



# Dennis R. Cowhey

Dennis, R. Cowhey, started Computer Insights, Inc. in 1981 as is currently CEO. He served for many years on the Illinois CPA Society Computer Information Systems Committee. He is a frequent author of articles for Industry Trade Magazines. Before starting Computer Insights, he served as Central District Manager for a division of Litton Industries (now part of Northrup Grumman). That company offered Inventory Control Systems to Retailers. Prior to that, he was a Credit and Financial Analyst for National Credit Office division of Dun & Bradstreet, Inc. He received his education at Chicago City College and DePaul University.

## TECHNOLOGY HELPS WITH INVENTORY MANAGEMENT

### Fasteners are Difficult to Manage

Fastener inventory is one of the most difficult types of inventory to maintain. When we chose the fastener industry as our specialty, this was one of the main reasons. Fastener inventory is unique:

1. Many products are commodity products and need to be sent to several vendors for quote.
2. Some items are branded products and can only be purchased from one vendor. These need to be purchased directly without a request for quote.
3. Still other items require kitting or processing in order to be sold. These require a processing purchase order that creates demand for the components.
4. Components need to be requested for quote or ordered.
5. Many common products appear in multiple bills of material so potential shortages are easily missed.
6. Blanket orders are common and can often stretch out a year or more.

