

STRATEGIC MAINTENANCE REPAIRS & OPERATIONS <MRO> INVENTORY MANAGEMENT

**Cutting Business & Operational Cost thru'
Optimised Sparepart & MRO Inventory !**



*These small-dollar, high-volume items
can represent an excellent opportunity for
attaining large cost savings!*

AUGUST 10-11, 2004 . JW MARRIOTT KUALA LUMPUR

*“At first I thought
it was too expensive,
but even if I had paid 10 X more
it would have been a bargain for what I learned!”*
Inventory Director, Mr. Rodriguez, Miami, US

Developed By:



Call	603- 92065800
Fax	603- 92007946
E-mail	ibn@intel-biznet.com

Many companies consider Inventory Management for "MRO" parts to be one of the costliest headaches they incur!

At the centre of these expensive frustrations, LIE...

- Constantly Rising Inventory
- Ever-Increasing Unit Prices
- Unidentified Obsolete Parts
- Lack of Standardisation
- Unrecognised Critical Spares
- Inconsistent Physical Inventory Reconciliations
- Improper Min/Max Assessments
- Increasing Time and Cost of Acquisition
- Inefficient or Under Utilised Tracking and Reporting Mechanisms

Clearly, MRO Inventory Management has taken on a new importance at the highest levels... THE BOARDROOM!

Most companies , who optimize MRO, achieve COST REDUCTION of almost 20%-35%.

NOW...

How much money do you think your business has tied up in MRO Inventory?

What inventory turns are you getting on your MRO Inventory?

How many stock turns are you getting per year?

As business environment change and manufacturing becomes more of a commodity business, and with profit margin shrinking, NOW more than ever, MRO Managers credibility is gauged by their ability to improve uptime - ensuring that needed machines and components run efficiently and effectively without FAIL, Coz' UPTIME IS \$\$\$\$\$

A 2 Day Advanced Level Workshop To Drive Strategic Results Through Effective MRO Inventory Management

What You Will Learn....

- **Why** MRO inventory management is different than production or distribution inventory management
- **Ensure** that your policies and procedures lead to accurate on-hand quantities in your computer system
- **Considerations** for implementing bar coding and other technologies
- **Learn** how to define what bad MRO inventory management is costing your organization
- **Develop** and **Maintain** an approved stock list of inventory items
- **Examine** why maintenance and repair parts must be handled differently
- **Determine** accurate minimum and maximum repair parts to ensure continuing production
- **Accurately** forecast future demand of maintenance items
- **How** to effectively deal with open stock inventory
- **Learn** how to set replenishment parameters for maintenance items to provide needed availability at the lowest possible overall cost
- **How** to evaluate your MRO inventory investment
- **Explore** the advantages and disadvantages of vendor managed inventory
- **How** to develop an MRO inventory program to meet your organizations specific needs
- **How** to manage tools that are maintained for use in maintenance and repairs
- **Work** with spreadsheets that will demonstrate the results you can expect by implementing various ideas and principles discussed in this seminar

THIS EVENT IS FOR YOU, IF YOU ARE

Corporate Officers, Vice Presidents, Directors, Managers, and Senior Executives with the following responsibilities:

- | | | |
|----------------------------|------------------------|--------------------------|
| • Maintenance | • Store Management | • Spare Parts Management |
| • Technical Management | • Distribution | • Inventory Accounting |
| • Stockroom Administration | • Purchasing | • Business Advisors |
| • Inventory Management | • Procurement | • Operations |
| • Stock Management | • Warehouse Management | • Business Process |
| • Production Planning | • Logistics Planning | • Supply Chain |
| • Business Processes | • Forecasting | • Demand Planning |
| • Materials Planning | • Facility Management | |

UPTIME IS



About the Workshop

There are inventory seminars developed for manufacturers. These tend to focus on Materials Requirements Planning, Lean Manufacturing and other ways to produce finished goods at the lowest possible cost for materials. Other inventory sessions focus on the distribution of finished goods. That is, how to maximize profits with the “right” amount of inventory. Neither of these types of seminars addresses the needs of someone who is charged with maintaining the physical plant and equipment for a manufacturer, service center or other facility.

