INTERNSHIP REPORT

ON

AVERY DENNISON BANGLADESH

BY

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AN INTERNSHIP REPORT SUBMITTED TO THE GRADUATE SCHOOL OF MANAGEMENT (GSM) IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF THE MASTER OF BUSINESS ADMINISTRATION (MBA)

GRADUATE SCHOOL OF MANAGEMENT (GSM)

BRAC UNIVERSITY
MARCH, 2022

Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

Student Full Name

Student ID

Supervisor's Full Name & Signature:

Supervisor Full Name

Designation, Department

Institution

Letter of Transmittal

Dr. Sebastian Groh

Associate Professor,

BRAC Business School,

BRAC University,

66 Mohakhali, Dhaka-1212.

Subject: Internship Report on Inventory Management of Avery Dennison Bangladesh.

Dear Sir,

This is my pleasure to exhibit my experience and position for the company I am working currently through the submission of this report. I have attempted my best to finish this report including the essential data and recommended proposition briefly as possible. This current job role is enhancing my professional skills and also shaping my corporate career. I have tried to hold up my learning and experiences through this report. Therefore, I trust that the report will meet the desires.

Sincerely yours,

____

Student Full Name: Rifat Parveen

Student ID: 21164009

BRAC Business School

BRAC University

Date: 22 May, 2023

NON-DISCLOSURE AGREEMENT

This agreement is made and entered into by and between Avery Dennison Bangladesh and Rifat Parveen, who is an undersigned student at BRAC University. I, therefore, declare that I have kept full confidentiality of the company.To prepare this report I have only used the materials available in the company's global website. Thus, the only information utilized and analyzed here are from the company's global annual report as a whole and no financial information has been used from the Bangladesh operation to ensure the full compliance of the company.

ACKNOWLEDGEMENT

I would like to express my gratitude to Avery Dennison Bangladesh for all the help they have provided to create the report. I am also very much thankful to my academic supervisor, Dr. Sebastian Groh for his guidance and patience to keep to me on track to complete my MBA. Last but not least, I want to express my gratitude to BRAC University, where I have spent the last two of my precious years and acquired a handful of knowledge.

EXECUTIVE SUMMARY

This internship report provides an overview of the entire, in-depth outcome of the internship during a given time frame. It includes three chapters portraying different scopes of internship. The first chapter provides an overview of the company and its product. The second chapter is based on my role as a GPD to supply chain and the demand planning factors. The third chapter focuses on the main problem which is inventory management. Data are collected from the supply chain team and from the website. These data are analyzed and the current scenario has been portrayed. Finally some recommendations have been shared on the basis of the data, experience and the interviewing colleagues.

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CHAPTER 1. INTRODUCTION

Inventory Management includes management of raw materials, semi-finished or finished goods, pre-build stocks as well as warehousing all pre-production and post-production components. It defines the end to end process from forecasting to storing that also involves replenishing and depleting excess stocks. Inventory management efficiency is inevitable to run any manufacturing company successfully. Avery Dennison has its own execution plan in managing inventory considering demands and supply conditions, market vulnerabilities, price, available stocks and possible fluctuations. Right techniques to manage inventory is very important as it's the key to satisfy customers with on time order fulfillment, prevent fraud and minimize costs.

1.1. Company Overview

Avery Dennison (Paxar Bangladesh) is a global fortune 500 company which mainly operates as a label and packaging manufacturing company in Bangladesh apparel industry. Worldwide it specializes in functional material and label manufacturing. Its headquarter is located in Ohio, U.S. Avery has spread its activities over 50 countries with around 36,000 employees worldwide. Avery Dennison is market leader in the labeling and packaging industry. It goes without saying that Avery is continuing its legacy of being the most innovative, sustainable solution provider in the apparel industry.

Two of core values that Avery Dennison adheres are customer focus and sustainability which in terms create long term value for customers. In order to maintain Excellency in business, Avery Dennison focuses on higher inventory turnover and lower days sales outstanding (DSO) like other companies. Additionally, Avery Dennison is committed to reduce the adverse impact on the environment through lean operation and supply chain as a part of its sustainability journey.

As a manufacturing company, inventory management is one of the crucial facts that can create service satisfaction and higher profitability. Avery Dennison applies inventory management techniques based on its products and production technologies. Also it depends on accurate information from customers and from brands how accurately Avery can maintain its inventory.

