



\$1,895
(Patent Pending)

This PC based software significantly enhances the effectiveness of your kanban system. No longer are you forced to guess which part numbers are suited for kanban from those that will experience repetitive stock outs. In addition, the complexity of determining the appropriate safety stock setting for your kanban candidates is eliminated. The outcome is a significant reduction of stock outs coupled with lower inventory levels.

The Kanban Optimizer™ is designed to:

1) Determine Kanban Candidates

Not all part numbers can or should be placed on kanban due to their demand patterns. The more erratic the demand patterns the higher the safety stock levels need to be set to advert stockouts. High safety stock levels derogate the credibility of the triggering process that leads to hot sheets to determine what is really needed because after all *“There is probably plenty left in the other containers”*.

2) Determine the Safety Stock Setting for Each Part Number Based Upon its Demand Patterns

The simulation routine calculates kanban lot sizes and emulates exactly what will occur for each part number at the point of use going against historical or forward projected demand. Kanban is triggered based upon the consumption and comes back in based upon the replenishment lead-time. If the simulation fails the kanban lot size is gradually increased to determine the appropriate safety stock settings for each part number. It even determines what the average inventory levels expressed in dollars and pieces would be if the item were placed on kanban as compared to the current on-hand inventory.

Benefits of Kanban Optimizer™ Software:

- Significantly reduces shortages by identifying and eliminating erratic candidates.

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- Lowers inventory levels by determining a safety stock setting for each part number based upon their individual needs.
 - Increases on-time deliveries to customers by eliminating poor choices from being placed onto kanban.
 - Minimizes obsolescence.
 - Maintains optimal kanban performance levels with far less inventory.

Features of Kanban Optimizer™ Software:

- Calculates up to 40,000 part numbers per file.
- Assesses MRP projected or historical demand patterns.
- Works with lead times expressed in days or weeks.
- Determines the one best overall safety stock setting for the environment or the specific safety stock setting for each part number.
- Provides over 12 reports used to determine kanban candidates, recommend safety stock settings, project inventory levels and reflect how the Kanban Optimizer™ arrived at its conclusions.
- Assesses the kanban container options of: Single Discrete, Single Full, Dual, Triple, and Multiple.
- Employs export capability.
- Determines which part numbers can go onto kanban and which cannot.
- Performs routine maintenance, recommending the addition or subtraction of part numbers as demands shift with time.
- Evaluates environments experiencing shortages and high inventory levels.

System Requirements of Kanban Optimizer™ Software:

Kanban Optimizer™ is a Microsoft Windows-compatible application.

- Pentium class processor.
- Microsoft Windows 98 Second Edition, Windows Millennium Edition, Windows NT 4.0 with Service Pack 5 or 6 (Service Pack 6 recommended), Windows 2000, Windows XP Professional or Home Edition.
- 128 MB of Ram, 512 MB or more recommended.
- 30 MB of available hard disk space.
- VGA (or higher) resolution video adapter that supports 256 or more colors.
- A Microsoft Windows-supported printer to print reports. The printer should be capable of printing on 8.5 x 11-inch paper in both portrait and landscape orientations and the printable area must be within a 0.5-inch margin on all sides.
- PC-Server communication. (Some form of communications or file transfer should exist between the Kanban Optimizer™ PC and the MRPII/ERP server system).

Contents:

- One Software CD.
- One 79 Page manual.
- 60-day technical support from first day of call.

CALL TODAY AT (480) 704-3810 TO PLACE YOUR ORDER
30-day money back guarantee if unsatisfied for any reason.

Additional Information

The most prevalent reason why certain part numbers cannot be placed onto kanban is due to non-linear demand patterns even though a company has load smooth to the best of their ability. Non-linear demand patterns create stockouts and the only way to compensate is to apply safety stock. However, too much safety stock will inflate inventory levels and derogate the credibility of the triggering process, as it is known throughout that there is typically excess material. This leads to the question of “What do you really need” and gives rise to the need for hot lists. A kanban candidate on kanban with the right degree of safety stock will typically not raise inventory beyond the pre-kanban level. The pre-kanban inventory level is a good indicator if the item is a good kanban candidate. Designed and implemented correctly the kanban system typically carries 30% to 65% less inventory than the typical results of a Material Requirements Planning system. Those part numbers reflecting the capability to reduce inventory and or maintain the same pre-kanban inventory levels need to be identified as kanban candidates to have other attributes such as quality, lead time (can not be excessive), supplier past performance record and willingness to go onto kanban be confirmed prior to placing them onto kanban. Those part numbers whose inventory will exceed the pre-kanban inventory levels should be further analyzed to determine why the inventory is lower being on a MRP system. In some cases it is not surprising why MRP is more effective in a job shop or make to order environment where the demand is here today and gone tomorrow. If these types of items were to be placed onto kanban they would be carrying a predetermined on-hand inventory consisting of an excessively large safety stock setting as oppose to MRP which is designed to satisfy the specific requirement at the correct point in time. Under kanban, carrying a predetermined quantity of inventory on-hand of infrequently used items is a for sure increase of inventory with a high potential for stock out and obsolescence. Make no mistake about it; MRP is a great planning tool but a poor execution tool. It however has its place in handling infrequently used items, which by its very nature is erratic in demand and not a kanban candidate. The Kanban Optimizer™ emulates each part number as if it was on kanban at the point of use. Based upon this simulation it can determine: 1) The degree of safety stock required for each part number, 2) The average inventory levels that should be realized by operating the part as a kanban item and compare it to current MRP inventory level (reflection of MRP’s effectiveness), and 3) If the item is a kanban candidate. This is a powerful tool that can significantly lower inventories and avoid unnecessary stockouts.