

## **DC-Distribution Center**

**Cycle Counting-** where stock is checked at regular intervals, with a small proportion of items typically checked every week

**Quantity Available-**is the result of a calculation that takes quantity on hand and reduces it by allocations

**Slotting-**the activities associated with optimizing product placement in pick locations in a warehouse.

**Piece Picking-**also known as broken case picking, piece picking describes a process where individual items are picked for orders.

**Fixed Order Quantity Method-**approaches to inventory control that place orders of fixed size at variable intervals of time

**Reorder Cost-**cost associated with each order for materials

**Reverse Logistics-** brings materials (defects, spare units, wrong deliveries, packaging, materials for recycling, containers, etc.) back from customers to suppliers

**Total Quality Management (TQM)-** a means of ensuring that all products have perfect quality

**Unitization-**putting materials into standard packages (typically on pallets or in containers) to ease movement

**Vendor Managed Inventory-**has suppliers managing both their own stocks and those held further down the supply chain

**Cubed Out-**describes a condition where all space in a trailer or container has been completely filled.

**Dunnage-**fill material such as packing peanuts, paper, bubble wrap, foam, and air pillows.

**Fulfillment-**the activity of processing customer shipments.

**Min-Max System-** a hybrid method (between fixed order quantity and periodic review) for setting the size of orders

**Pipeline Stock-** stock that is currently being moved from one location to another

**Replenishment Rate-** the rate at which materials are added to stock

**Pick to Clear-**method often used in warehouse management systems that directs picking to the locations with the smallest quantities on hand.

**Quantity on Hand-**also known as onhand quantity, in stock, store quantity. The actual physical inventory in the possession of the business.

**Reorder Level-** the stock level at which it is time to place another order for materials (generally the lead time demand plus safety stock minus any stock on order)