Figure 1 Innovation and Sustainability Goals of Avery Dennison

1.2. Products of Avery Dennison

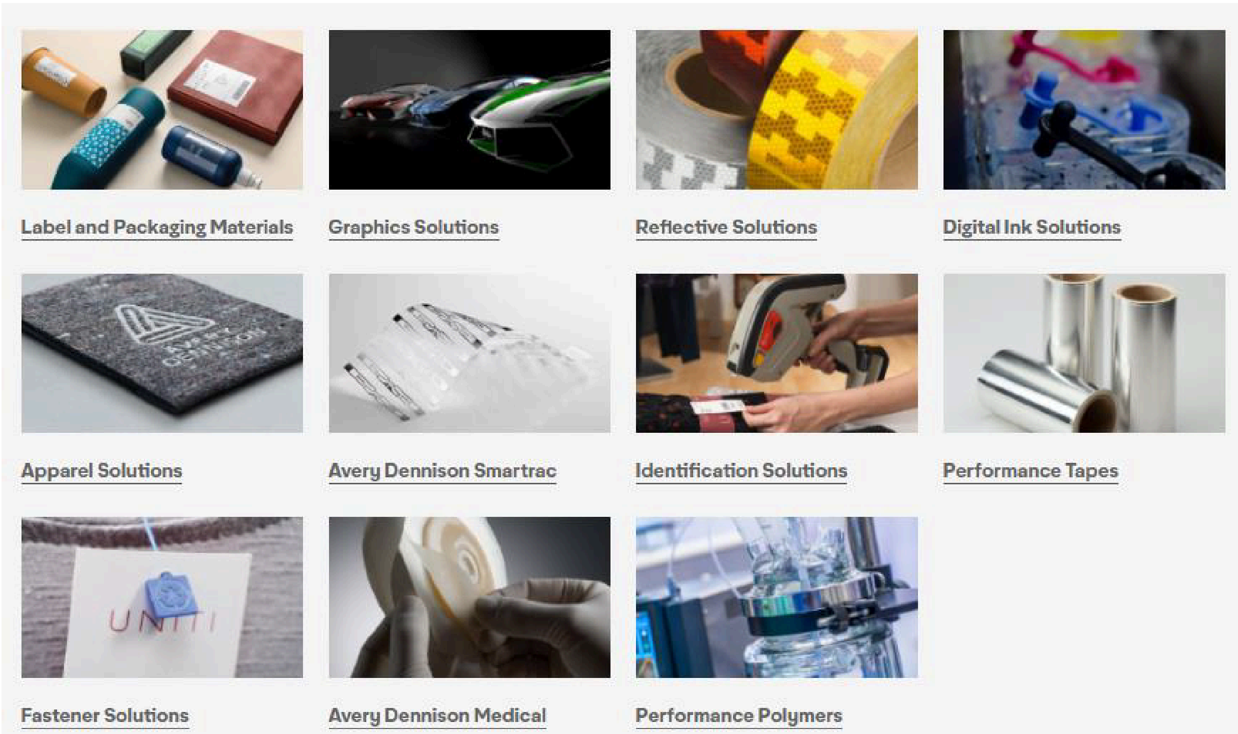


Figure 2: Products of Avery Dennison

1.2.1. Label and Graphic Materials

- Label and Packaging Materials
- Graphics Solutions
- Reflective Solutions

1.2.2. Retail Branding and Information Solutions (RBIS)

- Tickets, Tags, Labels, and Embellishments for Retail Apparel
- Radio-Frequency Identification
- Printer Solutions

1.2.3. Industrial and Healthcare Materials

- Performance Tapes
- Adhesives
- Fastener Solutions
- Medical Solutions

1.3. Avery Dennison Bangladesh Production Locations

- Factory in Dhaka EPZ
- Chittagong FRU
- Dhaka FRU

1.4. Product Lines

- Offset
- Digital
- RFID (Radio Frequency Identification
- Woven
- PFL (Printed Fabric Label)
- HTL (Heat Transfer label)
- Flexo-Thermal
- IPPS (In Plant Printing Solutions)

CHAPTER 2. MY ROLE IN AVERY DENNISON BANGLADESH

My role in Avery Dennison is to develop products in a way that creates value for customers, doesn't harm the environment and reduces waste. As I am working in the Global Product Development department, I am also a part of the entire Inventory Management chain. Being a product developer it's my responsibility to choose material which complies with environmental requirements and also customer's demand and by selecting the right material I contribute to Avery Dennison's commitment of sustainability, innovation, excellence and external focus.

Being a GPD, my key contribution in Inventory Management is to liquidate inventory as early as possible and also to find alternative solutions when there is scarcity of material supply. It supports the supply chain team in two ways. Firstly, it can faster the inventory turnover and it also provides an immediate solution in meeting customer's deadlines.

2.1. Supply Chain Department in Avery Dennison

Inventory Management in Avery Dennison is one of the crucial tasks of supply chain management. In Avery, the supply Chain Department is mainly sub categorized into sourcing and procurement, demand planning, purchase, capacity planning, warehouse, export and import. Inventory Management is mainly handled by the demand planning department who are also responsible for placing orders to suppliers.

Figure 3 Values of Avery Dennison

GPD team closely works with demand planning team to provide insights of

- New material forecasts
- Material change,
- Alternative solutions in case of shortage,
- Preparing semi-finished stock to meet pick season’s demand,
- Liquidating non-moving and reserve materials.

CHAPTER 3: OVERVIEW OF THE PROJECT

3.1 Introduction

For any manufacturing company, inventory has a direct impact on Sales or revenue and profit. That is why effective inventory management is compulsory for an organization like Avery Dennison to achieve its goal which includes profitability and to be consistent to meet customer demand.

Figure 4: Image of a portion of warehouse in ADBD

In ADBD, three types of inventory are managed.

1. Raw material (RM)
2. Semi finished goods or WIP inventory

3. Finished good inventory

3.1.1. Raw Material

This refers to the inventory which is used to prepare finished goods or semi-finished one. For example, for hangtag, we have paper RMs, for PFL, we have various types of ribbons, for HTL, we have PET sheets etc.

3.1.2 Semi finished goods or WIP inventory

Raw materials are converted into semi-finished goods so that when the orders come, they can be used to convert into finished products. Semi finished flexo baseroll, semi finished woven baseroll etc are WIP inventory.

3.1.3 Finished Goods Inventory

This represents the final products which have been produced by different production methods using the raw materials and semi finished goods. These are tags, labels, RFIDs etc.

3.2.Inventory Management System

A systematic inventory management system ensures that the inventory is utilized in a controlled way to fulfill customer demands. It also has an impact on reducing the risk of excessive stocking or lower stocking. It has a direct relation to convert the inventory into sales to ensure maximum profit. Supportive activities including capacity planning, production planning, warehousing, and logistics aid in minimizing waste and optimizing the production process, as well as in maintaining the proper level of inventory to fulfill consumer demand.

There are two factors that influence inventory management.

1. Forecasting demand
2. Inventory control

3.3.Forecasting Demand

One of the most important aspects of controlling the proper quantity of inventory is forecasting accuracy; the closer the forecast, the easier it will be to manage inventory control. When predictions are higher than actual orders, raw materials or stocks of semi-finished goods are insufficient, which disrupts the production process. Hence, a system for managing inventory that is optimized should be based on a vast amount of historical data and realistic order volume.

