



**Inventory Ally**

# **Your PIMS Can't Manage Inventory, but We Can.**

**Written by**

Louise S. Dunn, Founder and CEO of Snowgoose  
Veterinary Management Consulting

**Reviewed by**

Camala C. Bailey, CPA, CVA  
Denise Tumblin, CPA

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## Gain Control of Your Inventory With Inventory Ally

Inventory Ally software can significantly reduce the cost of goods, quantity on hand, and time spent on inventory management through several key features and functionalities. Firstly, the software employs advanced tracking and monitoring capabilities, enabling veterinary practices to have real-time visibility into their inventory levels. This reduces the likelihood of overstocking or stockouts, optimizing the quantity on hand and preventing unnecessary carrying costs or missed sales opportunities.

Inventory Ally incorporates automation tools for tasks such as order processing, reordering, and data entry. Automation streamlines the entire inventory management process, cutting down on manual errors and the time spent on routine tasks. This not only improves accuracy but also allows the team to focus on more strategic aspects of their roles.

Furthermore, the software typically provides robust analytics and reporting tools. Practices can leverage these tools to analyze historical data, identify trends, and make informed decisions about purchasing, pricing, and stock levels. This analytical capability helps minimize excess inventory, reduce carrying costs, and optimize the cost of goods sold.

It is exciting to see another tool available for private and corporate practices to improve COGs, which directly correlates to the financial health of the practice.

## List of Abbreviations

COGs = Cost of Goods ([see AAHA Chart of Accounts for reference](#))

FTE = Full-Time Equivalent

IOH = Inventory on Hand

PIMS = Practice Information Management System

ROI = Return on Investment

QOH = Quantity on Hand

## Definitions

Compliance – a calculation that measures how well a practice's orders match the program's recommendations. Hospitals that maintain an 80-90% compliance rate realize the most consistent benefits.

IOH compared to QOH – these terms are often used interchangeably; however, IOH refers to the physical quantity of items and the valuation of those items based on cost. QOH refers to the physical count or number of units in the inventory without considering the financial aspect.

Mapping PIMS data – the process of identifying items sold in the Practice Management system with the items purchased from suppliers, providing insights and improving calculations on margins, shrink, and service mix.

Out-of-cycle orders – orders placed without a corresponding recommendation from Inventory Ally and can cause continued excess spending without calculated guidance.

Percent of Revenue – a specific value or expense as a percentage of a practice's total revenue.

Percent ordered on a single day – the percentage of total items ordered on a particular day in relation to the overall ordering activity for the entire week to analyze and understand how orders are distributed among different days of the week and how Inventory Ally impacts the concentration of activity to one or two days.

Value of Inventory on Hand – Based on the counts entered by the team, new orders placed, and the practice's normal consumption patterns, Inventory Ally can estimate the value of inventory in your hospital.

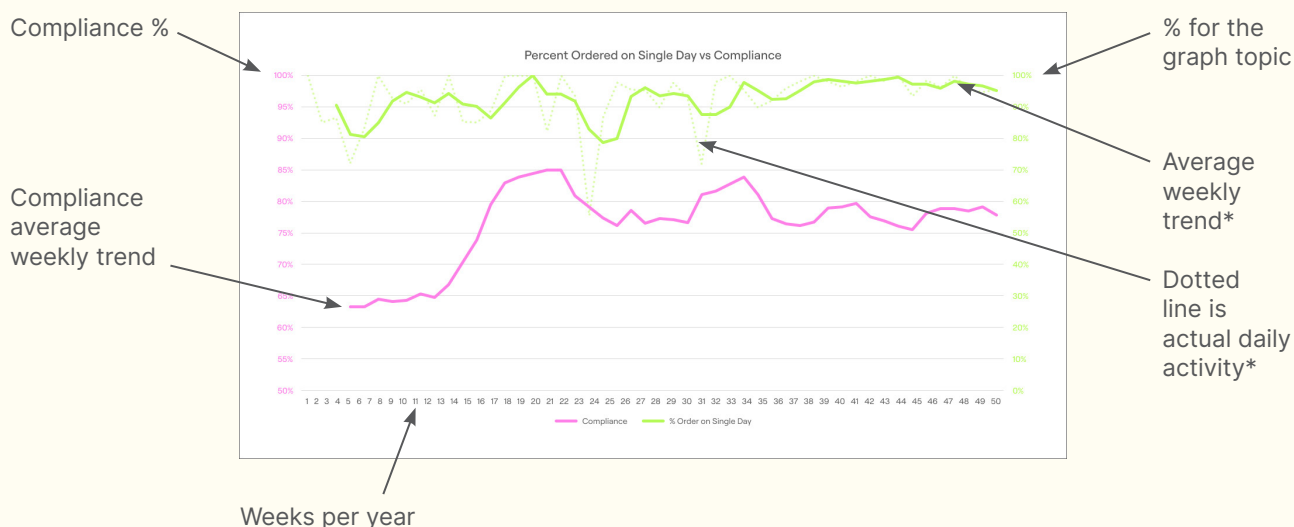
Variance – generally refers to a measure of how much individual elements in a set deviate from the average or expected value.

