



/ CONSIGNMENT/VENDOR MANAGED INVENTORY (VMI) PROGRAM

An effective solution for the highest-velocity, critical and cost-sensitive components

Avnet's Consignment/ Vendor Managed Inventory (VMI) solution is a supply chain model that supports material owned by Avnet that resides at your manufacturing site. You are responsible for the inventory, which is securely segregated on the premises. The material remains the property of Avnet until you pull or use it, at which point the title passes to you through invoicing for the consumed material. You then confirm receipt and acknowledgment of consumption in order to continuously provide replenishments.

Key Features

Real-time visibility

- Real-time tracking and continuous monitoring of inventory levels, orders and other relevant supply chain data
- Direct view into inventory levels
- Stock management is based on forecasted demand and consumption patterns
- Reporting and analytics
- Effective solution for the highest-velocity, critical, cost-sensitive and volatile components

Enhanced Forecasting

- Visibility into demand forecasts, consumption patterns and market data
- Less reliance on forecasts due to direct access to consumption data
- Adjust forecasts and logistics schedules with suppliers on the fly

Customer Benefits

- Reduces cash tied up in inventory as you're not invoiced until material is consumed
- Ensures streamlined fulfillment and improved velocity
- Achieves true JIT operations because inventory is on hand
- Avoids the storage of excessive inventory
- Avoids production downtime, as the right amount of inventory needed is available at your location
- Increases inventory turns
- Impacts and improves total cost across your supply chain
- Improves and optimizes manufacturing flexibility

About Avnet

Whatever supply chain issues you're facing, there's always a solution with Avnet. We bring in-depth expertise and practical expertise from working with hundreds of customers to optimize their supply chains with a data-driven approach.



/IN-PLANT STORE

Reduce production delays by ensuring parts are available at the point of use

An in-plant store (IPS) is a highly efficient and cost-effective solution that provides on-site Avnet personnel, inventory and systems to directly support your planning, purchasing, materials management and warehousing functions. Operations and inventory are maintained in a secure area tailored to your specific manufacturing needs, with Avnet Supply Chain Services personnel in place. Avnet staff handles pipelining and transferring inventory into the store, warehousing, releasing product and invoicing. Our team also supplies materials to meet manufacturing load requirements and plays a key role in the full MRP process. Avnet retains ownership until materials leave the store and move to the point of use.

Key Features

- On-site Inventory positioned according to forecast and agreed upon weeks of supply
- Inventory cost exposure initiated at point of use transfer
- On-site quoting and procurement support
- Receiving inspection performed by Avnet
- Avnet absorbs inbound freight costs
- ESD Certification
- Inventory rotation as appropriate for product type
- Supply base consolidation
- Allows for upside/downside protection

Customer Benefits

- Reduces production delays by ensuring parts are available at the point of use
- Supply chain resilience: Buffers against extended lead times and volatility
- Operational efficiency: Frees up internal resources by outsourcing logistics and inventory management
- Cost optimization: Minimizes inventory exposure and improves cash-to-cash cycles

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