Item	Description	Quantity	Default Cost	Unit	
15138	ALUMINUM WHEEL 16 1/2" DIA	0	5.30	EA	
15146	NICKEL 200 WHEEL 16 1/2" DIA	0	6.20	EA	
15149	NICKEL 200 WHEEL 16 1/2" DIA	0	7.20	EA	
15151	NICKEL 200 WHEEL 16 1/2" DIA	0	8.10	EA	
15153	NICKEL 200 WHEEL 16 1/2" DIA	0	9.10	EA	
15155	1" W. Street Elbow Safe Pipe Fitting	1,880	1,880	2.58	EA
15157	1/2" Street Elbow Safe Pipe Fitting	450	0	3.90	EA
15159	3/4" Street Elbow Safe Pipe Fitting	5,847	5,847	1.71	EA
15161	1/2" Street Elbow Safe Pipe Fitting	0	0	7.20	EA
15163	1/2" Street Elbow Safe Pipe Fitting	0	0	9.00	EA
15165	1/2" Street Elbow Safe Pipe Fitting	0	0	10.80	EA
15167	1/2" Street Elbow Safe Pipe Fitting	0	0	12.60	EA
15169	1/2" Street Elbow Safe Pipe Fitting	0	0	14.40	EA
15171	1/2" Street Elbow Safe Pipe Fitting	0	0	16.20	EA
15173	1/2" Street Elbow Safe Pipe Fitting	0	0	18.00	EA
15175	1/2" Street Elbow Safe Pipe Fitting	0	0	19.80	EA
15177	1/2" Street Elbow Safe Pipe Fitting	0	0	21.60	EA
15179	1/2" Street Elbow Safe Pipe Fitting	0	0	23.40	EA
15181	1/2" Street Elbow Safe Pipe Fitting	0	0	25.20	EA
15183	1/2" Street Elbow Safe Pipe Fitting	0	0	27.00	EA
15185	1/2" Street Elbow Safe Pipe Fitting	0	0	28.80	EA
15187	1/2" Street Elbow Safe Pipe Fitting	0	0	30.60	EA
15189	1/2" Street Elbow Safe Pipe Fitting	0	0	32.40	EA
15191	1/2" Street Elbow Safe Pipe Fitting	0	0	34.20	EA
15193	1/2" Street Elbow Safe Pipe Fitting	0	0	36.00	EA
15195	1/2" Street Elbow Safe Pipe Fitting	0	0	37.80	EA
15197	1/2" Street Elbow Safe Pipe Fitting	0	0	39.60	EA
15199	1/2" Street Elbow Safe Pipe Fitting	0	0	41.40	EA
15201	1/2" Street Elbow Safe Pipe Fitting	0	0	43.20	EA
15203	1/2" Street Elbow Safe Pipe Fitting	0	0	45.00	EA
15205	1/2" Street Elbow Safe Pipe Fitting	0	0	46.80	EA
15207	1/2" Street Elbow Safe Pipe Fitting	0	0	48.60	EA
15209	1/2" Street Elbow Safe Pipe Fitting	0	0	50.40	EA
15211	1/2" Street Elbow Safe Pipe Fitting	0	0	52.20	EA
15213	1/2" Street Elbow Safe Pipe Fitting	0	0	54.00	EA
15215	1/2" Street Elbow Safe Pipe Fitting	0	0	55.80	EA
15217	1/2" Street Elbow Safe Pipe Fitting	0	0	57.60	EA
15219	1/2" Street Elbow Safe Pipe Fitting	0	0	59.40	EA
15221	1/2" Street Elbow Safe Pipe Fitting	0	0	61.20	EA
15223	1/2" Street Elbow Safe Pipe Fitting	0	0	63.00	EA
15225	1/2" Street Elbow Safe Pipe Fitting	0	0	64.80	EA
15227	1/2" Street Elbow Safe Pipe Fitting	0	0	66.60	EA
15229	1/2" Street Elbow Safe Pipe Fitting	0	0	68.40	EA
15231	1/2" Street Elbow Safe Pipe Fitting	0	0	70.20	EA
15233	1/2" Street Elbow Safe Pipe Fitting	0	0	72.00	EA
15235	1/2" Street Elbow Safe Pipe Fitting	0	0	73.80	EA
15237	1/2" Street Elbow Safe Pipe Fitting	0	0	75.60	EA
15239	1/2" Street Elbow Safe Pipe Fitting	0	0	77.40	EA
15241	1/2" Street Elbow Safe Pipe Fitting	0	0	79.20	EA
15243	1/2" Street Elbow Safe Pipe Fitting	0	0	81.00	EA
15245	1/2" Street Elbow Safe Pipe Fitting	0	0	82.80	EA
15247	1/2" Street Elbow Safe Pipe Fitting	0	0	84.60	EA
15249	1/2" Street Elbow Safe Pipe Fitting	0	0	86.40	EA
15251	1/2" Street Elbow Safe Pipe Fitting	0	0	88.20	EA
15253	1/2" Street Elbow Safe Pipe Fitting	0	0	90.00	EA
15255	1/2" Street Elbow Safe Pipe Fitting	0	0	91.80	EA
15257	1/2" Street Elbow Safe Pipe Fitting	0	0	93.60	EA
15259	1/2" Street Elbow Safe Pipe Fitting	0	0	95.40	EA