## Integrations

\*PIMS Integration – The level of integration with PIMS affects how Inventory Ally reads invoices and transactional data to enable calculation details. As of February 2024, there is direct integration with Shepherd Veterinary Software and indirect integration with Cornerstone, Avimark, Impromed, and Hippo via Vet Success, with many more integrations expected.

\*Distributor Integration – You have the freedom to order from whomever you choose. Inventory Ally does not limit your supplier choices, nor does it dictate distributor pricing limits. Currently, Vetcove and MWI are integrated distributors, and more are in the works.

# Interpreting the Graphs



\*Week-to-week variability can make it more difficult to identify correlated trends. By highlighting a four-week rolling average, the data exposes the relationship between valleys and troughs.

## Introduction and Overview

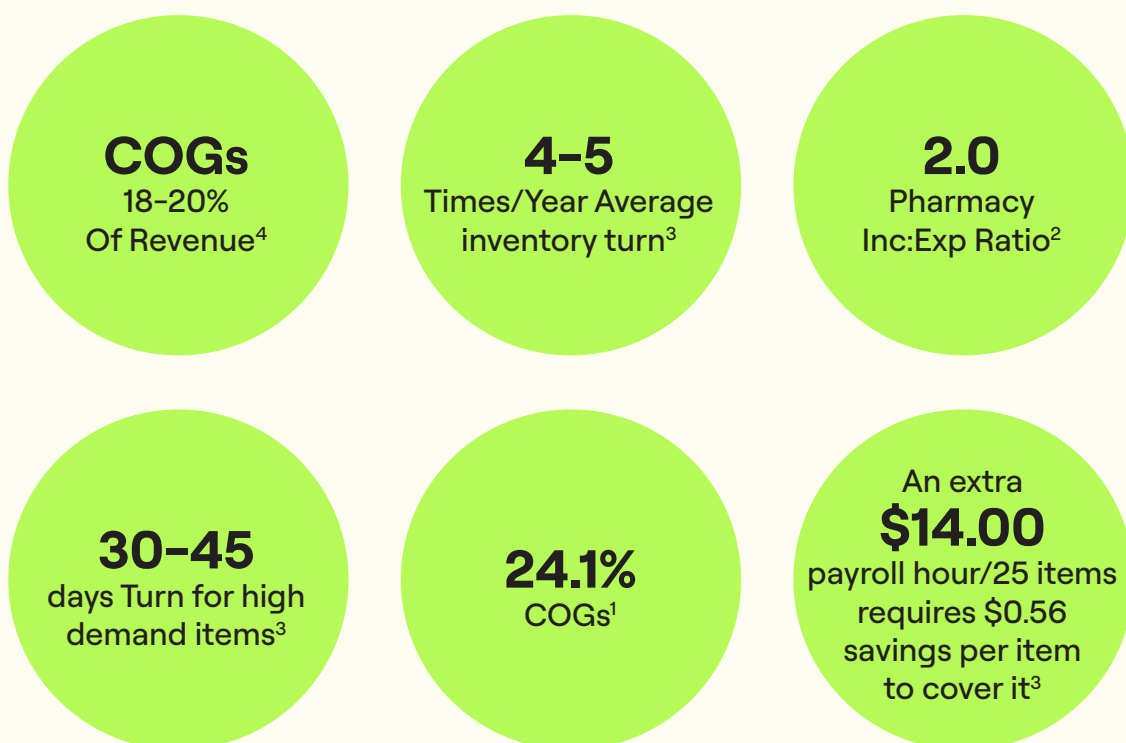
There is not a teaching hospital or practice (corporate or private) that does not have challenges with inventory. It is refreshing to see tools available to help harness the power of inventory management. The data in this white paper is to help owners, managers, and practice team members understand that they can get inventory expenses under control. Full disclosure, this is a relatively new tool, and the number of practices using the tool is growing daily. The sampling for this white paper was limited, yet the results were consistent. Having the right tools can make a difference in managing one of the largest expenses for a veterinary hospital.