Figure 5: Advantage of incorporating an accurate forecasting

3.4.Inventory Control

Inventory control is managing the stock level so that it neither causes a stock out situation nor contains excess goods. To reconcile both criteria in the manufacturing industry is not an easy job. A cash out situation could result from an overly strict inventory management system that puts the business at risk. Consequently, the best approach is optimal inventory control using accurate historical data and a current inventory list.

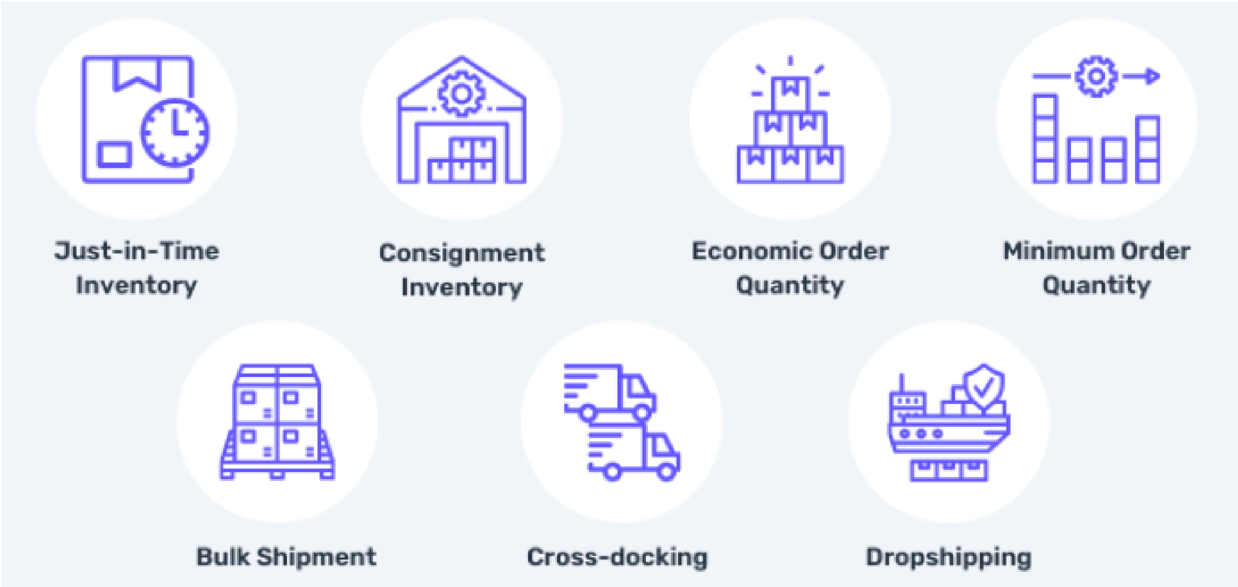


Figure 6: Steps involved in inventory control mechanism

The key objectives of this report on "Inventory Management Practices in Avery Dennison" are to show how Avery Dennison optimizes its inventory level, what problems they frequently encounter, and how they work on solutions to these problems. Avery Dennison can ensure its long-term presence in the labeling and packaging industries by improving its inventory management, according to this report.

Goals of this paper are

1. Identify importance of inventory management in Avery Dennison
2. Evaluate current inventory management practices in Avery Dennison
3. Study challenges that they face in keeping inventory

4. Find out possible solutions to the frequent inventory issues

5. Work on recommendations on how Avery Dennison can change its existing practices to avoid recurring problems.

3.5: Scope of this project

The scope of this report is to study inventory management systems within ADBD. The report has focused only on current practice of the organization, challenges it faces and the future plan. This report is created using data from the team members who are directly responsible for handling the inventory along with information from routine business activities.

3.6 Limitations

This paper has been created based on the interview of the concern teams and regular operational procedures. It is not analyzed by using any survey questions or statistical software. It is a descriptive report in which the company's employees has shared their thoughts on existing inventory management issues. No third party has been considered to prepare the report.

3.7 Methodology

Primary data has been collected from the demand planning department. Total three interview sessions were held with the supply chain department and data from the last five years were retrieved. The data has been used to find out demand vs supply discrepancies; such as

- Inventory shortages
- Sudden order hikes
- Shortages at sourcing point
- quality issues

Through an interview with Farzana Sharmin, Supply Chain Department Head, plans to mitigate immediate crisis and corrective actions have been found out.

Further data has been collected from the website. Difficulties and necessary immediate measures to improve the inventory problem have been identified through observations and based on experience from managing day-to-day activities.

3.8 Findings

Overall performance of Avery Dennison is measured based on smoothness of its inventory management. An efficient and effective management system works on reduction of production cost and also optimizes the existing process.

3.8.1 Existing Practices of Avery Dennison

Avery Dennison Bangladesh follows the process which is similar to pull strategy to control its inventory, Here the organization supplies based on the customer's requirement. But for a large scale manufacturer like Avery Dennison, it is tough to maintain rapid changes of customer's requirements. Again, shift in trend is common in apparel industry. So it is tough for ADBD to follow the pull strategy by book. Hence, The following factors are taken into account when estimating demand and maintaining stock levels.