This workshop focuses on special challenges of managing maintenance, repairs and operations inventory and guide participants in developing a plan to maximise the productivity of a facility at the lowest possible cost. This workshop focuses on maximizing the performance of your maintenance, repairs and operations inventory. *In this interactive workshop, participants are invited to use their own data with the provided Excel® spreadsheets that demonstrate many of the concepts presented. In our discussion, you are invited to discuss the unique MRO challenges faced by your organisation.*

WORKSHOP AGENDA

Every participant will receive an effective Excel® Spreadsheet CD that demonstrates many of the concepts presented

Module 1 MRO Insights

- The goal of Effective MRO Inventory Management
- Common mistakes in achieving the goal
- The cost of errors in MRO Inventory Management
- Focusing on the basics and the goal of Effective MRO Inventory Management
- The difference between Inventory Control and Inventory Management

Module 2 Inventory Control

- Every employee must understand the cost of bad Inventory Management
- Understanding all of the reasons material gets lost or turns to scrap
- Preventing lost material and scrap
- Developing an approved stock list for each stocking facility
 - How many stocking facilities do you need?
 - Why stock a product?
 - Separating the stock from the stuff
 - Developing and maintaining a “where used” list
 - Avoiding “inventory creep” (good inventory being transformed into stuff)
- The different types of stores inventory
 - Maintenance items
 - Repair parts
 - Equipment used in maintenance and repairs
- Determining the critical nature of each repair part
 - Very critical (stopping a critical operation or process)
 - Affecting operations
 - Not critical
 - Determining the cost of stopping an operation
- How lead times affect what you will stock
- Arranging warehouses and stock rooms
 - Appropriate storage units for different types of inventory
 - Assigning bin locations
 - Arranging products for efficient operations
 - Defining all of your material-related transactions
 - Utilizing bar coding and other technologies
- Counting Your Stock
 - Advantages of cycle counting versus a complete physical inventory
 - Procedures for an effective full physical inventory
 - Random, geographic and rank based cycle counting
 - What you can learn as you verify the quantities of products in your warehouse

Module 3 Inventory Management

- The difference between Maintenance Products and Repair Parts
- Repair Parts Inventory
 - The normal use quantity of repair parts
 - The number of normal use quantities to stock
 - Planned Excess of repair parts
- Specific Use Maintenance Items
- Recurring Use Maintenance Items
- Forecasting demand for recurring maintenance items
 - Different methods of forecasting demand
 - Collaborative forecasting
 - Identifying and correcting for unusual usage
- Maintaining accurate lead times
- Determining the “right” amount of safety stock for each product
- Calculating a meaningful minimum quantity
- Determining the best replenishment quantity
 - The economic order quantity
 - Ordering just what you need for your immediate needs
 - Other ways of determining the reorder quantity
 - What to do when you are offered a better price for buying more
- Maintaining Open Stock inventory

Module 4 Administering an MRO Inventory Program

- Determining when to order products
- Dealing with special order and new items
- Evaluating your vendors
- The advantages and disadvantages of Vendor Managed Inventory
- Appropriate metrics to analyze your inventory investment
 - Total value of repair parts inventory
 - Downtime due to parts shortages
 - Unplanned stock outs of maintenance items
 - Is inventory turnover an appropriate measurement?
- Tools Inventory Management
 - How many of what tools do you need?
 - Tracking the movement of tools
 - Issuing versus temporarily loaning too
- Steps Necessary to Establish an Effective MRO Inventory Management Program

Important !

Jon will individually guide each participant to develop a unique ACTION PLAN to help your organisation maximize productivity of a

Nearly 5% of Total Production is lost each year due to unscheduled downtime.

The traditional “Fail & Fix” approach is no longer a viable MRO strategy.

Experience - Internationally Renowned Subject Matter Expert

As a vital function of an organisation's operational structure – every inventory manager has one important task – that is applying compression strategies to drive out waste, time and non-value adding activities and lowering inventory overhead from your MRO inventory practices and maximizing profits with the right amount of inventory. While it may sound easy, it is, in reality, far more complex than most managers perceive. Ineffective MRO inventory management can be enormously costly, and perhaps even hazardous to your organisation's cash flow and ultimately, its profit margin.

