webineering

SAMPLE DELIVERABLE

Site Assessment Analysis and Report

Inventory Accuracy and Order Fill

Brackwell Industrial Supply | Dorrance and Millgate

PREPARED FOR

President, Brackwell Industrial Supply
Director of Operations

PREPARED BY

Webineering

SITE VISIT · REPORT ISSUED

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Sample deliverable. This report is a composite. Company names, people, locations, and figures have been changed to protect client confidentiality. The method, analysis, and recommendations reflect our work.

How to Read This Sample

This is a sample of the report a Webineering site assessment delivers. It is a composite. Company names, people, locations, and figures have been changed to protect client confidentiality. The method, the analysis, and the recommendations reflect our work.

This sample shows our shortest format: two days on site and a focused report for a single question. What each part shows:

Report section	What it shows
3.1–3.2 Short orders and record accuracy	Tracing failed orders back to the count, the location, and the move that caused them
3.3–3.4 Scan discipline, receiving, and transfers	Where scans are skipped and why, by transaction type
3.5 Buyers compensating with stock	How inaccurate records inflate safety stock
4.4 Weekly supervisor briefing	A short, zone-based scan compliance report for supervisors

Engagement at a Glance

Item	Detail
Question we were asked	Why do customers get short shipments when our system says the stock is here, and do we need a new warehouse system to fix it?
Duration	1-week pre-visit data review, 2 days on site (one at each distribution center), 2 weeks of post-visit analysis
Evidence base	41,200 orders and 186,000 order lines from May to July 2026, 6,240 cycle counts, 13 weeks of scan logs, 120 blind location checks, 18 structured interviews
Deliverables	This report, the order-failure trace and inventory model behind it, and a 90-day action plan with owners

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1 Executive Summary

Brackwell can raise inventory record accuracy from 84% to 95% within 90 days and to 97% within six months without a new warehouse system. The records are wrong because stock moves without a scan: put-aways, replenishments, transfers between the two distribution centers, and returns. One order in nine ships short or late because of a stock problem, and four in ten of those are for stock the system says is on the shelf.

Inaccurate records cost an estimated $1.8M–$2.2M a year in write-offs, emergency buys, search time, customer credits, and the carrying cost of extra stock. Buyers have raised minimums to protect against counts they do not trust, and about $3.0M of that safety stock can come out once accuracy holds.

Where We Stand

Measure	Current	90-day target	6-month target
Inventory record accuracy (cycle counts)	84%	95%	97%
Orders shipped short or late for stock reasons	1 in 9 (11.2%)	1 in 20	1 in 30
Moves recorded by scan	68%	95%	98%
Dock to stock	2.6 days	Same day	Same day
Excess safety stock released	None	Reset begins	About $1.5M ($3.0M by month 12)

What to Do Now (0–90 Days)

- Scan every move. Make put-away, replenishment, transfer receipt, and return-to-stock scans mandatory, and close the paper paths around them.
- Count to correct. Cycle count by value and velocity, and find the cause of every miss over tolerance.
- Put received stock away the same day, with a daily dock clear before the shift ends.
- Give supervisors a one-page weekly briefing on scan compliance and count accuracy by zone.
- Reset minimums and maximums only after accuracy holds above 95% for eight weeks.

The Warehouse System Decision

A new warehouse management system enforces a scan only on the moves it directs. Stock parked in an open slot, a transfer truck keyed in from the manifest, and returns put back by hand would stay outside it, and a $1.1M implementation on top of inaccurate records would carry the errors into the new system. We recommend holding the decision until Phase 1 is complete, then buying against the requirements in Section 5.

2 Context & Method

Brackwell Industrial Supply is a founder-owned distributor of fluid power and power transmission components: hydraulic hose and fittings, bearings, belts, sprockets, and pneumatics. Its customers are plant maintenance teams, OEMs, and contractors, and next-day availability is what they buy.

