

## Inventory Management: Case Study in a Retail Enterprise in the Far South of Santa Catarina

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**ABSTRACT:** Inventories management can determine the success or failure of an organization. It is extremely necessary that companies have a constant concern with the control of their stocks and their management, in order to achieve better results. For this reason, this work emphasizes the importance of inventory management, through a case study carried out in the retail company in Extreme South of Santa Catarina. The company finds it difficult to efficiently manage its inventories, especially in the areas of storage and purchasing. The article presents the diagnosis about its current situation of the company and its inventories, through the methodology of data analysis and interview scripts aiming to deploy inventory control in the sample categories of the male section of the company. Improvements were proposed in inventory management of inventories of these items these items and suggested the extension of this management to the other products of the company, verifying their benefits for the growth of the organization.

**KEYWORDS** -Inventories Management, Inventories Control, Products, Categories, Planning.

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### I. INTRODUCTION

In search of a more effective insertion in the market, companies adopt many tools to obtain an even better performance. Any differential can be decisive for the company to stand out from the competition and one of those is a differential inventory management effective. Studies relating to stocks and its forms of management gain more and more importance organizationally, but still there are few companies that manage their inventory in an organized manner.

Work with stocks becomes inevitable for companies, since it is almost impossible or impractical to determine the demand for products and services and with this difficulty, the companies need greater control of inventory and storage of material decrease the damages and losses caused by mismanagement.

Typically, companies keep many and different materials in stock and the administration of such material is not an easy task. Items with different patterns of demand and specific features make the complexity in the administration of materials increase as a result of the need for differentiated control. This problem can be solved by inventory management, and planning strategies to be applied to each situation.

In this work highlight the importance of the application of the inventory management in a retail enterprise of Sul of Santa Catarina, which sells diapers, women's clothing, men's and children's, as well as articles for bed, bath & beyond. The company has no control of inventory and has a great deficiency in areas of storage and purchases.

The aim of this study was to analyze the results of the implementation of the control of stocks in a sample of male garments and propose improvements through the results obtained, demonstrating the importance of inventory management and the benefits it can offer to the company.

### II. STOCKS

Slack, Chambers and Johnston (2008), define stocks as any amount of product, object or material stored and may be finished products, raw materials, work in process, supplies, maintenance, among others.

Ernst (2000) explains that when the number of units received is greater than the number of units shipped, the stock level increases. If the opposite occurs, the stock decreases. If the amount received is equal to the quantity shipped, the stock remains constant, which is considered ideal stock.

The imbalance between supply and demand rates result in different types of stock, as shown by Slack, Chambers and Johnston (2008) in table 1:

**Table 1- Types of Stocks**

Types of Stocks	Description
<b>Protection</b>	Serve to compensate for the uncertainty of supply and demand.
<b>Cycle</b>	Occur when one or more stages in the operations cannot provide simultaneously all the items they produce.
<b>Anticipation</b>	Used when the demand fluctuations are significant, but relatively predictable or when supply variations are significant.
<b>Distribution</b>	Used in cases which cannot be constantly transported the materials between the supply and the demand.

**Source:** Slack, Chambers and Johnston (2001).

The characterization of the different types of stocks becomes relevant as to each model presented there are different methodologies that the Manager can choose to administer each of them (ANDRADE, 2011).

The accumulation of inventories raises a number of disadvantages to companies, such as use of physical space and additional costs, among others. The vision of Arnold (1999), some of the costs of most common stocks in companies, mainly in the retailers, are:

- Costs of price discounts: some companies offer discounted promotions for shopping in large quantity, but can occasionally put extra costs to small requests;
- Lack of inventory costs: If there are flaws in the decision to stock replacement, possibly to be out of stock, which may result in paralysis of a production process or result in dissatisfaction or even the loss of the client;
- Storage: costs are associated with the physical spaces, which these stocks need to rotate through the obligation, of the name, the air conditioning, among others;
  - Cost of obsolescence: due to the high quantity of items in stock, there are some items that are on a long-term or even forgotten, causing thus the deterioration or obsolescence.