This Effective MRO Inventory Management workshop embed specific knowledge and understanding of inventory control tools; applying tried and proven work techniques to maximize profitability with the right amount of MRO inventory. Jon Schreiberfeder will deliver solid and **GUARANTEED** solutions to improve your MRO inventory control, reduce your stock levels significantly and ultimately, improve cash flow.

“ This course gave ideas I can implement immediately and gain immediate results ”



Dear participants,

I am excited about bringing our effective MRO inventory management workshops to Malaysia. For years inventory analysts have all but ignored the problems of MRO inventory management. Now this is a session that addresses your specific inventory challenges. Join us for this exciting interactive two-day session. If you implement what you learn, you'll provide better service to your "internal" customers at a lower overall cost to your company. Best of all you won't suffer from so many headaches caused by the current never-ending problems with your inventory!

Over the past several years we have worked with organisations around the world helping them manage their investment in MRO inventory. Our goal is to provide you with the roadmap on showing how effective MRO Inventory Management can be a source of huge saving and strategic advantage to your organisation.

Join us as we explore solutions to the MRO inventory-related challenges that interfere with your organisations success. The workshop combines the presentation of information, discussion and practical exercises. **During the sessions, participants will develop an action plan to maximize the productivity of a facility at the lowest possible cost.** Please be sure to bring questions and examples of your inventory-related challenges. Or better yet, submit them to us before the workshop. Remember that we are not satisfied unless we help you maintain an outstanding level of productivity at the lowest possible overall cost.

Regards,

Jon Schreiberfeder

Jon Schreiberfeder works internationally as a professional speaker, consultant and trainer. He specialises in Inventory Management training, facilitation and consulting to both the public and private sector. He studied inventory management with industry gurus such as Alan 'Buddy' Silver and Gordon Graham.

Jon also provides training and consulting services through Effective Inventory Management, Inc., a firm dedicated to helping manufacturers, distributors, and retailers get the most out of their investment in stock inventory. He is the president of the organisation. **Jon has been awarded the title "Subject Matter Expert" in Inventory Management by the American Productivity and Quality Center.** Jon is also a member of the Editorial Board of Practitioners Publishing, a leading publisher of accounting guides and textbooks.

Jon literally "grew up" in a family-owned distribution business and started studying inventory management philosophies and best practices in the late 1960s. In the early 1980s, Jon went on to become a distribution industry "trouble shooter" for two major computer companies. His task was to help the computer companies' customers use their available computer tools to better manage their largest asset, inventory. Over the past 20 years, Jon has helped over two thousand firms improve their productivity and profitability through better inventory management. Since then, Jon has been traveling extensively over the US, Europe, Latin America, Asia and the Pacific Rim, trouble shooting and facilitating giant corporations from various industries and plus hundreds of mid sized manufacturers and distributors.

He is a frequent contributor to over a dozen industry publications such as Modern Distribution Management, The Wholesaler, Electrical Wholesaling, Outlook, Sanitary Maintenance, and Contracting Profits and is the author of a series of best-selling books on effective inventory management recently published *Achieving Effective Inventory Management – Second Edition* and the National Association of Wholesale Distributor's *Guess Right – Boost the Accuracy of Your Demand Forecasts and Intelligent Guessing– Best Practices in Demand Forecasting.*

SOME OF JON'S RECENT CLIENTS

Microsoft . Best Software . General Electric . Abbot Laboratories . Australian Institute of Management . Al Sayer . GEM Integrated Solution Consultants . Grain Systems Inc . Longaberger . United States Mint . Lockheed Aircraft . Camozzi Pneumatics . Caterpillar Inc . Grupo Gomo . Warner Lambert . Radio Shack . Tampa Electric . Keystone Automotive . Palau National Communication Corporation . Aston IT Group . Butterfield and Vallis . Vidri Hardware

Even after attending a prior total training session, reading books, and watching an inventory management video series many times, I firmly believe your instruction has been the most informative”

“ You have excellent teaching skills and that made the classes that much more enjoyable”

“Excellent seminar. I came away with some clear guidelines for the direction that our company must go to meet our long - term inventory goals. I feel like I have a good support system for any questions or issues that I may come against”

“Clarified methods I have been using (some correct, some incorrect) for two years”

“ Exceeded expectations. The material is excellent”

“Jon displayed a sound proficiency in the subject matter and was able to teach it effectively”

“ The best seminar I have ever attended”

“Your upbeat teaching style kept our whole class on their toes. Definitely recommend this seminar to any company looking to get to handle on their inventory”

Achievement of the Year 2003

Jon Schreiberfeder's clients achieved an average 35% reduction in their inventory investment with no decrease in customer service!

