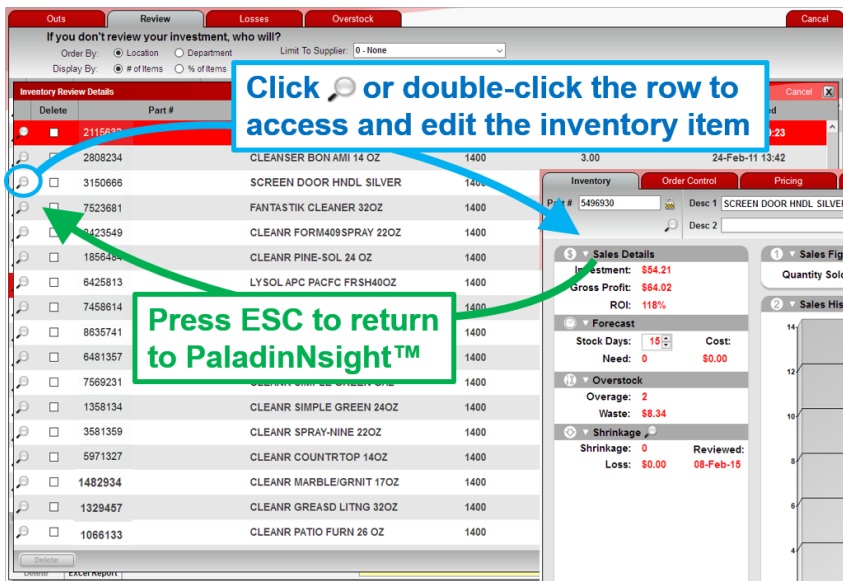
Delete	Part #	Description	Location	SOH	Last Counted
<input checked="" type="checkbox"/>	10035	CLEANSER BON AMI 14 OZ	1400	3.00	24-Feb-11 13:42
<input type="checkbox"/>	1482934	MR CLEAN APC CITRUS 40OZ	1400	7.00	23-Dec-14 10:22
<input type="checkbox"/>	12159	CLEANR PINE-SOL 24 OZ	1400	4.00	12-Apr-15 08:39
<input type="checkbox"/>	12320	LYSOL APC PACFC FRSH40OZ	1400	4.00	24-Feb-11 13:44
<input type="checkbox"/>	18984	POLISH SHEILA SHINE 10OZ	1400	4.00	24-Feb-11 13:40
<input type="checkbox"/>	85257	CLEANR SIMPLE GREEN GAL	1400	3.00	06-Jul-12 08:53
<input type="checkbox"/>	1011337	CLEANR SPRAY-NINE 22OZ	1400	9.00	22-Nov-14 10:42
<input type="checkbox"/>	1361682	CLEANR COUNTRTOP 14OZ	1400	3.00	29-Jun-11 10:37
<input type="checkbox"/>	1361781	CLEANR MARBLE/GRNIT 17OZ	1400	5.00	20-Sep-14 17:24
<input type="checkbox"/>	1066133	CLEANR GREASD LITNG 32OZ	1400	8.00	22-Dec-13 13:36
<input type="checkbox"/>	1008879	CLEANR PATIO FURN 26 OZ	1400	2.00	24-Feb-11 13:45
<input type="checkbox"/>	1361732	MAGIC SS CLNR 14OZ	1400	2.00	24-Feb-11 13:41
<input type="checkbox"/>	1201623	CLEANSER COMET 21OZ	1400	16.00	24-Feb-11 13:42
<input type="checkbox"/>	1207414	CLEANR KRUD KUTTER 32OZ	1400	2.00	12-May-14 12:52
<input type="checkbox"/>	1235225	STONE GLIDE WIPES	1400	1.00	24-Feb-11 13:40