## The Importance of Improving Inventory Management

Everyone will readily agree that a business's two most significant expenses are labor costs and inventory. Effective management of these expenses is crucial for the financial health and sustainability of any business. For practices striving for financial health, Camala C. Bailey, CPA, CVA at CPA4Vets, offers this advice, "In today's challenging labor market, more and more practices must look at managing inventory as a means of maintaining practice profitability."

This white paper delves into the intricacies of inventory management, exploring innovative approaches and technologies that empower businesses to optimize their Inventory on Hand (IOH) to reduce waste and increase working capital, minimize their Cost of Goods Sold (COGs) to improve profits, and to enhance the team's overall operational efficiencies.

Many veterinary practices monitor their inventory by analyzing key metrics from AAHA, AVMA, iVet360, industry consultants, accounts, etc. Some of these data points include:



Inventory is a profit center, and when faced with unhealthy numbers, the easy solution (raising prices and fees) does not address the root cause of the problems in inventory. This is because inventory is more than charging for an item sold or 'used up' in a medical procedure. There are issues of redundancy, capturing missed charges, purchasing power, and proper pricing. Inventory is about patient care, client compliance, team involvement, and business allocation of resources to achieve profitability. One cannot fix poor inventory numbers without digging deeper into inventory data and management efficiency.

Adding to the urgency to gain control over errant inventory metrics are other industry trends impacting practice performance. Even though revenue growth over the past two years has been positive (6.3% in 2022 iVet360 and 6.2% YoY in Nov 2023 Vetsource), transactions, new clients, and client visits have all had negative trends.

- 3.3% Transactions in 2022 iVet360
- 3.5% New Clients in 2022 iVet360
- 1.8% Visits YoY in Nov 2023 Vetsource

If these trends continue, the lack of growth in transactions, new clients, and visits can result in flat or negative revenue growth. In order to compensate for stagnant revenue growth, changes in the top line (e.g., increasing fees) can be made; however, other options exist.

According to Denise Tumblin, CPA and owner and president of WTA Veterinary Consultants, “Additional areas to explore include capture of charges, patient compliance with medical protocols, and adding new services. It’s also prudent to stay on top of requests for prescriptions to purchase somewhere other than your practice.”

Assessing the top expenses (labor and inventory) is the next best option – with inventory providing the best opportunity for improvement because labor continues to be constrained to accommodate demand and compensation is highly competitive.

Speaking of labor, your entire team must be educated on the importance of inventory management. Camala Bailey recommends that every practice should “set clear goals, such as reducing wastage, achieving practice benchmarks, and retaining PIMS accuracy. In addition, train, train, and train some more, and then reward the team for their achievements - a pizza party or other simple team-building event will do.”

From the challenges of providing patient care to enhancing team efficiency and job experience to improving business performance and making data-driven decisions, this document aims to provide insights into how veterinary practices can transform their inventory management processes to meet the demands of pet owners, team members, and practice owners.

## **About Inventory Ally**

Inventory Ally is a program designed to simplify inventory management in veterinary hospitals by automating inventory management best practices and customizing them to the needs of veterinary operations. Inventory Ally is on a mission to save hospitals time and money to reinvest in their team and the patients so hospitals can thrive. Co-founder Emmitt Nantz says, “I’ve spent 20 years watching the passion of veterinary professionals to serve pets be squandered on manual processes and inefficient systems. Our mission is to free them up to focus on their why and get back to patient care, starting with inventory management.”

Inventory Ally began pilot studies in 2022. Data from the hospitals using the program was collected and analyzed on a weekly basis. The customer success team at Inventory Ally supported the hospital's inventory team by reviewing data, discussing trends, and offering suggestions for the optimal use of all of Inventory Ally's tools. This white paper presents data from participants during 2022 and 2023.

# Methodology

Most veterinary practices use some combination of their practice management software, Excel sheets, want lists, pull cards, and gut feel to manage their inventory. It takes 4-8 hours per week in most locations because **PIMS cannot manage white goods well, and service packages assume static consumption without recognizing the natural variability of services rendered.** Inventory Managers are generally Veterinary Technicians or Customer Service Representatives who are assigned the task of inventory management without any official training. As a result, most do the best they can to not run out of product.

Inventory Ally has opted out of depending on incomplete and inaccurate transactional data from the PIMS and has opted instead to use order history data and predictive analytics to guide the replenishment of every item in the hospital. PIMS data is mapped to the program to allow enhanced calculations and detailed dashboards on critical inventory metrics. As a result, hospitals generally recognize reduced time spent managing inventory, reduced inventory carry costs, and improved Cost of Goods Sold metrics.

