

Inventory Control Checklist

Although each industry sector may have very specific processes, inventory control programs can be applied across the board to benefit all businesses. Inventory control can be used to limit waste from disposing of out-of-date products, limit overhead tied up in excessive inventory, and can reduce liabilities. The following practices are recommended to reduce waste and excessive raw material use:

Inventory supplies to spot unnecessary accumulation.

Minimize stock to reduce supplies too old to be used, and to reduce overhead costs.

Use a first-in, first-out material usage policy to prevent materials from deteriorating in storage.

Track wastes due to spills during raw material transfer, waste handling or storage, or during repairs. Some spills will occur. Hang a clipboard in a handy spot and keep a record of larger spills (when they occur and why).

Install a curb or dike, or use secondary containment in storage areas to reduce impacts and product losses from spills, and promote easier cleanup with less material usage/loss.

Train employees in proper raw material and hazardous waste storage and handling procedures.

Maintain legible labels and receiving dates on all containers.

Inventory areas should be covered and secure. Uncovered storage areas allow rainwater to contaminate raw materials and may create unnecessary stormwater issues and liabilities. Heat and sunlight can degrade products and increase pressure inside closed containers, creating potentially dangerous situations.

Segregate materials according to chemical compatibility. Store incompatible materials in separate storage areas if possible or in secondary containment vessels to prevent contact of incompatibles.

Inspect storage areas routinely to spot spills or leaking containers.

Store hazardous materials separate from non-hazardous materials.

Control access to inventory. If employees are responsible for all the materials they use, they usually find ways to use less to get the job done. Establish and maintain a clear policy of using raw materials only for their intended purpose.

Track material usage to help spot users or processes accountable for an excessive amount of materials.

Standardize material usage by process.

If possible, store flammable materials in an outdoor, covered, and secured building to reduce liability from fire.

Consolidate product use or use multi-task products

Order in bulk containers when possible.

Accept vendor samples with a guaranteed take-back program for unused material.

Remember: What gets measured gets reduced!

Inventory Control Case Study

As Custom Print started looking for ways to reduce its waste, a team of employees took stock of the number of chemicals the company used. Inventory and purchasing records showed over 80 different chemicals on-site. Often, the less frequently used products would expire. The money spent on them was wasted, and by law they had to be properly disposed of—another expense. Many more were product samples, often used once and left to clutter the stockroom until they too passed their expiration dates. In addition, the large inventory created extra labor costs. Employees had to order and track each chemical, and ensure compliance with government regulations.

To address these problems, Custom Print assembled a team of press operators, purchasing staff, and maintenance personnel. This team not only looked at the causes of the large inventory, they recommended several ways to reduce it. The solutions they found include the following:

- Use multi-task chemicals. Working with their suppliers, the team identified chemicals that can be used for more than one task. Using these products reduced the stock of infrequently used chemicals and expired chemicals.
- Eliminate duplication. The team found that in some cases two or three different chemicals were being purchased for the same task. To eliminate this duplication, employees who used similar chemicals got together and reviewed all products in use. As a team, they selected only one chemical for each task.
- Give unused samples back to the vendors. Custom Print asked vendors to pick up their unused or partly used samples each time they dropped off new ones. Custom Print continued testing new, promising products while getting rid of half-used bottles and cans.

These changes reduced the number of chemicals on-site from over 80 to just 24—a 70% decrease. This has cut pollution and waste (by reducing the amount of expired chemicals), potential liability, inventory, and related costs resulting in an estimated \$5,000 savings per year.