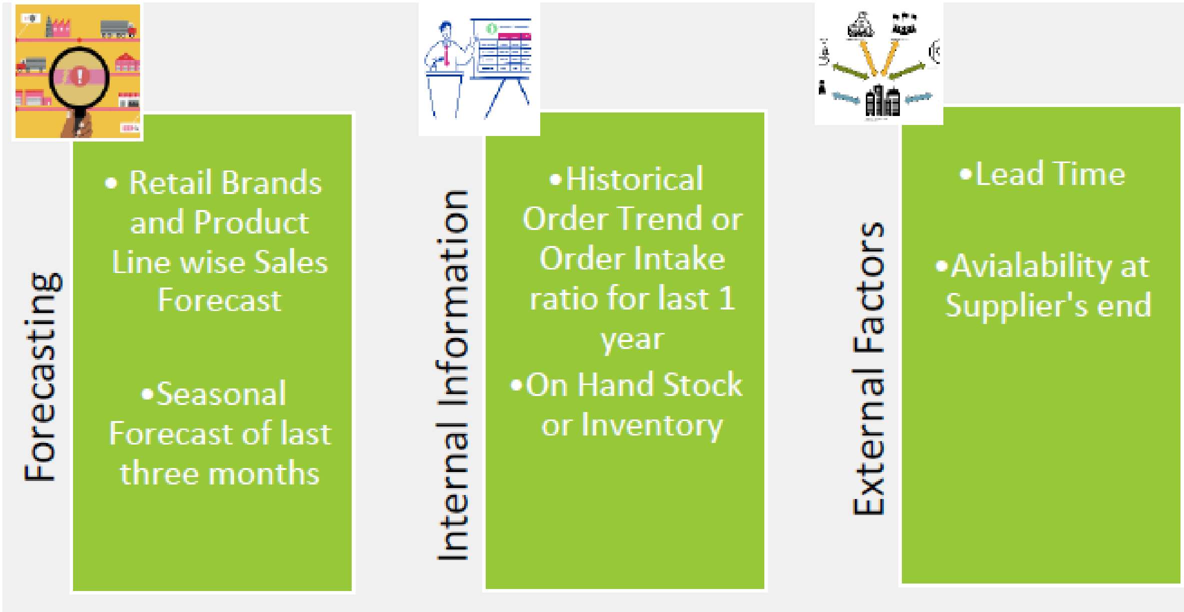


Figure 7: Factors to pan effective inventory management

3.8.2 Sales Forecast

In Avery Dennison Bangladesh, two sales teams are involved. They are-

- RBC Sales: They work closely with retails brands
- Factory Sales: They work closely with garments or manufacturers.

Sales team shares forecast based on both factory-specific data from RB, such as the potential quantity orders from consumers, and the amount that the brand has set aside for specific garment kinds. Weekly updates of this cumulative prediction are provided to the demand planning team, and in cases of urgency, it is handled by “just in time” approach.

For any new product or program, factory sales (FS) team provides forecasts through weekly projection template (PT). FS team initiates the templates and through process, it comes to GPD. GPD shares the item dimension, RM oracle code and description and if there is any additional requirement for the item in the template. Demand planning team works on the final stage to calculate the required amount of RM and place the order.

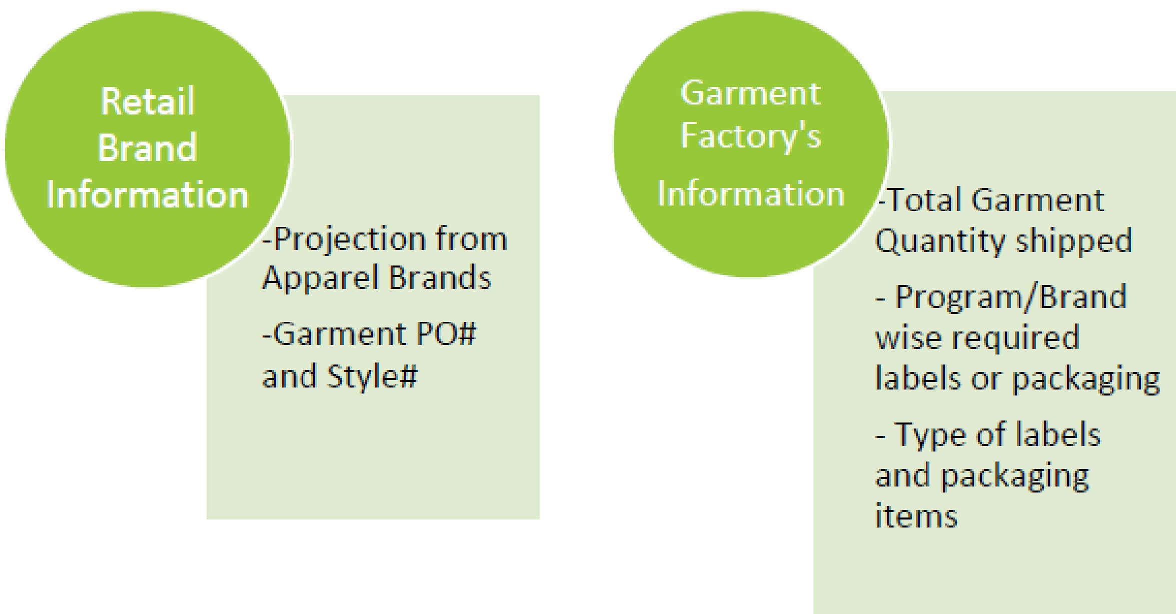


Figure 8: Elements of sales forecasting

3.8.3 Forecast Accuracy

Forecast accuracy in the apparel sector is vital and difficult to maintain at an optimum level. Any change in order, cancellation, modification to the garment or label design might completely alter the anticipation. Industry-wide, the typical prediction accuracy rate is from 60% to 70%, whereas Avery aims to reach 70% accuracy in 2023. In year 2022, it was roughly 56%.

