

ONIQUA

INTELLIGENT MRO

Rapid Value Services

Slow Moving Spares



Overview

Slow moving spares – high cost items that are used once a year or less frequently – usually represent a large slice of the total MRO inventory value. They present unique challenges for Inventory Managers and need to be addressed differently from fast moving items.

Because they are slow moving and high cost, the management of these Slow Moving Spares must be focused on ensuring that excessive inventory is not added. The very nature of Slow Moving Spares means once the item is ordered (and the cost incurred), it will likely take years before that item is used through normal consumption.

For users to minimize the holding of excessive slow moving high cost items, it is recommended that reviews of materials are done before they come up for re-order. By utilizing intelligent analytics to assist in critically reviewing the Slow Moving Spares prior to the re-order process, it is possible to avoid ordering excessive inventory items.

The Oniqua Slow Moving Spares *Rapid Value Service*[™] identifies the current performance of these infrequently consumed items, and presents a profile of the inventory along with recommended initiatives that may be required to properly control it.

Objectives

1. Analyze current slow moving inventory and benchmark against existing Materials Management strategy on a per item basis
2. Identify non-compliance with current Materials Management strategy for Insurance, Potential Obsolete, and other types of spares
3. Build a profile of the current slow-moving inventory, and benchmark against similar organizations
4. Report on opportunities for inventory reduction

Benefits

1. Develop an objective benchmark assessment of current slow moving inventory performance using industry leading analytics
2. Highlight Slow Moving Spares for potential analysis and business action, aligned to your inventory strategy
3. Accelerate inventory reduction by prioritization of analysis actions
4. Improve service level for critical items

Value

1. Benchmark current versus improved inventory levels with “before and after analysis” segmentation reports
2. Gain increased visibility of current service levels compared to Oniqua’s recommended service levels, for single or multiple records, highlighted by Business Impact, as well as where critical items impact on your inventory management strategy
3. Show opportunities for better management of stock items, such as:
 - a. Planning
 - b. Insurance
 - c. Consignment items

Deliverables

1. Compliance report to show current slow moving item characteristics against policy definitions
2. Excess quantities report that also shows other locations where the excess could be shifted
3. Report identifying opportunities for sharing slow moving inventory between sites
4. File containing stock level recommendations for these Slow Moving Spares(Some items may receive recommendation to not stock).
5. Summary of actions from previous steps