15261	1/2" Street Elbow Safe Pipe Fitting	0	0	97.20	EA
15263	1/2" Street Elbow Safe Pipe Fitting	0	0	99.00	EA
15265	1/2" Street Elbow Safe Pipe Fitting	0	0	100.80	EA
15267	1/2" Street Elbow Safe Pipe Fitting	0	0	102.60	EA
15269	1/2" Street Elbow Safe Pipe Fitting	0	0	104.40	EA
15271	1/2" Street Elbow Safe Pipe Fitting	0	0	106.20	EA
15273	1/2" Street Elbow Safe Pipe Fitting	0	0	108.00	EA
15275	1/2" Street Elbow Safe Pipe Fitting	0	0	109.80	EA
15277	1/2" Street Elbow Safe Pipe Fitting	0	0	111.60	EA
15279	1/2" Street Elbow Safe Pipe Fitting	0	0	113.40	EA
15281	1/2" Street Elbow Safe Pipe Fitting	0	0	115.20	EA
15283	1/2" Street Elbow Safe Pipe Fitting	0	0	117.00	EA
15285	1/2" Street Elbow Safe Pipe Fitting	0	0	118.80	EA
15287	1/2" Street Elbow Safe Pipe Fitting	0	0	120.60	EA
15289	1/2" Street Elbow Safe Pipe Fitting	0	0	122.40	EA
15291	1/2" Street Elbow Safe Pipe Fitting	0	0	124.20	EA
15293	1/2" Street Elbow Safe Pipe Fitting	0	0	126.00	EA
15295	1/2" Street Elbow Safe Pipe Fitting	0	0	127.80	EA
15297	1/2" Street Elbow Safe Pipe Fitting	0	0	129.60	EA
15299	1/2" Street Elbow Safe Pipe Fitting	0	0	131.40	EA
15301	1/2" Street Elbow Safe Pipe Fitting	0	0	133.20	EA
15303	1/2" Street Elbow Safe Pipe Fitting	0	0	135.00	EA
15305	1/2" Street Elbow Safe Pipe Fitting	0	0	136.80	EA
15307	1/2" Street Elbow Safe Pipe Fitting	0	0	138.60	EA
15309	1/2" Street Elbow Safe Pipe Fitting	0	0	140.40	EA
15311	1/2" Street Elbow Safe Pipe Fitting	0	0	142.20	EA
15313	1/2" Street Elbow Safe Pipe Fitting	0	0	144.00	EA
15315	1/2" Street Elbow Safe Pipe Fitting	0	0	145.80	EA
15317	1/2" Street Elbow Safe Pipe Fitting	0	0	147.60	EA
15319	1/2" Street Elbow Safe Pipe Fitting	0	0	149.40	EA
15321	1/2" Street Elbow Safe Pipe Fitting	0	0	151.20	EA
15323	1/2" Street Elbow Safe Pipe Fitting	0	0	153.00	EA
15325	1/2" Street Elbow Safe Pipe Fitting	0	0	154.80	EA
15327	1/2" Street Elbow Safe Pipe Fitting	0	0	156.60	EA
15329	1/2" Street Elbow Safe Pipe Fitting	0	0	158.40	EA
15331	1/2" Street Elbow Safe Pipe Fitting	0	0	160.20	EA
15333	1/2" Street Elbow Safe Pipe Fitting	0	0	162.00	EA
15335	1/2" Street Elbow Safe Pipe Fitting	0	0	163.80	EA
15337	1/2" Street Elbow Safe Pipe Fitting	0	0	165.60	EA
15339	1/2" Street Elbow Safe Pipe Fitting	0	0	167.40	EA
15341	1/2" Street Elbow Safe Pipe Fitting	0	0	169.20	EA
15343	1/2" Street Elbow Safe Pipe Fitting	0	0	171.00	EA
15345	1/2" Street Elbow Safe Pipe Fitting	0	0	172.80	EA
15347	1/2" Street Elbow Safe Pipe Fitting	0	0	174.60	EA
15349	1/2" Street Elbow Safe Pipe Fitting	0	0	176.40	EA
15351	1/2" Street Elbow Safe Pipe Fitting	0	0	178.20	EA
15353	1/2" Street Elbow Safe Pipe Fitting	0	0	180.00	EA
15355	1/2" Street Elbow Safe Pipe Fitting	0	0	181.80	EA
15357	1/2" Street Elbow Safe Pipe Fitting	0	0	183.60	EA
15359	1/2" Street Elbow Safe Pipe Fitting	0	0	185.40	EA
15361	1/2" Street Elbow Safe Pipe Fitting	0	0	187.20	EA
15363	1/2" Street Elbow Safe Pipe Fitting	0	0	189.00	EA
15365	1/2" Street Elbow Safe Pipe Fitting	0	0	190.80	EA
15367	1/2" Street Elbow Safe Pipe Fitting	0	0	192.60	EA
15369	1/2" Street Elbow Safe Pipe Fitting	0	0	194.40	EA
15371	1/2" Street Elbow Safe Pipe Fitting	0	0	196.20	EA
15373	1/2" Street Elbow Safe Pipe Fitting	0	0	198.00	EA
