# NETSTOCK

# Annaghmore furnishes its inventory division with a new inventory optimisation tool

**Company** Annaghmore Agencies Ltd

**Industry** Importers and wholesalers – domestic furniture

**Location** Ireland

**ERP** Microsoft Dynamics NAV

**annaghmore**
furniture importers and wholesalers

**Annaghmore Agencies LTD**, founded in 1977, is an Irish owned family distribution company that import and deliver marketleading products from the world's leading furniture manufacturers. Annaghmore's impressive product portfolio consists of over 2000 product lines which they deliver throughout Ireland, England, Scotland and Wales.

## Challenge.

No access to meaningful data

Incorrect forecasts and orders

## Solution.

Netstock provided forecast and order recommendations allowing smarter ordering decisions

## Result.

30% reduction in stock

50% saving on employee processing time

## Management by exception brings order and simplicity

Before the implementation of Netstock, Annaghmore were managing their forecast and orders using a combination of Power BI and spreadsheets. They were struggling to get the right balance with their inventory ordering and found themselves in an unbreakable cycle resulting in them either overstocking or understocking their inventory. "We never knew what an 'ideal stock level' should be.

Additional costs for extra warehousing were a frequent occurrence due to us over-ordering," says Conor McKeown, Managing Director for Annaghmore Ltd. Factors that should be taken into account when preparing forecasts such as supplier lead times and sufficient safety stock levels were not being considered. Annaghmore had zero visibility on future stock projections, which negated any form of effective strategic planning or monitoring of their inventory related activities. With Netstock, Annaghmore's stock levels are better controlled by using the Min/Max stock level calculations, combined with the safety stock allowance, minimum order quantity restrictions, and accurate lead time data. By using and trusting the Netstock recommendations, overstocking is now a thing of the past. Furthermore, stockouts are easily identified through the Netstock dashboard enabling actionable steps to be taken, and having full visibility of their Supplier's performance has helped Annaghmore to streamline their supply chain more effectively.

Annaghmore has only been using Netstock for five months and has already estimated a 30% reduction in stock and a 13% increase in fill rate within the next six months. This will result in similar improvements in turnover and bank balance, which can all be attributed to efficient inventory management. Besides the direct financial ROI, employee efficiency has improved. Tasks that used to take days to complete can now be measured in hours and sometimes even in minutes. Annaghmore estimates that they are seeing as much as 50% saving on employees' processing time. "I would highly recommend Netstock to any business that struggles with its inventory processes. Through the use of a simple but very effective "management by exception" approach, it brings order and simplicity to SKU level decision making that can sometimes overwhelm the decision-maker. For us, it was a game-changer. For anyone that feels effective stock control is an impossible task, then Netstock is the answer," concludes Conor.

Fill rate

In 5 months of use — 30% — 15% — 50% — Expected to improve

Stock

Process time