HRDF claimable - SBL Scheme

PAYMENT

A confirmation letter and invoice will be sent upon receipt of your registration. Please note that full payment must be received prior to the event. Payment may be made via cross cheque / bank draft / electronic transfer, made in favour of **Intelligence Business Networks (M) Sdn. Bhd** 160-3-1, Kompleks Maluri Jalan Jejaka , Taman Maluri 55100, Kuala Lumpur Malaysia

Note: Payments must be received within 5 days upon issuance of invoice

CANCELLATION POLICY

Due to contractual obligations, cancellation charges are as follow:

40 to 10 days notice : 25% of the workshop fee
10 to 3 days notice : 70% of the workshop fee
2 days or less notice : 100% of the workshop fee

However, a complete set of documentation will be sent to you. Substitutions are welcomed at any time. All cancellations of registration must be made in writing.

Note: It may be necessary for reasons beyond control, to change the content and timing of the event, speaker (s) or venue, every effort will be made to inform the participants of the change

HOTEL DETAILS

JW Marriott Hotel
Kuala Lumpur
 183 Jalan Bukit Bintang
 55100 Kuala Lumpur, Malaysia
 Tel: 603 2715 9000
 Fax: 603 2715 7012



Room Reservation shall be made by delegates directly with the hotel. To enjoy privileged room rates, please state you're attending an event organised by IBN. Contact Ms Mellisa at 03 2716 8123 for reservation.



THE IBN CERTIFICATE

Delegates who successfully complete this course will receive the prestigious IBN's Certificate of Achievement; a statement of Intelligence endorsed by world renowned subject matter experts.

Please complete this form immediately and fax to **603 - 9200 7946**

PARTICIPANT DETAILS

Name 1 Job title

Name 2 Job title

Name 3 Job title

(name in full)

INVOICE SHOULD BE DIRECTED TO

Company

Business Address

Name Job title Dept

Email Tel No Fax No

Name of Authorising Manager Job title

Signature Date

This Booking Is Invalid Without A Signature

INFORMATION

For further information on this event, please contact our Program Managers at **603 9200 7942**

WORKSHOP SCHEDULE

Registration	0830
Course begins	0900
Morning Refreshment	1030
Luncheon	1300
Afternoon Refreshment	1530
End of the day	1700

Participant Profile

To get the most value out of this workshop, participants will be required to complete a Participant Profile. The Participant Profile will be sent to delegates immediately upon registration to assess training needs. The completed profiles will be analysed by the course leader to ensure appropriate deliverance level and relevant issues are covered. The information from these profiles will also be used to determine the contents of the case studies.

Best Practices in Demand Forecasting - 12 & 13 August 2004, JW Marriott, KL

"In a 2003 study conducted for the *National Association of Wholesale Distributors* in the United States,

found that the average **forecast error** [the absolute value of (Forecast - Actual Usage) ÷ Actual Usage]

Yes! We want to save RM990.00. I'm interested in attending this workshop. Please send me more details and the registration form!

Dear participants,

I am excited about bringing our effective Demand Forecasting workshops to Malaysia. For the past 24 years, I have helped thousands of organisations throughout the world improve the productivity and profitability of their investment in stock inventory. **One of the keys of success is an accurate demand forecast.** Over 70% of my work efforts is spent helping firms develop more accurate predictions of future product usage. Last year I tested different forecasting methods and formulas on more than 2,000,000 products from over 50 different companies and organizations. Spending these two day to improve your forecast accuracy may be the single most effective action you can take to improve your organization's profitability or minimize its costs.

If you implement what you learn, you'll be able to achieve the four "rights" of effective demand forecasting: that is, getting the right quantity of the right item to the right location at the right time.

Please be sure to bring questions and examples of your demand forecasting-related challenges. Or better yet, submit them to us before the workshop.

Regards,
 Jon Schreffler