It can be said that the higher the amount and the length of stay, the greater the final cost of stocks, and must direct the organizational efforts to achieve your reduction (NOVAES *et al.*, 2004).

Since when have emerged the first organizations, stocks control became essential, so that there's always been the need for an appropriate way to use systems and methods, aiming at improvements in activities (POZO, 2004).

Second Day (2009), the main objective of the inventory control is to reduce the capital invested in stocks. The company needs to work with, but stocks need to control so that there is a balance, that is, you don't miss material, but that also is not acquired excess material, as this will lead directly to the net profits of the company.

Under the vision of Novaes *et al.* (2004), there are two systems that represent the operationalization of the inventory control: a system that is based on the determination of the ideal time for the renewal of the stock, defined by the moment when the stock of a material reaches certain level that signals the need for a spare; and a second system on which is set the frequency in which stocks will be reviewed and, based on existing inventory levels for the dates of revision, are determined the quantities required for the replacement of the stock.

Days (2009) points out that, for a company to have a structure of materials management with clearly defined policies and procedures, a determining factor is the accuracy in inventory records for all inventory movement must be registered by appropriate documents.

Few areas in the administration of the production have been treated so little formal regarding the management of stocks. The main formal techniques for scaling of inventory were developed at the beginning of the last century and, from there, very academic development was made in the application of quantitative methods to the decisions of what, how and when to supply the stocks. In spite of all this development, it is rare to find companies that use formal quantitative methods to support inventory management; on the contrary, it is common to use empirical methods, qualitative and based on intuition. Initially, it could be argued that there is lack of knowledge of the techniques on the part of the elements responsible for inventory management in enterprises (GIANESI; BIAZZI, 2011).

According to Amaral and gold (2011), good inventory management passes necessarily by knowledge of all costs involved in your control. Wanke (2003), claims that she is considered then as fundamental element for the reduction and control of total costs and improving the level of service provided by the companies.

Inventory management must consider all costs incurred of any decision or methodology that will be used in the organization. (ANDRADE, 2011).

Most companies still find problems to meet exactly your inventory and how to make the correct storage of it. Understanding the need for a strategic vision for the management of stocks stems from a deeper understanding of the own activity and management of your goals (GIANESI; BIAZZI, 2011).

According to Malik and Alt (2003), both Masters in production engineering, inventory management is in actions that allow the administrator to examine whether the stocks are being well used, well located, well handled and controlled.

It is important to stress that each organization must evaluate set and form the your own policy of stock, and that it is fully aligned with the objectives and the nature of the company. (VIANA, 2000).

Strategic planning is also essential for the institution set their goals of purchasing and stock, leading the company to organize their goals within the labour market (SETHI and MALIK, 2010).

There are various techniques of inventory management of products, the ABC analysis of materials is an example of one of these techniques and is applied to control spending on stock (LOURENÇO and CHAKRAVARTY, 2006).

The ABC analysis enables you to identify those items that warrant attention and appropriate treatment to your administration, as some items can have big physical quantity, but low financial representation because they are individually of little value within total stock; other items, however, have little physical quantity, but high financial representation to be individually of great value within the total stock. Thus, the ABC method becomes a very simple and effective management tool for the classification of items of stock components, especially about your financial importance (ALTUG, 2012).

The ABC analysis is widely used in the definition of the priorities of the organization purchases, making the purchases pass to have a better monitoring of the most important and critical products to the company. This analysis is formed by the separation of stock products into three groups according to the value of the annual demand. This value is determined by multiplying the price or unit cost of each item by your or your demand (OLIVEIRA, 2011).

Amaral and gold (2011), define the ratings analysis:

- Class A: Are the main items in stock a high priority, as are materials with higher value due to your economic importance.
- Class B: Include items that are still considered economically valuable and get average care.
- Class C: Do not cease to be important because your absence might derail the continuity of the process, however the criterion States that your economic impact is not dramatic, which makes less efforts.