PL X RB	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	H1	H2	Q1	Q2	Q3	Q4
Fcst Accuracy Target	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
YTD'2023	55%	54%											54%	54%		54%			
YTD'2022	37%	48%	61%	55%	53%	52%	45%	56%	57%	58%	60%	50%	53%	51%	54%	48%	53%	53%	56%

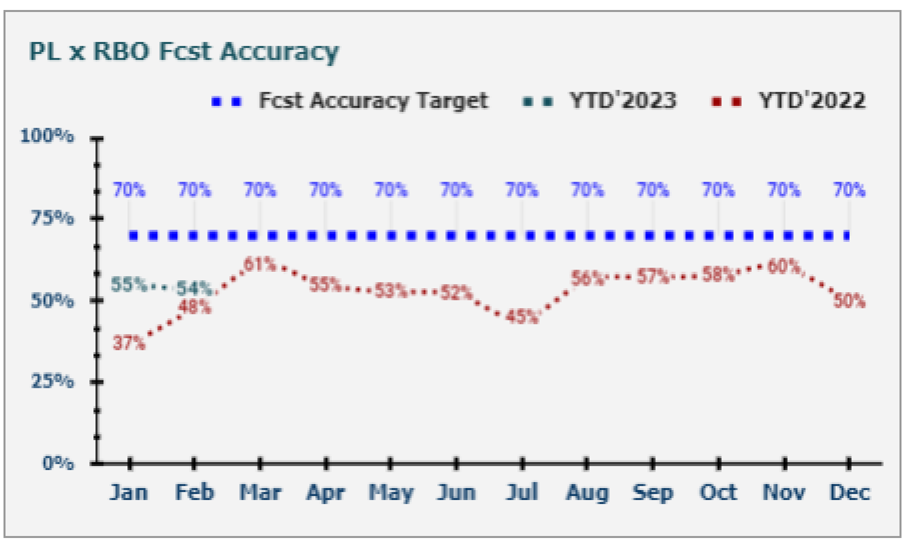


Figure 9: RB wise forecast accuracy (2022 vs 2023)

3.8.4 Material Planning and Order Placing

The demand planning team is in charge of placing order three months prior to the order intake. Before placing orders with suppliers, they evaluate the sales forecast, order intake from the previous six months, the seasonal impact of the first three months of last year's stock, the quantity of materials on hand, the status of materials in transit, and the obsolescence of stock. They incorporate all the variables in model called ABCDXYZ, Avery Global Model to identify the exact number of quantity to place to suppliers. Again, current practice is that two months inventories are kept on hand for regular order replenishments, also 15 to 20 days safety stock is kept for fulfilling unanticipated demands.

If we summarize, we can get below equation.

Material Availability= On hand stock + Open PO# - Forecast – Live order Quantity

Again, while placing order two modes of transportation are considered.

1. Sea Shipment- Lead time around 1.5 months
2. Air Shipment- lead time approx. 10 to 15 days

Further, below are some other factors considered during placement of RM order.

- Product name
- Stock-keeping unit (SKU)

- Brand
- Variables such as size, retail price, product category, lot number, location and expiration date.
- Vendor and vendor SKU
- Wholesale cost
- Minimum reorder amount
- Economic order quantity (EOQ)
- Inventory on hand
- Reorder lead time
- Label Type and specification
- Quantities of each product type
- Which stock sells well and which doesn’t, by location and sales channel.
- Profit margin by style, model, product line or item
- Ideal amount of inventory to have in back stock and storage
- How many products to reorder and how often
- When to discontinue a product
- How changing seasons affect sales
- MOQ determined by the suppliers

• Mode of shipments based on order intake rush

• Availability of raw material at mills or traders

• Profitability in terms of supplier selection: either mill or trader

• Incoterms

Figure 10: Inventory management chain in ADBD

3.8.5: Inventory Turnover Ratio in Avery Dennison

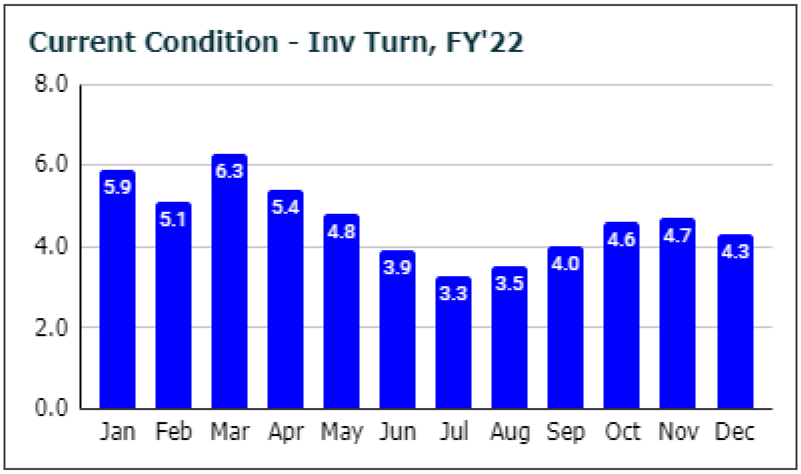
Inventory turnover is calculated based on costs of goods sold and average inventory. Higher inventory turnover rates signify a company's strong financial situation. A higher inventory turnover typically denotes a positive trend of rising sales and the requirement to keep sufficient stock levels to prevent stock outs. Insufficient stock may result in loss of business possibilities. Oppositely, a lower inventory turnover indicates either a slowdown in the targeted inventory's sales or the accumulation of excess inventory in the system. Finding non-moving, out-of-date, and slow-moving inventory items is a priority when inventory turns slowly, and proactive measures can be taken to address the problems.

The below table and graph show the inventory turnover target (AOP), actual and previous year 2022 performance. In 2023 Avery Dennison successfully met the AOP (Annual Operating Plan) which is 3.9.

However, the reason why AOP is less than PY (Previous Year) actual may be questioned. The graph demonstrates that in 2022, Q1 concludes with a very excellent number of 6.3 while Q2 ends with a sharp sales decrease and it turns towards 3.9. This is why Avery Dennison experienced a significant sales decline from Q2 (Quarter 2) in 2022. This is the reason that 2022's Q1 target was set lower than 2023's since lower Q1 sales were anticipated.