Export list to Excel

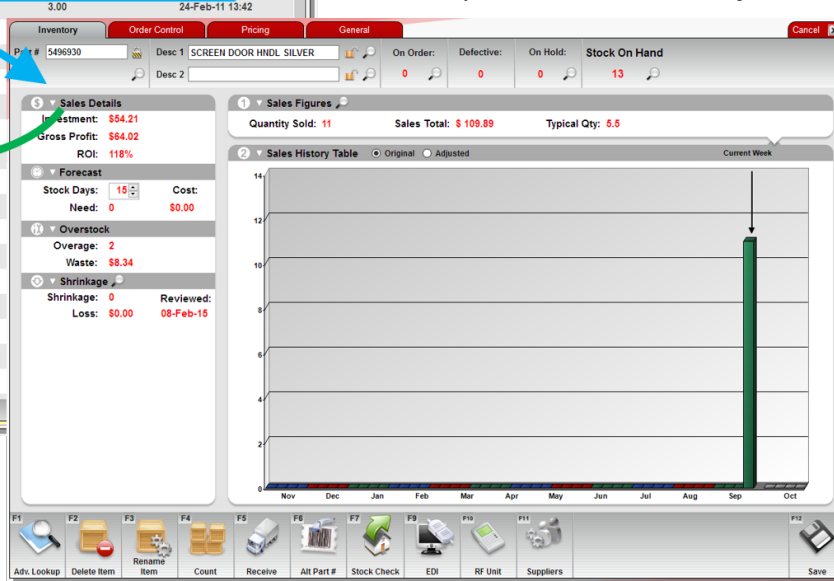
- The **Investment Reviewer Details** view shows inventory information for each unreviewed item in the department or location.
- You can export the items in this view to Excel.

Investment Reviewer Details – Quick access to complete item details

Inventory item list in a PaladinN Sight™ tool



Inventory item in the **Inventory** module



- In the **Investment Reviewer Details** view, click any item's magnifying glass to access its inventory information in the **Inventory** module.
- When you are done, press ESC to return to the **Investment Reviewer Details** view.

Investment Reviewer details – delete unnecessary items

To remove items from active inventory, select the **Delete** check box, and then click the **Delete** button below.



Delete	Part #	Desc
<input checked="" type="checkbox"/>	2115632	SCREEN HIGH STRIP
<input type="checkbox"/>	2808234	KELLER SASH LCK1
<input checked="" type="checkbox"/>	3150666	SCREEN DOOR HND
<input type="checkbox"/>	7523681	SCREEN DR JAMB B
<input checked="" type="checkbox"/>	8423549	SCREEN DOOR HINK

Click **Delete** to remove all items selected in the **Delete** column from active inventory.



<input type="checkbox"/>	86357
<input type="checkbox"/>	64813
<input type="checkbox"/>	75692
<input type="checkbox"/>	13581
<input type="checkbox"/>	35813
<input type="checkbox"/>	59713
<input type="checkbox"/>	43581
<input type="button" value="Delete"/>	

- Some items in the unreviewed item list may be discontinued items that are no longer in stock or one-time orders that are no longer used or needed.
- These unneeded part numbers can clutter reports and inventory.
- Delete these items from active inventory to fine tune inventory.

