

Automating inventory Control smoothes sales, cuts costs

BUSINESS CHALLENGE

PCO stocks thousands of inventory items. Sales representatives had to walk through the warehouse to determine if items were in stock for each new order placed – an inefficient approach that wasted time and frustrated sales reps. Because PCO had no insight into its inventory, the company risked running out of key items and frustrating customers with delays in fulfilling orders.

SOLUTION

Wasp InventoryControl enabled PCO to cut inventory operating costs in half and paid for itself within the first month of implementation. Sales representatives now have insight into available inventory at the touch of a button, and stock is maintained at ideal levels.

BENEFITS

\$35,000 saved annually
50% of costs to inventory cut

CUSTOMER PROFILE

- Headquarters: Baytown, Texas
- Industrial electronics equipment reseller
- 20 employees
- 13 years in business



We have effectively cut our inventory operating costs in half. The product easily paid for itself in the first month.

- Robert Gonzales, Process Control Outlet

Managing inventory on the run

Process Control Outlet (PCO) resells hundreds of items from dozens of manufacturers. The company serves a wide range of companies, which rely on PCO for industrial electronics ranging from safety barriers and boiler controllers to computer monitors and power supplies.

In its 13 years in business, PCO had never formalized its inventory management process. With thousands of items in stock at its Baytown location, this made it impossible for sales representatives to know which items were on hand. In addition, the company sometimes ran out of stock of critical items, making it impossible to fill orders in a timely manner.

Unfortunately, the company's accounting software had limited inventory management capabilities. What's more, customers were frustrated by PCO's inability to provide timely information about the availability of needed items.

"When our sales representatives received an order, they had to walk through the warehouse to verify whether the items were actually on the shelf," said Robert Gonzales, assistant director of marketing and communications for PCO. "Our employees wasted a lot of time, plus they could not give our customers the immediate response they deserve."

Counting on an easier way

It was time to find an inventory solution. Yet PCO did not want to purchase complex or expensive software. They preferred a solution that was easy to use, while providing the exact information sales representatives needed to perform their jobs.

PCO management went online and found Wasp Inventory Control, software that helps business owners know exactly how much inventory they have, where it is located, and what's moving and what's not. PCO downloaded a trial version of the software.

“Wasp was easier to use than competing solutions we tried,” Gonzales said. “That’s particularly important for our company, where front-line employees without specific accounting experience are the ones using the inventory management tool on a daily basis.”

PCO also purchased the Wasp WDT2200 mobile device, which allows users to scan and update inventory in the field or warehouse and then synch the data with a PC.

Achieving payback in weeks

Once Wasp Inventory Control was installed, PCO set about barcoding its inventory. Employees were quickly trained on the system. Now, when a customer places an order, a PCO sales representative can instantly determine whether the items are in stock, right from their desks.

Once a month, the company uses Wasp Inventory Control’s audit feature to verify the accuracy of its inventory. A warehouse employee simply uses the Wasp WDT2200 device to scan barcodes of inventory items on the shelves. The data is uploaded to the Wasp Inventory Control software, which reconciles inventory counts for each item.

The software’s reporting features also simplify the way the company orders new inventory and determines which items are moving the fastest. PCO no longer runs out of needed inventory, which improves its responsiveness to customers and increases sales.

In the past, PCO relied on two full-time and four part-time employees to manage its inventory. These employees were paid an average of \$8.50 per hour. Thanks to Wasp Inventory Control, PCO now needs only one full-time and two part-time employees to manage inventory, saving the company approximately \$680 per week. This translates into more than \$35,000 per year in payroll alone.

“In just a few months, Wasp totally revolutionized our company,” Gonzales said. “We have effectively cut our inventory operating costs in half. The product easily paid for itself in the first month.”

WASP INVENTORY CONTROL HELPED PCO:

- Know whether an item is on hand without physically locating it in the warehouse
- Fulfill more orders
- Spend less overhead on inventory expenses

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