In table 2 the authors present an estimated rating of each class:

**Table 2- Representativeness of the ABC classification of items in stock**

ABC Classification	Quantity in stock (%)	Stock value (%)
The	20%	80%
(B)	30%	15%
(C)	50%	5%

**Source:** Amaral; Gold (2011).

According to Slack, Chambers and Johnston (2008), the ABC analysis is used in the most diverse areas of an organization, enforcing the importance of this tool. When it comes to inventory management, she is quite used to define sales policies, establish priorities, plan production among other difficulties encountered by the management.

Most businesses use the ABC analysis to determine the most cost-effective method to track inventory items, this way, it is extremely useful in the implementation of an action plan to improve the performance of stocks, reducing both capital invested in stocks as operating costs (MALIK and COSTA, 2007).

### III. METHODOLOGICAL PROCEDURES

The research method used for the realization of this work was the study of case in a retail enterprise, demonstrating the company's relationship with the inventory management and the influence of it on its results.

The company has management is more than 65 years in the retail market, being 15 years with current administration. With three units, all located at the southern end of Santa Catarina, it is a reference in the tissues, female, male and children's clothing, as well as products for bed, bath & beyond. The company never owned stocks control and has a large disability in storage areas and shopping.

This article aims to identify how important the inventory management can add in this organization, to this, discussed some situations of extreme importance, primarily the need for inventory control, identifying the problems that lack this tool generates in the company.

The literature search was conducted for the theoretical basis in the conduct of the study. In field research, interviews were made with the owners of the company, with the Manager and with the collaborators, to identify the processes used in the company and the difficulties encountered in the stock. Been researched also physical files, database and reports containing information on the subject. After the research, the implementation of inventory control in a sample of male section. The results obtained were analysed, showing how the inventory management tools can contribute on the company's strategic and administrative decisions. Finally, improvements have been proposed, especially in the stocks control procedure.

The company does not have a strategy of inventory management and preventing your putting it into practice is that there is no control of goods: it is not known the amount of items in stock, or missing items. As the diversity of products offered wide and in large quantities, some of the obstacles to this inventory control are the time it would take and the difficulty of doing this survey with the company in operation.

The company already has a system of computerization. In it, there are inventory management tools, which are not used as they should, because the inclusion of the information is incomplete, making the tools unusable.

The amount of stockpiled goods are far above what is necessary and there is no estimate of the value of this stock still. The current administration doesn't usually perform burning and don't see the large amounts of stock as injury to financial results, because the merchandise stocked now can be sold in the future. To have more space and reduce the amount of parts in the warehouse, opened a store of liquidation, only with some promotional products of previous collections, however, the result did not go as planned: sales were not satisfactory and stocks were not reduced, generating another new deposit of promotional pieces.

In the area of sales, customer profile is already known. Most goods sold are easily identified through management reports, because all the outputs of goods are controlled by the company (when the barcode merchandise without balance in the inventory is sold, she is overdrawn in the System). Despite the known profile of customers and sales control, there is not yet a planning of purchases.

Purchases are made to supply what is sold and no inventory control, applications can only be made when the merchandise is a Joker, when the merchandise is running out or when it is missing. On the changes of seasons – spring/summer and autumn/winter-are made larger orders, based on surveys carried out by the employees who work in the Organization of the shop and stockists. There is a lack of information of when and in what quantity is required to buy. There is a record of previous orders, however, they are stored in a spreadsheet, separated by suppliers and not by categories, without direct access to the system. Normally payments to suppliers are made within 90 to 120 days, which means that practically all the stock of the company is paid and the company does not have debts with the suppliers.

In addition to a partner owner responsible for the part of purchasing and invoicing, three more stockists working in warehouse and they all perform the same functions: receipt and goods Conference, separation, labeling, distribution models for sales, inventory, surveys organization, as well as assist the sellers in search for parts. The three employees, only one makes use of the system. The major difficulties encountered in the sector are the lack of space for storage of the products and the weight load.