Attribute	Detail
Ownership	Founded in 1979; second-generation president since 2024
Size	About $68M in annual sales; 146 employees
Distribution centers	Dorrance (180,000 sq ft, main) and Millgate (70,000 sq ft), with daily transfers between them
Range	About 38,000 active SKUs; a hose assembly shop at Dorrance; will-call counters at both sites
Customers	About 2,100 active accounts; an online store launched in 2025 shows live availability from the ERP
Systems	ERP with a handheld scanning module; no separate warehouse management system; a $1.1M system quote under review

The president asked three questions: why customers receive short shipments when the system shows stock, what it costs, and whether a new warehouse system is the fix. We traced every order that shipped short or late for a stock reason over 13 weeks back to the location and the move behind it, ran blind checks on 120 locations at both sites, watched receiving, put-away, picking, and transfers on both shifts, and interviewed 18 people from the warehouse floor to purchasing and customer service.

3 Findings

3.1 Where Short and Late Orders Come From

Of 41,200 orders shipped from May to July 2026, 4,614 went out short or late because of a stock problem. The largest cause, 41% of them, was stock the system showed on the shelf that pickers could not find.

Four in ten short or late orders were for stock the system said was on the shelf

4,614 of 41,200 orders shipped short or late because of stock problems, May to July 2026

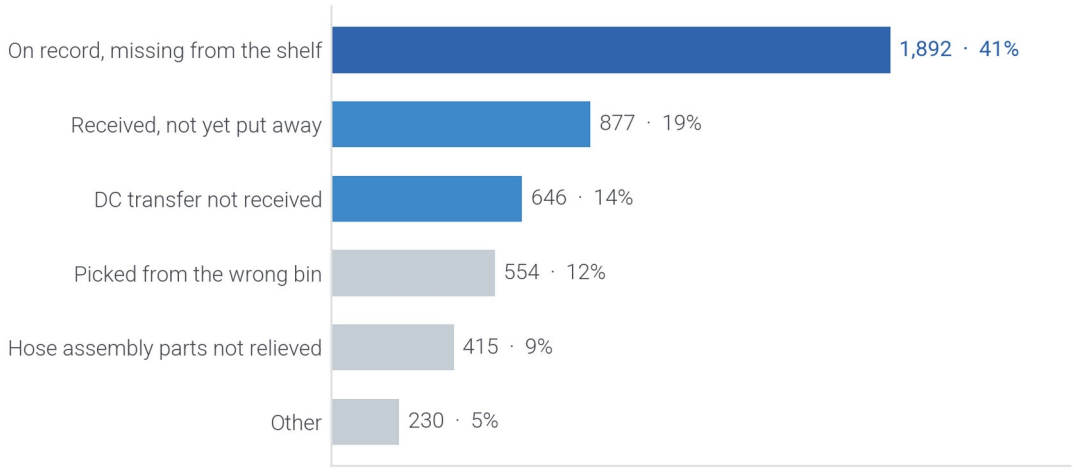


Figure 3.1 · Order and pick exception records, May – July 2026 · Values adjusted for confidentiality

The next three causes are moves the system did not see: stock received but not yet put away, transfers shipped from one DC and never scanned in at the other, and picks from a bin that held a different item. Together with phantom stock they account for 86% of stock-driven short and late orders.

> **KEY INSIGHT**
> Customers now see the same numbers the pickers do. The online store shows live availability from the ERP, so every phantom unit is also a promise made to a customer that the warehouse cannot keep.

3.2 Record Accuracy by Area

Cycle counts matched the system within tolerance 84% of the time across both sites. Accuracy follows how stock moves through each area: it is highest in fast-pick, where every pick is scanned, and lowest in overflow and temporary locations, where stock is parked without a location scan.

Record accuracy runs from 92% in fast-pick to 62% in overflow

Cycle counts matching the system within tolerance, both DCs, 6,240 counts, May to July 2026