15375	1/2" Street Elbow Safe Pipe Fitting	0	0	199.80	EA
15377	1/2" Street Elbow Safe Pipe Fitting	0	0	201.60	EA
15379	1/2" Street Elbow Safe Pipe Fitting	0	0	203.40	EA
15381	1/2" Street Elbow Safe Pipe Fitting	0	0	205.20	EA
15383	1/2" Street Elbow Safe Pipe Fitting	0	0	207.00	EA
15385	1/2" Street Elbow Safe Pipe Fitting	0	0	208.80	EA
15387	1/2" Street Elbow Safe Pipe Fitting	0	0	210.60	EA
15389	1/2" Street Elbow Safe Pipe Fitting	0	0	212.40	EA
15391	1/2" Street Elbow Safe Pipe Fitting	0	0	214.20	EA
15393	1/2" Street Elbow Safe Pipe Fitting	0	0	216.00	EA
15395	1/2" Street Elbow Safe Pipe Fitting	0	0	217.80	EA
15397	1/2" Street Elbow Safe Pipe Fitting	0	0	219.60	EA
15399	1/2" Street Elbow Safe Pipe Fitting	0	0	221.40	EA
15401	1/2" Street Elbow Safe Pipe Fitting	0	0	223.20	EA
15403	1/2" Street Elbow Safe Pipe Fitting	0	0	225.00	EA
15405	1/2" Street Elbow Safe Pipe Fitting	0	0	226.80	EA
15407	1/2" Street Elbow Safe Pipe Fitting	0	0	228.60	EA
15409	1/2" Street Elbow Safe Pipe Fitting	0	0	230.40	EA
15411	1/2" Street Elbow Safe Pipe Fitting	0	0	232.20	EA
15413	1/2" Street Elbow Safe Pipe Fitting	0	0	234.00	EA
15415	1/2" Street Elbow Safe Pipe Fitting	0	0	235.80	EA
15417	1/2" Street Elbow Safe Pipe Fitting	0	0	237.60	EA
15419	1/2" Street Elbow Safe Pipe Fitting	0	0	239.40	EA
15421	1/2" Street Elbow Safe Pipe Fitting	0	0	241.20	EA
15423	1/2" Street Elbow Safe Pipe Fitting	0	0	243.00	EA
15425	1/2" Street Elbow Safe Pipe Fitting	0	0	244.80	EA
15427	1/2" Street Elbow Safe Pipe Fitting	0	0	246.60	EA
15429	1/2" Street Elbow Safe Pipe Fitting	0	0	248.40	EA
15431	1/2" Street Elbow Safe Pipe Fitting	0	0	250.20	EA
15433	1/2" Street Elbow Safe Pipe Fitting	0	0	252.00	EA
15435	1/2" Street Elbow Safe Pipe Fitting	0	0	253.80	EA
15437	1/2" Street Elbow Safe Pipe Fitting	0	0	255.60	EA
15439	1/2" Street Elbow Safe Pipe Fitting	0	0	257.40	EA
15441	1/2" Street Elbow Safe Pipe Fitting	0	0	259.20	EA
15443	1/2" Street Elbow Safe Pipe Fitting	0	0	261.00	EA
15445	1/2" Street Elbow Safe Pipe Fitting	0	0	262.80	EA
15447	1/2" Street Elbow Safe Pipe Fitting	0	0	264.60	EA
15449	1/2" Street Elbow Safe Pipe Fitting	0	0	266.40	EA
15451	1/2" Street Elbow Safe Pipe Fitting	0	0	268.20	EA
15453	1/2" Street Elbow Safe Pipe Fitting	0	0	270.00	EA
15455	1/2" Street Elbow Safe Pipe Fitting	0	0	271.80	EA
15457	1/2" Street Elbow Safe Pipe Fitting	0	0	273.60	EA
15459	1/2" Street Elbow Safe Pipe Fitting	0	0	275.40	EA
15461	1/2" Street Elbow Safe Pipe Fitting	0	0	277.20	EA
15463	1/2" Street Elbow Safe Pipe Fitting	0	0	279.00	EA
15465	1/2" Street Elbow Safe Pipe Fitting	0	0	280.80	EA
15467	1/2" Street Elbow Safe Pipe Fitting	0	0	282.60	EA
15469	1/2" Street Elbow Safe Pipe Fitting	0	0	284.40	EA
15471	1/2" Street Elbow Safe Pipe Fitting	0	0	286.20	EA
15473	1/2" Street Elbow Safe Pipe Fitting	0	0	288.00	EA
15475	1/2" Street Elbow Safe Pipe Fitting	0	0	289.80	EA
15477	1/2" Street Elbow Safe Pipe Fitting	0	0	291.60	EA
15479	1/2" Street Elbow Safe Pipe Fitting	0	0	293.40	EA
15481	1/2" Street Elbow Safe Pipe Fitting	0	0	295.20	EA
15483	1/2" Street Elbow Safe Pipe Fitting	0	0	297.00	EA
15485	1/2" Street Elbow Safe Pipe Fitting	0	0	298.80	EA
15487	1/2" Street Elbow Safe Pipe Fitting	0	0	300.60	EA
15489	1/2" Street Elbow Safe Pipe F				