With approximately 211 m<sup>2</sup>, the deposit is located above the shop, and is divided into three large rooms usually called first, second and third deposits.

On first deposit are stored articles from bed, bath & beyond, kitchen, curtains and fabrics. In the second are stored the child articles, juvenile, female and male. On the third deposit are two workstations with computers and are stored winter clothes too, which occupy a lot of space and do not fit in the second deposit: suits, sweatshirts, jackets and leather fibre, in addition to the stockings and handkerchiefs. The two existing bathrooms on this floor are unusable for that purpose; a serves as old files and deposit the other stores the pieces that will be returned to suppliers.

In the first and second deposits, for the Organization and storage of goods, the shelves are made of steel, because they need to hold more weight; on the third deposit the furniture is MDF closet style.

On the first deposit, the goods are placed on the shelves only with the packaging product itself. On the second deposit, most clothing is folded and stored in cardboard boxes, identified by tags in colors pink for female blue and articles to the articles contain the labels – male enhancement product description and their respective sizes. The boxes are stacked on the shelves, according to your category (pants, shirts, sweatshirts among others), but as the amount of parts is greater than the little boy by physical space, some sections are mixed.

The goods are received in two ways: in the warehouse or at the store. In the store, the merchandise is received only when there are few units and the product is already registered in the company. In this case, the pieces are usually received by the Manager or by the sales supervisor, that make the Conference the amount received to the note and already offer the product for sale, without going through the deposit and not including the goods received in the system, or is the inventory control these goods do not exist in the store. However, most

of the deliveries are made in the warehouse, where they are received by the broker, which confers on the volume received and directs to your respective storage location.

After this first Conference, the received box is opened, all the parts are separated by the reference that comes standard and accounted for individually. This count is passed on to partner owner, which confirms the quantities with the invoice.

In the next process, the owner performs the registration of partner new parts or alteration of the information in the parts already registered and determines the value of the product. To include the registration of a new commodity, is generated a numeric code specific to each model. Currently the first part of registration is completed with the following information: description of the goods (generally using the same nomenclature that comes standard), unit of measure (unit, weight, metro), reference (factory code specific to each model), cost price, sale price, group (primary Division of categories), cost center (specific products Division), make and year of collection. The second part of registration is for the bars, which are the sizes and colors of each merchandise, typically registered standard form: all products have equal sizes and colors in the system.

In old records, the only information registered properly were the description of the goods, unit of measure, and the selling price-tag and year of collection often were not inserted and the sizes and colors followed the same pattern. Spare parts, information is updated only if there is price update.

With the registration of goods concluded, begins the process of labeling: are printed company identification labels, for recém-cadastradas and parts for the aftermarket. They contain the store name, product description, code number, barcode and your selling price. This process is accomplished by a partner, delivering the tags at stockists, which in your time label goods and divide the pieces between the store and the warehouse. The placement of the labels is the longest process function held in stock.

Only after the distribution of the products for sale that the invoice follows to financial clerks. She's the one who enters the system the quantity of goods received in your code.

Among the categories of products offered by the company, was chosen the menswear for sampling, as are the pieces that take up more space in the warehouse because the amount of parts and also because of the high demand.

All goods of articles available in male company were divided by categories and subcategories according to your model. The Table 1 presents the categories chosen as sampling on deployment of inventory control.

**Table 1- Categories Chosen for sampling**

Categories	Subcategories
Sweaters and Fleece Jackets	All models
Wool berets Hit	Model Available
Caps	All models
Cardigans	All models
Belts	All models
Vests	All models
Underwear	All models
Beanies	Model Available
Ties and Fasteners	All models
Socks	All models
Sweatshirts	All models
Pajamas	All models
Sweaters	All models
Suspenders	Model Available
Suits	All models

**Source:** Authors (2017).

These categories were chosen because they are easier to account for, and this procedure was during business hours and the company was in full operation (not closed for balance, as generally the companies do to counting their inventory), the sellers often sought a few pieces to offer customers, making the count of parts in some categories.