Inventory Turnover	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY	Q1	Q2	Q3	Q4
AOP	3.9	3.9	4.4	4.7	5	5.1	5.1	5.1	5.4	5.5	5.6	5.7	5.7	4.4	5.1	5.4	5.7
Actual	3.9												3.9	3.9			
Actual,PY	5.9	5.1	6.3	5.4	4.8	3.9	3.3	3.5	4	4.6	4.7	4.3	4.3	6.3	3.9	4	4.3

Current Condition:



Target Condition:

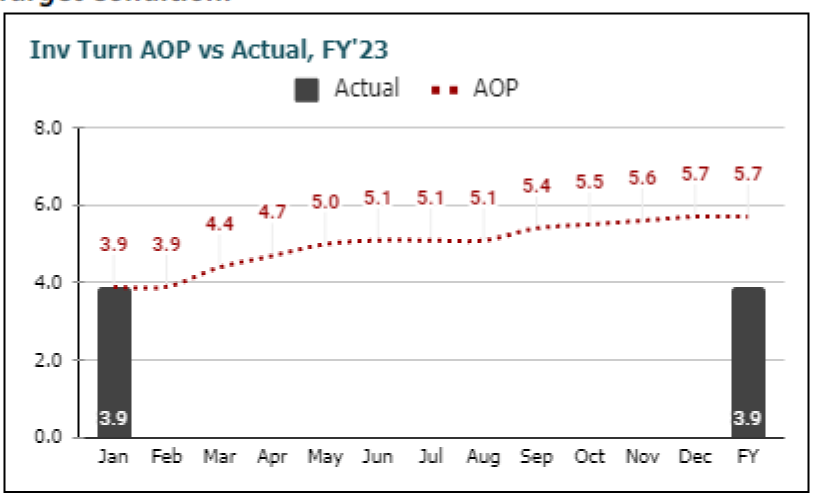


Figure 11: Inventory turnover target (AOP), actual and previous year 2022 performance

From the above table and graph, brief is as below

2022 Q1: Successful

2022 Q2: Order dropped suddenly, sales forecast was higher than AOP

2022 Q3: started planning to inhouse material very consciously

2022 Q4: Consciously PO# placed, inventory turn started improving and ended with 4.3

The inventory turnover in Q4 2022 may have been a little higher, but it ended up being 4.3 because of a last-minute inventory change. Based on projections for all sites, Avery Dennison's Panyu facility, which serves as the HUB for the manufacture of RFID inlays, produced a much higher number of RFID inlays at the end of 2022. As sales drastically decreased at all Avery locations, none of the locations were taking the number of orders they had anticipated, which led to a massive buildup of RFID inlays at Panyu. Panyu declared that inlay prices would rise, and hence Bangladesh's site had to to bring more predicted RFID inlays than originally planned and causing a decline in inventory turn from 4.7 to 4.3.

2023 January: As in 2022, due to sell drop, Avery could not meet the AOP, hence target for January 2023 is less than that of in 2022.

2023 Q2: There is a possibility of market recovery, hence Q2 target is gradually high till Q2 end.

2023 Q3: Slow inventory turn and in September it may rise for the start of order intake

Season. Specially considering upcoming festive season, the target has been kept high.

2023 Q4: Anticipating moderate market recovery, hence target is to end up with 5.7 Inventory turnover.

In brief, the inventory turn ratio and forecast accuracy of 2023's Q1 and the full year target is as below.

Metrics:

Inventory Turn	Jan	Q1	FY	Fcst Accuracy	
AOP	3.9	4.4	5.7	Jan	55%
Actual	3.9	3.9	3.9	Q1	54%
Inventory Turn	Jan	Q1	FY	FY	54%
				PY	53%

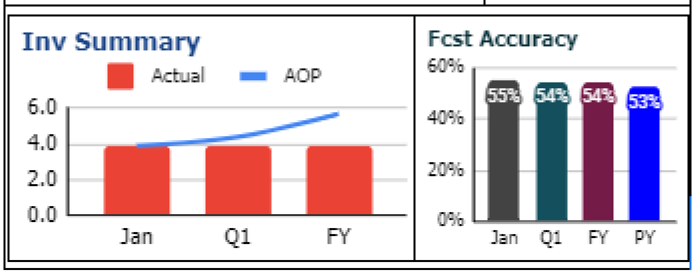


Figure: Inventory Turnover Rate, Forecast Accuracy (AOP vs Actual vs PY)

3.8.6: Avery Dennison's Common Challenges in Inventory Management

3.8.6.1 High Dependency on Overseas Suppliers

As a highly ethical business, Avery Dennison chooses and purchases raw materials in accordance with its ethical and social standards. Avery imports materials from foreign vendors in 98% of cases to ensure quality. Two significant problems rising from importing from international suppliers are as below.

- Material cost is higher
- Hard to maintain just in time inventory.

In most cases local suppliers struggle to deliver products of consistent quality in large quantities. Again they often fail to comply with global sustainability standard like FSC, GRS, Oekotex. Avery Dennison sources a considerable portion of its supplies from China and other foreign suppliers to comply with Retail Brands' requirements as a trustworthy nominated supplier because they place additional restrictions on the usage of some materials and demand harsh washability obligations. So, Avery Dennison keeps a portfolio of global suppliers from which all of its locations can source the material.

3.8.6.2 Longer Lead time

As the RM is sourced from overseas, it is obvious that the lead time will be high. Hence, lead time is really crucial. Again, this criteria also increases the carrying costs, transportation expenses, and holding costs. Overall, due to sudden increase of order or sudden shift of business, they have to transport materials by air rather than by sea. Here, the cost of air freight is twice as much as that of sea freight, and occasionally even three or four times as much.

Due to a global supply scarcity for RFID inlays in 2022, there is a good example of higher freight charges. In order to prevent business loss, Avery was forced to pay excessive air freight charges throughout the year, which had a significant negative impact on the profitability of the company.