### Takes Many Factors into Account

The system examines all the information about usage, on hand position, open sales orders, open purchase orders, lead time and stocking objective. Based on the information that it finds, it actually produces requests for quotes for items that can be ordered from many vendors. Then it creates purchase orders for things that are always ordered from one vendor, e.g. branded products, or products that have a preferred vendor.

### Works for Kits, Components and Secondary Processes as Well

Then it looks at the products that must be kitted or processed (plated, drilled, through hardened, etc.) and it creates processing purchase orders for them. Finally, it looks at the raw parts that are going to be needed to produce these products or kits, and it creates requests for quotes, purchase orders or processing purchase orders for the raw parts as well.

All of the documents are automatically created, eliminating hours of data entry and putting an end to errors. The user then reviews the documents. Any line item can be changed from the proposed document to another, e.g. from a processing purchase order to a purchase order for a part that is normally sent out for plating, but is going to be ordered plated this time. Once all the decisions are made, the user simply has the system e-mail, fax or print the documents to send them to the Vendors. When the documents go out to the vendors, of course, each vendor has their own part numbers included, thus eliminating errors and expediting the order process for everyone involved.

Classification	Document	Vendor	Date Req	Qty to Order	Available	Current On Hand	Re-Order Point
01-23NLOC	RFQ	"A"	09-09-12	100 EA	30	100	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	30	100	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	300	200	100
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0

### Product Inquiries

All through the entire process, the user has complete access to product inquiries that show all of the information that is needed to make an intelligent purchasing decision. Summarized usage is shown below. Detailed usage inquiries are a click away.

Classification	Document	Vendor	Date Req	Qty to Order	Available	Current On Hand	Re-Order Point
01-23NLOC	RFQ	"A"	09-09-12	100 EA	30	100	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	30	100	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	300	200	100
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0
01-23NLOC	RFQ	"A"	09-09-12	100 EA	1,000	1,000	0

### Cardex Shows All Activity

Every detail record of the product's usage is accessed to refine the final decision. Is the usage based on an anomaly? Is it a product that the largest customer no longer uses? Who is buying this part and who is the lowest cost vendor? The human judgment factor isn't lost when the Automatic Replenishment System is used. It's just the drudgery that is eliminated.

Date	Qty	Description	By Wh	Qty Tot	Unit Cost	Unit Price	Price Extension
09-09-12	100	01-23NLOC	To Customer	100	3.00	3.00	300.00
09-09-12	100	01-23NLOC	To Customer	100	3.00	3.00	300.00
09-09-12	100	01-23NLOC	To Customer	100	3.00	3.00	300.00
09-09-12	100	01-23NLOC	To Customer	100	3.00	3.00	300.00
09-09-12	100	01-23NLOC	To Customer	100	3.00	3.00	300.00
09-09-12	100	01-23NLOC	To Customer	100	3.00	3.00	300.00
09-09-12	100	01-23NLOC	To Customer	100	3.00	3.00	300.00
09-09-12	100	01-23NLOC	To Customer	100	3.00	3.00	300.00
09-09-12	100	01-23NLOC	To Customer	100	3.00	3.00	300.00

### Editing Basic Inventory Information

Because of the easy access, editing the inventory master file information is a snap. The basic inventory data can easily be changed immediately, rather than becoming yet another project to do at the end of a hectic day.

ENTER & EDIT PRODUCT - BRANCH STOCKING VALUES

Product Code: 01-23NLOC

Product Description: 01 Spill Catcher-Plated

Branch: Bloomingdale

Stocking Objective: 100 EA

New Stocking Objective: 20 Stock Qty

Re-Order Point: 100 EA

Minimum Quantity in Stock: 100 EA

Lead Time: 7 Days

Preferred Primary Vendor: [Blank]

Minimum Purchase Quantity: 100 EA

Optimum Purchase Quantity: 100 EA

Default Location: [Blank]

Stocking Zone: [Blank]

Forward Pick Location Values:

- Forward Pick Location Moment: 100 EA
- Forward Pick Location Moment: 100 EA

Automatic Replenishment Values:

- Auto Replenish Re-Order Point: 100 EA
- Auto Replenish Re-Order Point: 100 EA

### Automatic Replenishment Changes Everything

The work that is needed to set up the Automatic Replenishment System is worth the effort 100 fold. The system saves countless hours and tedium. Clients that use this system are in complete control of their inventory. They dramatically reduce stock-outs and they also improve their overstock position. They do less work and have better results.

### More Information

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