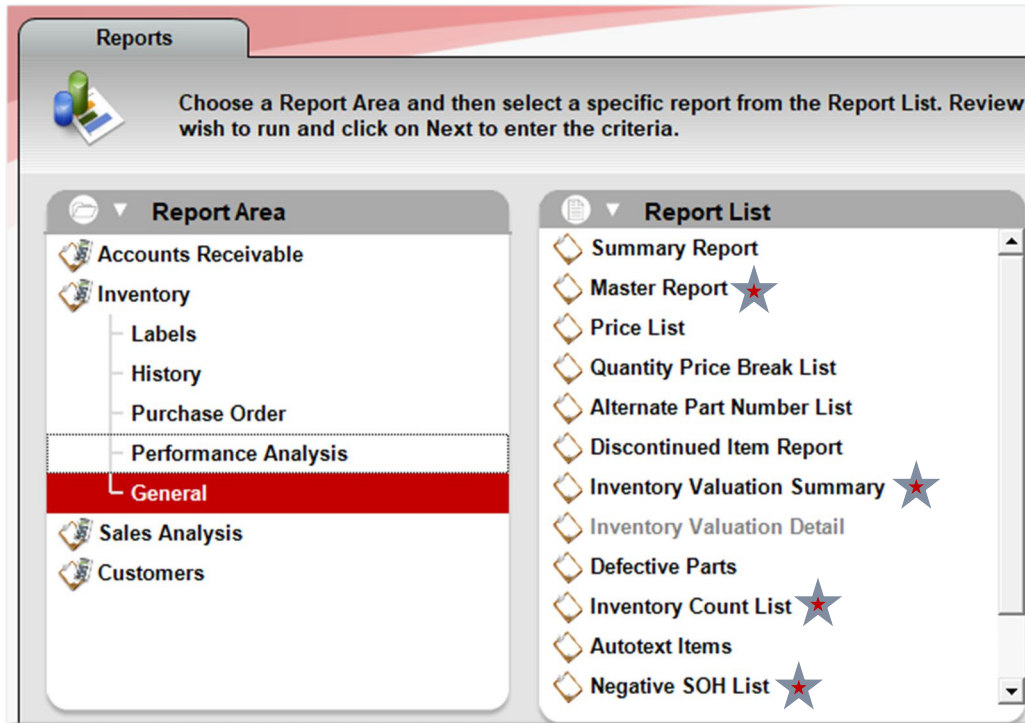
Inventory Review tool helps manage unreviewed inventory



Scheduler

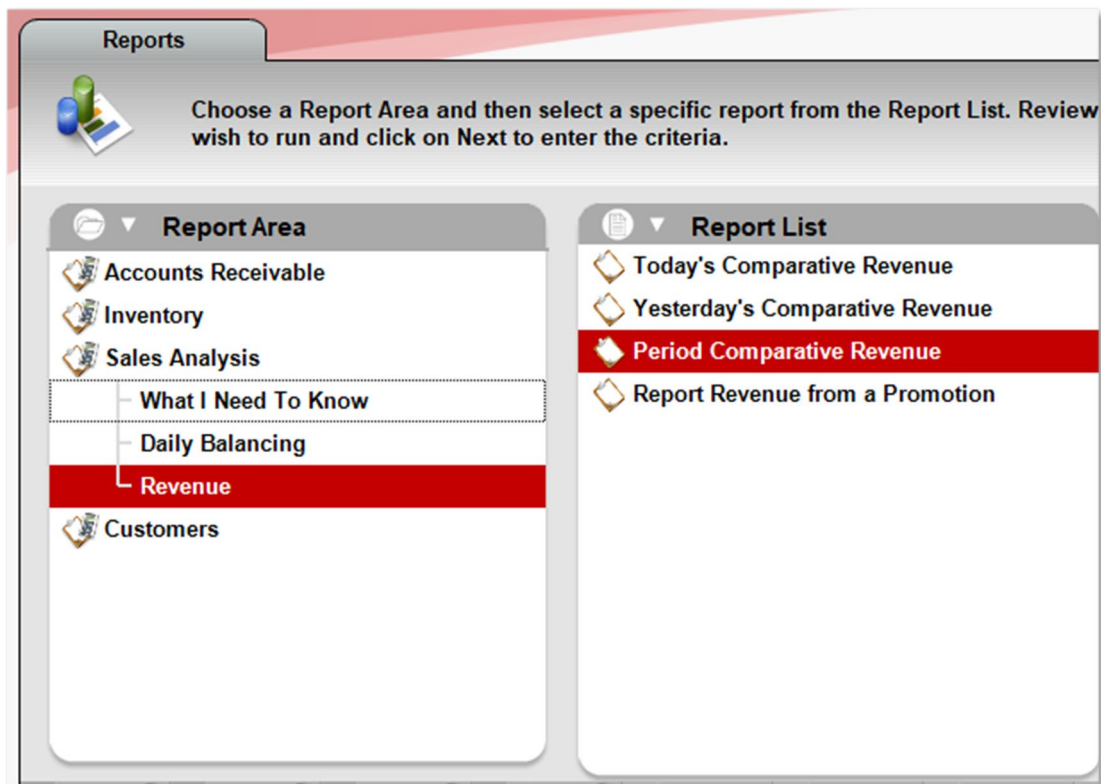
- Choose a time interval for inventory review.
- Create a scheduled inventory review task weekly or even bi-monthly.
- Add the review schedule to your calendar.
- Coordinate inventory reviews following cycle counts by 4-foot section, aisle, or department.
- Review the items that were skipped during the review process by location or department for 100% coverage.

