

Managing your Warehouse inventory as a wholesaler and manufacturer

Good inventory management is necessary for manufacturers and wholesalers to maintain their profits. Inventory management includes good warehouse administration skills, like implementing safety measures, cooling and cleaning, record keeping and pricing techniques. Lousy inventory management will leave you with large inventory on hand while you still find it difficult to fulfill the customer's orders.

Warehouse Administration:

Warehouse is the building which is used by a business (mostly a manufacturer, big exporter or wholesale supplier) for storage of goods. These are the key points to remember in warehouse management.

Safety:

Safety comes first. With so much loading and unloading going on all the time, warehouses possess greater chances of accidents than any other workplace. Workers should be well trained, especially those who operate the machinery like forklifts. Rules and instructions should be followed carefully by everyone to avoid hazards like slipping or falling. Also install good sprinkler system and evacuation plan to help in case of fire.

Cooling & Cleaning:

Warehouse is normally quite congested with stock piled up all over the place. Develop a good ventilation plan to maintain the air quality and save the workers from dehydration. Keep it tidy and preserve good working environment. All goods and inventory items should be properly stacked.

WMS:

Warehouse management system is some software which helps in managing and controlling inventory at warehouse. WMS can make the job a lot easier if used efficiently. While choosing a WMS, out of many available at market, you should look at what suits your business more, also the usability of that particular warehouse management system.

Inventory Pricing:

Setting prices for your inventory is a tricky business. Normally three techniques are used for inventory pricing, which are:

1. LIFO
2. FIFO
3. Average Method

You can choose any of the above method, though none of them has a real affect on your profits, but businesses maneuver around with these techniques to save tax, because the figure of gross profit changes with every method.

ECQ and JIT:

ECQ model decides how much inventory you want to keep on hand. A good ECQ model should be able to avoid both, inventory shortages and inventory in excess. JIT helps in reducing the inventory to minimum. Goods and products arrive just-in-time when they are needed, eliminating the extra cost of storing that inventory.

Record Keeping & Physical Counting:

All arrivals, departures, sales or purchases of inventory should be recorded. Physical stocktaking should regularly be scheduled on small scale, rather than calling the employees on off days and carrying out physical counting on annual basis. Forms should be available for workers and supervisors to fill every time they receive or dispatch some items. This will help in making your record more accurate.

About the Author

William King is the director of [UK Wholesalers & Dropshipper Designer Clothing Suppliers Trade Directory](#) , [Canadian Wholesalers & Dropshipping Suppliers Directory](#) , [Australian Wholesalers & Dropshippers Suppliers Directory](#) and [Wholesalers & Wholesale Suppliers Trade Directory](#). He has 18 years of experience in the marketing and trading industries and has been helping retailers and startups with their product sourcing, promotion, marketing and supply chain requirements.