### 3.2.1 Achievement of the process

Choose the categories, it was necessary to check the situation of each one of them in the system used by the store. Had registered products that were no longer sold by the company and they were identified by their prices-all goods sold currently have values that end in 90 cents; pieces that end with different values that are old goods that are no longer offered by the company. To identify all these codes, were taken from reports that presented goods registered in the desired category, that the system receives the cost center name.

For this purpose, the report used was the stock survey: selected-if the company (matrix), 1 Filter (groups: male

articles), 2 filter (cost center: desired category), merchant status (active), and balance stock (both: negative and positive). The report showed all goods registered according to the filters and all the codes identified with different values of end 90 cents, have changed from active to inactive goods.

In addition, there was the system various codes of goods which were registered with incomplete or incorrect data, in addition to some present negative balance in stock. As we didn't know which codes were still available for sale, parts count was performed before the corrections in the system.

For individual parts count, also made by categories, have been collected and accounted for the goods that were on display in the store, then the same procedure was performed with the pieces that were stored in warehouses.

With the large amount of parts, different models of the same class and only one person performing this function, it was not possible to account for a category, that would be ideal to be no errors in the count. In an attempt to reduce the possibility of errors, it was necessary to store the information collected during the count in a spreadsheet in Excel and only after completion of the count of each category data were added to the system.

As described in the labeling process, the price tags are printed by partner, then, there is only a thermal labels in the warehouse. How the printer is connected to the computer used for her daily, it has not been possible to use it at all times. That way, the update of information was carried out as follows: the goods containing bars with correct sizes and colors and patterns not (table 1 previously seen) have been updated in the system with their respective information, however, the pieces with sizes and colors patterns were recorded without the change of this information: all parts of the company have labels, and if the bars were changed, the labels of this code would also have to be exchanged. As this process was not possible at the moment due to the unavailability of thermal printer, the quantities of the parts have been changed, but their sizes and colors (they continued as they were).

The information of each piece were entered on the worksheet as described in table 2:

**Table 2- Following the information collected**

Data	Description
Part number	The pieces were arranged by their codes to facilitate your location.
Description of the merchandise	Standardization in most parts: description, sex, mark.
Mark	There were duplicate registrations in the system, this has been fixed.
Size and color	According to the label if the grid was standard or according to your size have railings specific registered.
Reference	There are some models of different references registered with the same code, making it difficult to identify the pieces. The goods that were unreferenced had this information added.
Price	To confirm that all equal parts have same code and same price.
Quantity	Number of pieces of code in stock.
Groups	The goods were classified by section.
Cost center	Sorted by subcategories according to their features.

Source: Authors (2017).

At the end of the count of each subcategory, the data were reported to the system. From the information of sampling, it was possible to conduct an inventory and analysis of these data is important and essential for more efficient management of the company.

**IV. ANALYSIS OF THE RESULTS**

We analyzed more than 900 goods codes that fit in sampling, among them:

- 202 codes were registered as male articles articles of other groups (children, youth and female, etc.) or registered in the wrong cost centre (registered as Shirts Pants, for example);
- 76 codes were registered in the Group of articles for men, but they weren't male parts;
- 79 goods were inactive codes.

In relation to the quantity of parts in stock, the study showed the result of Table 3:

**Table 3- Quantity of pieces in stock**

Categories	Quantity In The System	Quantity Real
Sweaters and Fleece Jackets	796	33
Berets	19	27
Caps	-4	13
Cardigans	147	21
Belts	0	106
Vests	149	115
Underwear	1486	2818
Beanies	0	1
Ties and Fasteners	-6	502
Socks	0	1288
Sweatshirts	506	636
Pajamas	407	423
Sweaters	438	262
Suspenders	-2	10
Suits	120	308
<b>Total</b>	<b>4056</b>	<b>6563</b>

Source: Authors (2017).