Reports for fine-tuning inventory costs, prices and margins



- Master Report (PDF, Excel)
- Inventory Valuation Summary (PDF)
- Inventory Count List (Excel)
- Negative SOH List (PDF)

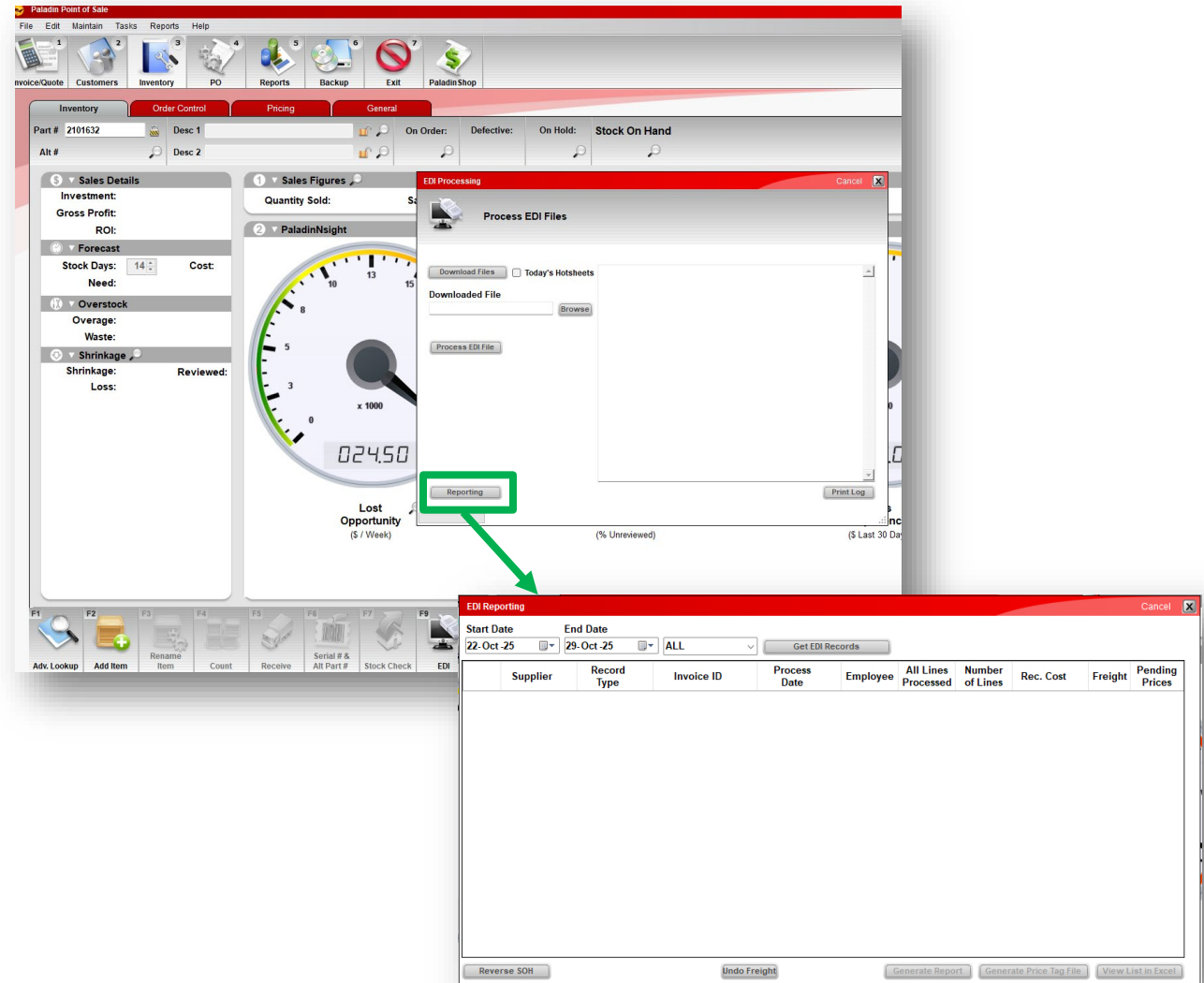
Reports for fine-tuning inventory costs, prices and margins (continued)