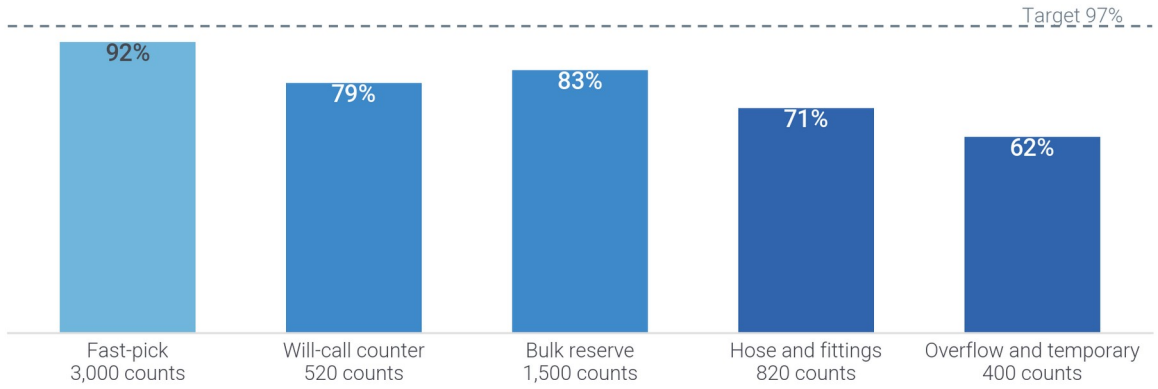


Figure 3.2 · Cycle count records, both DCs, May – July 2026 · Values adjusted for confidentiality

Hose and fittings runs at 71% for a second reason: the assembly shop pulls fittings and hose by the length, and the ERP relieves components from a standard bill of materials. When a technician uses a different fitting or a longer cut, the record drifts.

DATA CONFIDENCE NOTE

Blind checks on 120 locations, chosen by us and counted by our team with a Brackwell lead, found 98 matching the system (82%), within three points of the cycle count result. The 84% figure is reliable as a baseline.

3.3 Scan Discipline

Receipts and pick confirmations are scanned almost every time, because the system will not move forward without them. The moves in between depend on habit, and under pressure the scan is the step that gets skipped.

Scans happen at the ends of the process and get skipped in the middle

Share of transactions recorded by scan, by type, both DCs, May to July 2026

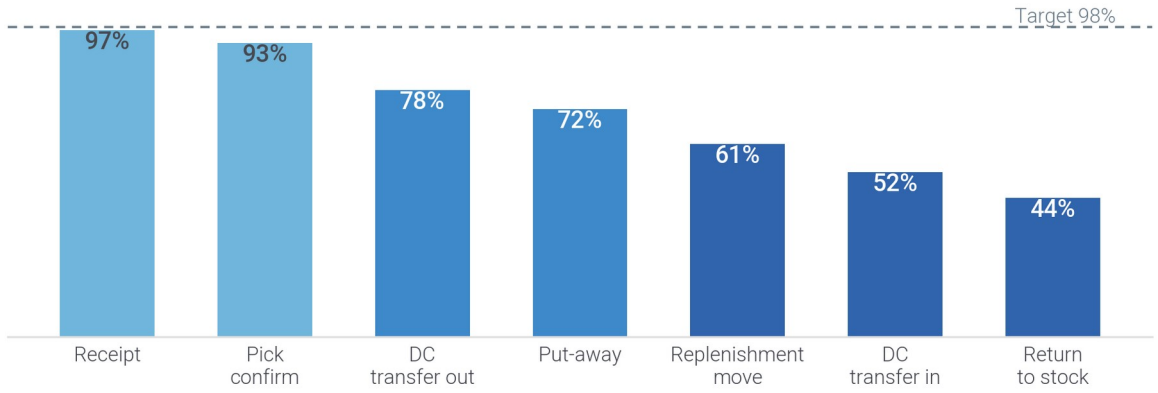


Figure 3.3 · Handheld scan logs and ERP transactions, May – July 2026 · Values adjusted for confidentiality

- **Put-away and replenishment.** Lift drivers told us they put stock in the nearest open slot when the assigned one is full and plan to scan it later. Later often does not happen.
- **Transfers in.** Millgate receives the daily transfer truck at the end of its shift, and about half of transfer lines are received by keying the paper manifest with no scan.
- **Returns.** Returned items wait on a cage at each site and go back to stock by hand when someone has time. Fewer than half are scanned back in.

3.4 Receiving and Transfers

Dock to stock averages 2.6 days, and 9% of receipts take more than five days. Stock sitting on the dock is on hand in the system but not in any pick location, which explains 19% of short and late orders. Transfers add a second gap: stock leaves one site's record when it ships and appears at the other only when someone receives it.

3.5 Buyers Compensate With Stock

Brackwell's three buyers have raised minimums and maximums above the calculated levels on about 2,900 SKUs, by 38% on average, because they do not trust the counts. That is a reasonable response to the records they have, and it carries about $3.0M of extra stock.