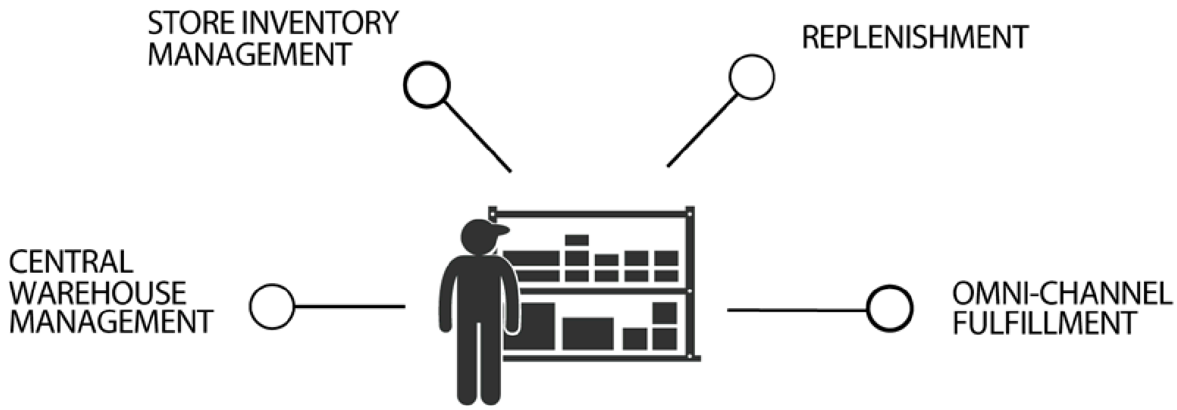


Figure 12: Material Replenishment and Warehousing

3.8.6.3 Delay in New Program Launching

Every year fashion industries launch new collections and trends which impact the labeling and packaging also. It also has an impact on raw material and hence on inventory. Existing material replenishment and new material in-housing are processes that run concurrently to keep up with the changes and prevent reserve inventory. When new materials are purchased based on seasonal forecasts but programme launching are delayed, inventory moves slowly and turnover rates drop. Again, there are instances where the stock of existing materials cannot be consumed entirely. As a result, Avery Dennison eventually accumulates unused inventory since it must fill orders with fresh materials when the season begins.

3.8.6.4 Unavailability of Specific Product wise Forecast

One of the causes for the mismatch between forecast and actual order quantities is that apparel companies do not supply detailed item-level quantity information; instead, as a supplier, Avery Dennison only receives information on garment styles, PO#s, and the types of labels that will be used for particular brands. If item-level demand could be predicted, prediction accuracy would be significantly higher.

3.8.6.5 Higher Number of Raw Material SKU

Avery Dennison maintains about 4000 SKUs for various product lines, which makes it challenging for the inventory management process to keep a close eye on each SKU's movement. Additionally, one SKU cannot necessarily be used in place of another.

3.8.6.6 Global Crisis

RFID (Radio Frequency Identification) labels are one of the specialty products offered by Avery Dennison. The main parts of RFID labels are the RFID Chip and Inlay. Only two or three suppliers worldwide provide RFID chips, and in 2022 there was a global chip crisis that resulted in order losses and delays in order fulfillment. Avery Dennison Bangladesh brought the majority of the RFID chips during the global crisis via air to reduce the lead time and satisfy client deadlines. Consistency in delivery is always difficult to maintain when the supplier's negotiating position is strong.

3.8.6.7 High MOQ

Another obstacle to maintaining the optimal amount of stock is the material MOQ. When a supplier's MOQ is high but the volume of orders falls short of the MOQ level, Avery Dennison must bring material with a high MOQ only keeping in mind long-term client relationships. In this case slow-moving inventory is produced.

3.8.7 Action Plans to Mitigate Recurring Inventory Issue

In the apparel industry, supply chains are getting more complicated every day due to the increase of completion and lower lead time. Accuracy of the record is essential for forecasting quality and quantity. The process is not simple in large organizations, particularly when there are several incoming and outgoing inventories. To imply effective inventory, we have to ensure the use of the inventory before they are expired or damaged. Supplier and vendor both plays important role in this case to manage the inventory and hence make connections with them really impacts the business.

Again, diversification in sourcing is also important for risk minimization. Increasing visibility through the use of a digitalized inventory tool can be a way to simultaneously monitor processes, operations, and inspections. In addition, the main areas for improvement in inventory management are routine inventory audits, item quality assessments, and allocated teams for inventory inspection.