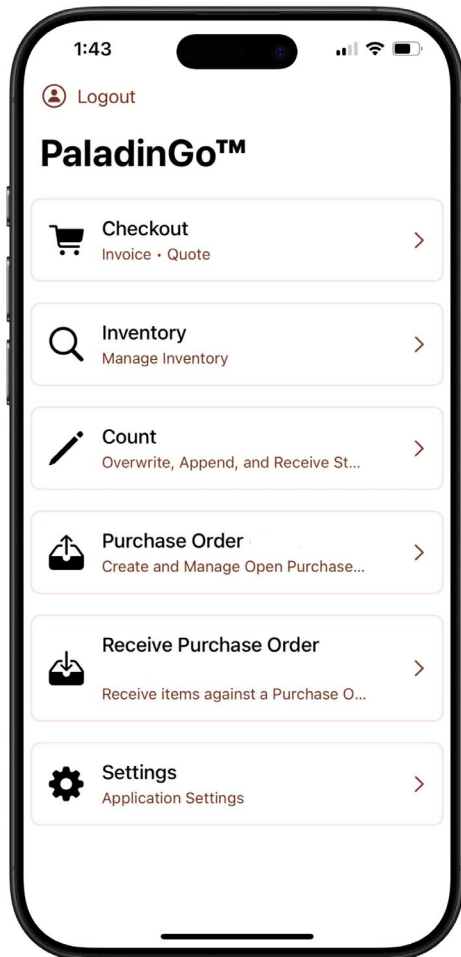


- Comparative Revenue report (PDF, Excel)
 - Discover and fix high or low margin anomalies.
 - Validate year-over-year changes.
 - Categorize and sift through the report by:
 - Department
 - Location
 - Supplier
 - Class
 - Customer Type

Reviewing EDI files

- To process EDI files, select the magnifying glass on the **Investment Review** tool.
- Choose the **Reporting** button in the lower left of the window.
- The **EDI Reporting** window opens.





New Inventory Tools

- PaladinGo™ is our mobile assisted retail application that empowers store staff to:
 - Make sales anywhere
 - Access product information
 - Increase inventory accuracy
- Datalogic's Memor Scanner is a handheld mobile computer designed for inventory review in demanding environments like retail, warehousing and manufacturing.

The Best Practices Big Picture

- Since 1980, Paladin Data Corporation has worked with independent hardware and LBM dealers to develop and produce a software solution that simplifies retail and helps them track their inventory more efficiently.
- We've also worked to identify and develop best practices for independent retailers to manage inventory and included them in **Paladin Point of Sale**.
- Incorporating these best practices and utilizing the Paladin Point of Sale inventory tools will simply make your stores run more efficiently.

Learn More

To learn more, see the following resources in our [Help Portal](#)

[Create year-end reports](#)

[How to Prepare End-of-Year Reports](#)

[Year-End Reports: Why They Matter and How to Automate Them](#)

[Paladin Pointers: Best Practices for Reviewing Inventory](#)

A recording of this webinar will be available at portal.paladinpos.com/webinars.



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