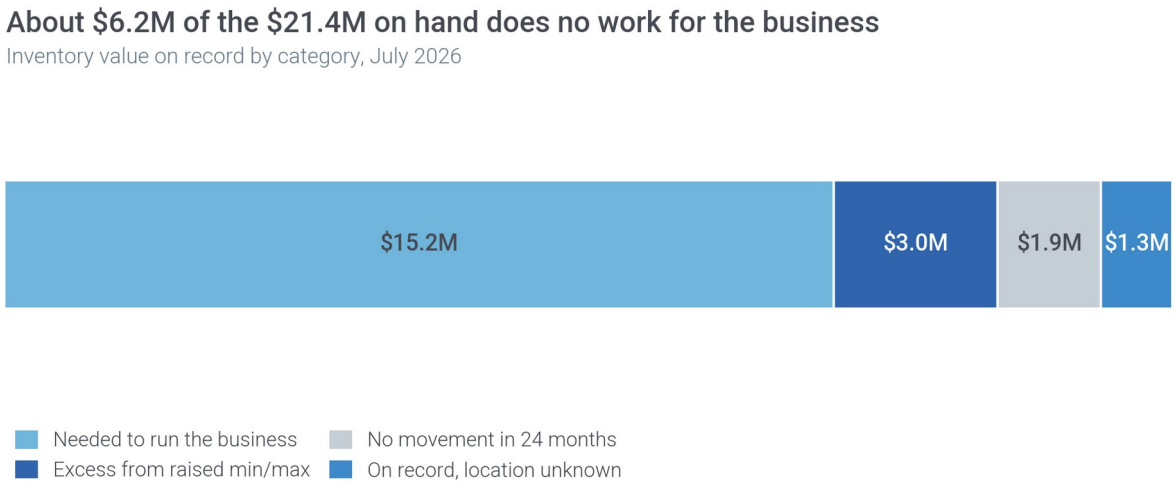


Figure 3.4 · ERP inventory valuation and min/max settings, July 2026 · Values adjusted for confidentiality

Another $1.9M has not moved in 24 months, and $1.3M is on record in locations where our blind checks and the cycle counts could not find it. The annual physical inventory writes off about $410K net, from gross swings of $1.6M in both directions.

3.6 What a New System Would and Would Not Fix

A warehouse management system would add directed put-away, task interleaving, and better slotting, all useful at Brackwell's size. It enforces scans only on the tasks it directs. Drivers parking stock in the nearest open slot, a transfer truck received at the end of a shift and a returns cage cleared by hand all happen outside directed tasks. Those are process and supervision problems, and they would follow the data into a new system.

4 Action Plan (0–90 Days)

The 90-day plan closes the gaps between scans, corrects the records through counting, and gives supervisors the information to hold the gains. The target is 95% record accuracy by day 90.

4.1 Scan Every Move

Action	Owner (suggested)	Timeline	Expected outcome
Require a location scan on every put-away and replenishment; block put-away to a location the handheld has not confirmed	Operations Director, ERP Admin	0–30 days	Put-away and replenishment scans above 95%
Receive transfer trucks at Millgate on arrival, by scan only; retire keyed manifests	Millgate Lead	0–14 days	Transfer-in scans above 95%; no stock in limbo between sites
Scan returns to stock within one shift; clear the returns cage daily	Site Leads	0–30 days	Return-to-stock scans above 90%
Label every overflow and temporary location and require a scan to use it	Site Leads	0–30 days	Overflow accuracy from 62% to 90%

4.2 Count to Correct

Action	Owner (suggested)	Timeline	Expected outcome
Cycle count by value and velocity: top items monthly, the middle tier quarterly, the rest once a year; assign two counters at Dorrance and one at Millgate	Inventory Control	0–30 days	Every high-value SKU counted each month
Find and record the cause of every count miss over tolerance	Inventory Control, Site Leads	0–90 days	Each miss fixed at its source before the record is adjusted
Count and correct the hose and fittings area; record actual components used on each assembly	Hose Shop Lead	0–45 days	Hose and fittings accuracy from 71% to 92%

4.3 Same-Day Put-Away

Action	Owner (suggested)	Timeline	Expected outcome
Daily dock clear before the end of each shift, with put-away priority for items on backorder	Site Leads	0–30 days	Dock to stock from 2.6 days to same day

4.4 Weekly Supervisor Briefing

Supervisors need to see scan compliance and count accuracy by zone and by shift without opening a report. A one-page briefing every Monday, generated from the scan logs, shows each zone's numbers, its trend, and the three locations with the most count misses. It should be short enough to read in two minutes.