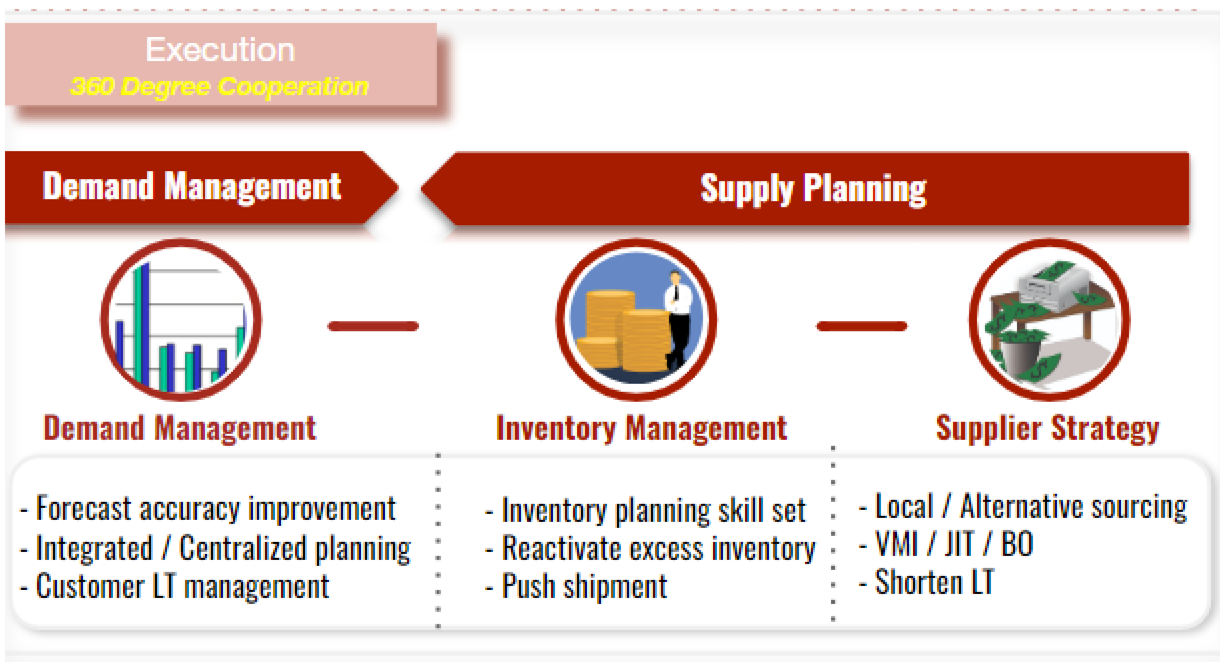


Figure 13: Global strategy for inventory management

Figure 14: Globally progress tracking plan

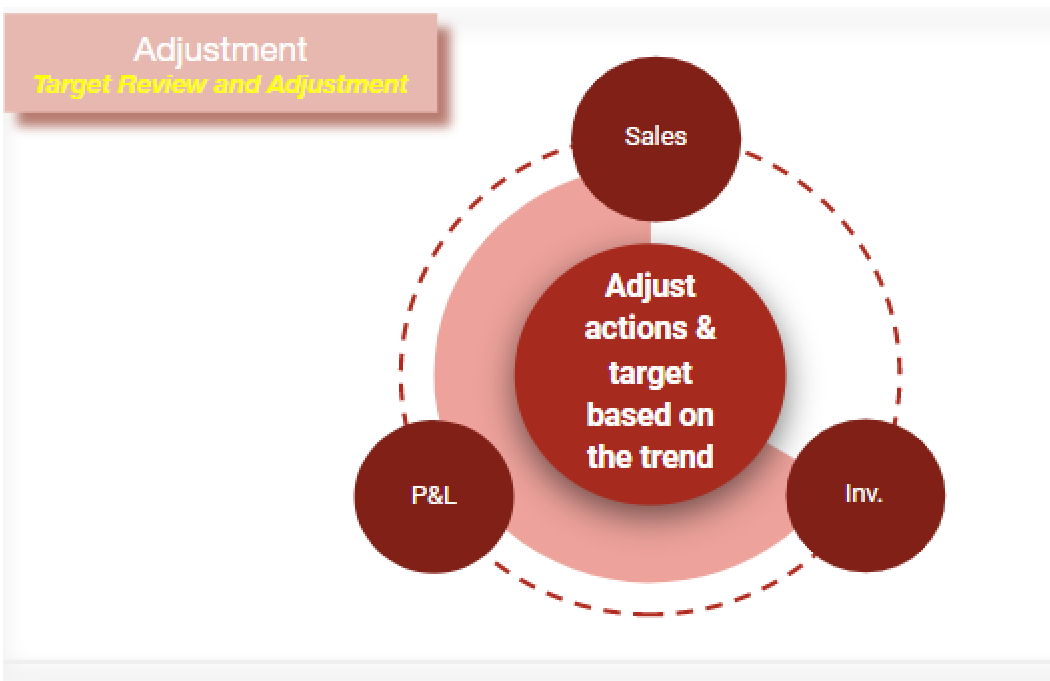


Figure 15: Target Progress and Adjustment Impacting Sales, Inventory and P&L

Below are some action plans that can be undertaken.

- Analysis on RFID Sales Contribution for Other Countries
- Opening Stock Analysis by Supplier to identify Top 5 Contributing Supplier
- Supplier wise LT Analysis
- Local Sourcing Opportunity for Accessories
- Liquidation Plan preparation by taking Ops, Sales, GPD support
- Use of Pro-active Seller Model
- Identify CTG FRU Reserve Risk and Slow Moving Items
- Apply for BEPZA approval to transfer Non Moving CTG Stocks to Paxar
- Collect Root Causes and Action plan to improve Forecast
- Validate upcoming 2 Months GAP vs Local Forecast, minimize Forecasting GAP

3.9 Recommendations

Inventory Management itself is a vast area and when it is about a global company like Avery Dennison with 8 product lines, it is a huge scope to cover. For Avery Dennison, optimal inventory management is essential as required raw material is not easy to come by since it is mainly dependent on distant suppliers and its local sourcing experiences unprecedented days. Top-notch forecasting, an awareness of rapidly changing market conditions and exceptional relationship with external suppliers can help to navigate supply chain disruptions. Another point to note is replacing suppliers for any instance is costly for the company as well as for Avery Dennison as it orders an array of raw material globally from all locations to some specific suppliers. So the best thing Avery can do is to maintain an optimal management and it should always be one step ahead of its ordering processes otherwise it would be very difficult to manage more than 4000 SKUs.

So the best way to manage inventory is to strengthen the inventory management strategy by fine-tuning the existing practices through rigorous analysis of market variables and most importantly an excellent relationship with the suppliers.

CHAPTER 4 CONCLUSION

When there are so many factors that can affect inventory then why not affect it in the right way! For that, right tracking is very important. Similarly storing accurate data will help in estimating inventory, it provides correct results for future planning. Avery Dennison is already using updated tools for better inventory management, only few areas that need more attention like RFID product line inventories should get more focus and push strategy to apply on the Retail Brands in order to consume non-moving or reserve stocks. Also strict process compliance is inevitable like order intake as per intake plan and anticipating risks in meeting customer demands and advance planning for alternative ways to mitigate the risks.