The 15 categories chosen for sampling 6,563 stock parts, have more than 60% above the estimate. The categories of sweaters and Wool jackets, cardigans and Sweaters had a much higher estimate, while the estimated quantities of underwear and estimated Suits were almost half the actual quantities. Belts and Socks did not possess any estimated stock but in fact have many stockpiled parts. Caps, ties and Suspenders were overdrawn, as were sold goods that were not reflected in stock before the system. In other categories there was also difference in results, that is, no category was with the estimate of approximate stock of reality.

While it was estimated that the winter clothes, such as Sweaters and jackets, wool Sweaters, cardigans and Sweatshirts represent 47% of total parts inventory control, it turned out that these pieces represent only 14% of the total. We also observed that the Socks represent 20% of the total of the parts.

Whereas each code is a different model of merchandise, the following results were obtained in table 4:

**Table 4- Diversity of Models in stock**

Categories	Quantity In The System	Quantity Real
Sweaters and Fleece Jackets	43	11
Berets	3	1
Caps	5	2
Cardigans	3	4
Belts	0	7
Vests	16	10
Underwear	31	136
Beanies	0	1
Ties and Fasteners	12	6
Socks	0	48
Sweatshirts	47	112
Pajamas	43	62
Sweaters	14	36
Suspenders	1	1
Suits	7	16
<b>Total</b>	<b>225</b>	<b>453</b>

Source: Authors (2017).

The 15 categories have 453 different models in stock, 50.5% above the estimate. Only were counted the models available in stock (there are more registered models, but without balance in stock). The belts, the hats and the Socks did not provide amount of estimated models because all of these categories were registered in other centres, and for that reason, did not appear in the reports of stock categories specific. Underwear, Sweatshirts, Sweaters, cardigans and suits also appear with less variety of models for presenting errors in registration of the goods. The strap was the only category in which the results were the same, but only because there is only one model available in the store and he was registered correctly. It is possible to affirm that there is a lot of diversity of models of certain categories, such as Underwear and Sweatshirts, and other have few options to choose from, such as caps and cardigans, for example. Even so, the company presents wide product diversity in most categories.

The analysis of the total values of the goods in stock was based on the selling prices of the products, because the vast majority of them do not have the cost price in your record. The values in stock results of

respective categories are not presented in this paper, because they are confidential to the company. Have available the article only the sum of the values of the sample which is equivalent approximately R\$ 420,000.00. This value is considered extremely high, because it represents only a sample of the male section of the company.

It was found that the category that has more value in stock are the suits, with 29%, followed by sweatshirts, with 20% of the total value and not the sweaters and wool jackets as estimated. Despite not having the largest quantity of pieces, the sales figures are higher than the other categories, making these more expensive stocks.

With the available system management tools, you can perform a shopping planning in different ways. There are two modes: the best-selling goods report or the ABC analysis report. Both can have their designs changed as the need of the buyer or Manager.

According to the report Most goods Sold 2016 annual available in the system, the most sold are the promos (all articles). By selecting only the products inserted in the sample, 17 models have average over five products sold per month, as shown in Table 5 below:

**Table 5- Report of goods most Sold in the categories of Sampling**

Position	Code	Description Of The Merchandise	Supplier	# Of sold pieces
23.	16260	Slim Tie	Dilomon	434
40°	32563	Tricot Blouse Logan	Logan	260
60°	612	Half Lupo Men's Classic	Lupo	212
95°	36952	Mauricio Blouse	Mauricio	143
110°	29701	Boxers/Elast Pulley	Valentina Girls	127
# 139	20251	Underwear Kit C/3	Lupo	100
# 147	38105	Boxers Kit c/2	Lupo	97
# 156	7455	Half Men Sport Lupo	Lupo	92
° 162	37257	Boxer Shorts Mesh	Lemini/Reny	89
# 179	25313	Men's Leather Belt.	America	84
# 221	38061	Sweater Men's Gangster	Gangster	72
# 238	37602	Men's Sweatshirt Fitatto Sweatshirt	Fitatto	69
# 239	36975	Lupo Slip Underwear	Lupo	69
# 242	35734	Sports Sock Male Selene	Selene	68
# 248	24033	Mesh Underwear Lupo	Lupo	65
# 252	38083	Half Lupo Sport	Lupo	64
262°	28694	Half Walk Short Barrel Men Lupo	Lupo	63
<b>Total</b>				<b>2268</b>

**Source:** Authors (2017).

From these data, you can perform a shopping planning based on the sales of the previous year: if sold 424 model ties "*Slim*" throughout the year 2016, the quantity of this merchandise still available in stock, added some estimate of sales growth (20% more, for example) made by the Manager to carry out the request of missing amounts.

This planning can be done in the trading of season: spring/summer and autumn/winter, for better accuracy in quantities. Nothing prevents that there is spare parts out of time determined by the buyer if needed, however, with a strategy of purchasing planning applied, the amount of goods bought would be those provided for by avoiding unnecessary expenditures with goods in excess, that certainly would be accumulated in stock.

The ABC analysis report, annual period, sorts the class in 70%, class B in 20% and the class C in 10% of the financial product has in relation to the amount of your sales, your amount available and your value in stock. Table 6 presents the results taken from the system report for the categories of sampling, sorting the product models in classes A, B and c:

**Table 6- Results of the ABC analysis report in the categories of Sampling**

Products (Categories)	Amount of Models		
	Class (70%)	Class B (20%)	Class C (10%)
Sweaters and Fleece Jackets	2	1	2
Berets	0	0	1
Caps	0	1	1
Cardigans	0	2	1
Belts	2	5	8
Vests	2	3	5
Underwear	22	28	67
Ties and fasteners	0	1	6
Beanies	0	0	1
Socks	7	8	23



Sweatshirts	19	26	34
Pajamas	14	15	26
Sweaters	5	8	14
Suspenders	0	0	1
Suits	4	3	6

Source: Authors (2017).

With the analysis of this report, the Manager determines whether it is feasible or not to keep the supply of product: you can choose to sell only products that have added value (profit), but don't go so often or keep products with profit margin bottom, but they sell often. The result of the sample, six categories appear without model classified in the class: would it be feasible to continue offering these products? This response may be different according to the sales strategy chosen by the company.

It is observed that the ties have great amount of sales according to the report Most goods Sold shown in Table 5, however, ABC analysis most models belongs to the class C, this means that despite the financial importance that product has to be low, the ties are products that must be maintained on offer, as have high demand.

## V. CONCLUSION

The stocks exist because companies cannot have all the products that need to use immediately and are, therefore, necessary for the operation of the institutions. That way, every company must establish and maintain an appropriate strategy for inventory management.

Meet the needs of the company and manage the material resources is paramount to meet effectively the customers, reduce costs and remain competitive.

Plan and define a strategy is essential within the company: knowing what to buy, when and how much to buy is the basis for inventory control. The determination of an optimal stock, from the profile of outputs of products of the establishment as well as the analysis of them increasing commercial and turning lower or zero the amount of stocks down.

After the implementation of inventory control on sampling of the garments of the male company sector, noted the problems that a lack of control of these products make the management of the company. In this scenario, some opportunities for improvement have been proposed and the main one deals with the need for inventory control and use of your management tools.

At the end of the work, based on the goals and in the development of the case study, the results show that it is of the utmost importance for the control of stocks, because it is through him that the company creates becomes competitive strategies, reduces costs and meets the best Customer form, reaching the planned results.

It is expected that from the results obtained, the inventory management is increasingly applied in enterprises and through her managers formulate strategies and make plans, taking better decisions on the purchase, store and manage your products .

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