4.5 Reset Stock Levels Once Records Hold

Action	Owner (suggested)	Timeline	Expected outcome
Recalculate minimums and maximums from demand and lead time after eight weeks above 95% accuracy	Purchasing Manager	60–90 days and after	About $3.0M of excess stock released over 12 months
Review the $1.9M with no movement in 24 months: return, transfer, or write down	Purchasing Manager, Finance	30–90 days	Dead stock reduced and space recovered

IMPORTANT

Do not cut minimums before accuracy holds. Reducing safety stock on records that are still wrong would turn phantom stock into stockouts.

5 After 90 Days

Workstream	Phase 1 · 0–90 days	Phase 2 · 3–6 months	Phase 3 · 6–12 months
Transactions	Scan every move; transfer and returns discipline (4.1)	Scan compliance above 98% held on both shifts	System enforces every move by design
Counting	Cycle counts by value and velocity with root cause (4.2)	Annual physical inventory replaced by cycle counting, with the auditors' agreement	Live availability that excludes stock on the dock or in transit
Stock levels	Dock clear daily; dead stock review (4.3, 4.5)	Min/max reset; about $1.5M released	About $3.0M released in total
Supervision	Weekly supervisor briefing (4.4)	Zone accuracy targets in supervisor goals	Briefing extended to purchasing and customer service
Systems	Hold the warehouse system decision	Requirements and vendor demonstrations against them	Selection and implementation, if still justified
Gate to next phase	95% accuracy and 95% scan compliance for eight weeks	97% accuracy; min/max reset complete	–

Requirements for a Warehouse System

If Brackwell buys a warehouse system after Phase 1, it should be judged on what this assessment found:

- Directed put-away with a confirmed location scan, and no way to complete a move without one
- In-transit inventory for transfers between sites, received by scan
- Returns processing with disposition and a scanned return to stock
- Component consumption by actual use for hose assemblies
- Cycle counting by value and velocity with reason codes for every adjustment
- Live availability to the online store that excludes stock on the dock or in transit

6 Appendices

Appendix A: Data Sources

Source	Description	Period
Order and pick exceptions	41,200 orders, 186,000 lines; short, substituted, and late lines with reason	May – Jul 2026
Cycle counts	6,240 counts at both sites, with adjustments	May – Jul 2026
Scan logs and ERP transactions	Handheld scans matched to ERP moves by type	May – Jul 2026
Blind location checks	120 locations chosen and counted by Webineering with a Brackwell lead	Jul 14–15, 2026
Inventory valuation and min/max	On-hand value, movement history, and buyer overrides	July 2026
Physical inventory results	Gross and net adjustments, last two years	2024 – 2025
Interviews and observation	18 interviews; receiving, put-away, picking, and transfers on both shifts	Jul 14–15, 2026

Appendix B: Metric Specifications

Metric	Formula	Benchmark (good / world-class)	Start
Inventory record accuracy	Counts within tolerance ÷ counts; exact quantity for high-value items, ±2% for bulk and cut hose	95% / 99%	Now
Stock-driven short or late orders	Orders short or late for a stock reason ÷ orders	Under 5% / under 2%	Now
Scan compliance	Moves recorded by scan ÷ moves, by type	98% / 99.5%	Within 30 days
Dock to stock	Put-away time − receipt time	Same day / 4 hours	Within 30 days
Inventory turns	Annual cost of goods sold ÷ average inventory	4 / 6	Now

Appendix C: Financial Impact

Annual cost	Basis	Estimate
Carrying cost of excess stock	$3.0M excess at 18% a year	$0.54M
Emergency buys, drop-ships, and expedited freight	Premiums paid to cover phantom stock, last 12 months	$0.52M
Physical inventory write-offs	Net adjustment, average of the last two years	$0.41M
Search time	About an hour per warehouse associate per shift across 40 associates	$0.35M
Customer credits and backorder concessions	Last 12 months	$0.19M
Total recurring		About $1.8M–$2.2M
One-time working capital	Excess safety stock released after accuracy holds	About $3.0M

These are order-of-magnitude estimates built from operating data and have not been audited. They exclude lost sales from customers who order elsewhere when the online store shows stock that is not there, which Brackwell does not currently measure.