

CAR PARTS CYCLE COUNT AND WALL-TO-WALL COUNT TO UPDATE STOCK ON-HAND FILE

Case Study: Warehouse Count – Car Service and Parts Centre

A car service and parts centre needed a solution to **count the spare parts stored** for the end of financial year stocktaking

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Conveniently located adjacent to a dealership is the state-of-the-art car service and parts centre — one of the largest and best-equipped service facility in Australia. The company has a team consisting of highly-trained certified master technicians and certified service advisors.

REQUIREMENT

The car service and parts centre needed a solution to **count the spare parts stored** and wanted to achieve an accurate result of the end of financial year stocktaking.

The car service and parts centre required RGIS to provide the following:

- **Recommendations** to give the most accurate stocktake
- **Identify variances** in stock quantities and bin locations
- Be aware of **stock movements** during counts

SOLUTION

The car service and parts centre partnered with RGIS to complete the **spare parts cycle count project**, and RGIS provided the following:

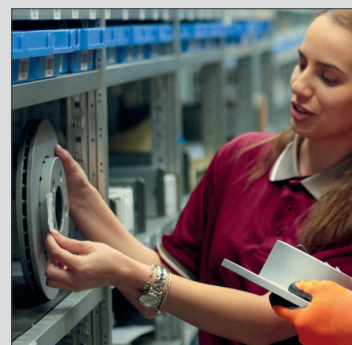
- RGIS recommended to complete **10 cycle counts before the wall-to-wall count**, to fix the stock on-hand file in the longer term
- Scheduled **two experienced RGIS auditors** for the cycle counts
- Scheduled **20 experienced RGIS auditors** for the full wall-to-wall count
- RGIS completed all bins in **eight cycle counts**, but still completed another two for the high-value areas before the full wall-to-wall count
- The warehouse did not freeze the system due to cycle counts, so the RGIS team used warehouse scanners to check the latest **expected stock on-hand** when checking variances and adjusted accordingly
- The RGIS team not only **verified the count**, but also checked any **stock movements during the cycle count**

RESULTS

The car service and parts centre found by outsourcing the **spare parts cycle count project** to RGIS, the following results were achieved:

- **5,833 Bins and 5,837 SKUs were counted** and checked at least twice during cycle count and full wall-to-wall count
- First round of cycle counts **corrected major stock on-hand discrepancies** and helped the warehouse staff understand which sections needed more attention while picking and packing
- Result of full wall-to-wall count:
 - **Absolute variance = \$53,178** (1.9% – which was within target)
 - **Net variance = \$8,698**
 - **Total Expected = \$2,689,209**

By partnering with RGIS, the car service and parts centre found that the **first round of cycle counts corrected major stock on-hand discrepancies** and helped the warehouse staff understand which sections needed more attention while picking and packing



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Warehouse Audit



Cycle Counts



Accurate Data



Variance Reporting



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