Inventory Ally starts with order history data shared by the user from their preferred e-commerce vendor. This data is consumed by the program to define optimized replenishment cycles based on the total cost and total volume of every product used in the hospital. High-cost, high-volume items are replenished more frequently than low-volume, low-cost items that should be purchased in bulk. Dynamic reorder points are calculated every week for every item to ensure product supply matches hospital demand.

If users choose to integrate their PIMS information, then transactional data from the invoice can be used to accelerate the responsiveness of Inventory Ally by monitoring the consumption of items as they deviate from calculated historical patterns. This data can also provide significant insights into key metrics like loss/shrink, margins, redundant formulary, slow-moving inventory, and inventory carry.



# Demographics of the Participants

The participants involved in the study are identified by a letter of the alphabet to maintain the anonymity of their financial information. All the practices are general practices; no specialty or mixed practices were included in the study, although some of the participants do offer emergency or large animal services. Inventory Ally has had successful applications with large emergency facilities since the start of the pilot.

Practice ID	Geographic Location	FTE Drs	PIMS	Ownership Structure
A	South Atlantic	4	Cornerstone	Enterprise Group
B	West	4	Avimark	Enterprise Group
C	North East	10	Shepherd	Independent
D	South Atlantic	3	Avimark	Enterprise Group
E	Mid-Atlantic	6	Cornerstone	Independent
F	South Atlantic	3	Cornerstone	Enterprise Group
G	South Atlantic	7	Cornerstone	Enterprise Group
H	East	4	Neo	Independent
I	North West	5	Cornerstone	Enterprise Group

The participants represented urban, suburban, and rural areas across the United States. They ranged in size, revenue level, years in operation, and ownership structure (i.e., private and enterprise groups). This diverse group shows that inventory management challenges transcend demographics and are not limited to small businesses.

## Key Challenges:

The participants in the study completed an Inventory Ally Customer Success Plan, listing key challenges they faced regarding inventory management. The following is a summary of their key challenges in no particular order:

- ✔ Shortages and stockouts, especially items impacting patient care
- ✔ High COGs
- ✔ Inadequate margins and problems with updating pricing
- ✔ Excessive inventory on the shelf
- ✔ Redundant inventory on the shelf

- ✓ Difficulty tracking inventory and/or a lack of accurate data
- ✓ Time-consuming (ordering, stocking, counting, etc.)
- ✓ Lack of available time to schedule inventory management
- ✓ Need to communicate to the team about inventory items
- ✓ Need to train new team members to manage inventory
- ✓ Desire to grow the business

As a part of the Inventory Ally implementation process, each participant defined their business goals. Even with the diverse group, their goals were similar:

- Reduce time spent on inventory tasks
- Improve inventory finances (reduce COGs, reduce IOH)
- Maintain an adequate inventory so that excellent patient care can be provided
- Incorporate inventory data into the decision-making process (vendor selection, ordering, etc.)

Upon identifying their challenges and goals, monthly tracking of key metrics occurred to monitor progress and identify barriers to success.

## Data

The data collected from participating veterinary practices regarding inventory management provides valuable insights into the efficiency and effectiveness of their processes. This information encompasses various facets of inventory control, such as quantity on hand, turnover rates, number of times a week orders are placed (including reactive and proactive ordering), order fulfillment speed (i.e., stockouts), and product demand (i.e. seasonal items).

The following are the key metrics tracked each month:

- 1 The number of days per week that orders are placed is a good metric for tracking efficient/inefficient or proactive/reactive ordering processes. Tracking this metric from the hospital's records is difficult since many practices do not have specific inventory management time or a day to place orders as part of their time clock documentation, and ordering is often performed whenever the inventory manager has a chance between their other responsibilities (i.e., tech or CSR duties). However, Inventory Ally does have the means to see what days orders are placed and how many items are ordered. This information can help the hospital become more efficient and proactive, thereby reducing the amount of time spent each week on placing orders by concentrating activities on one or two days per week.

- 2 COGs as a percentage of revenue is an industry standard and a metric most practices track. However, many practices have difficulty “moving the needle” to improve the percentage. Making a connection between using Inventory Ally and lowering COGs is necessary to prove that implementing the program is well worth the effort and has a positive return on investment.
- 3 The dollar value of Inventory-on-Hand (IOH) is a metric often ignored until the end of the year; however, carrying a high IOH could put the business at risk. The risk of loss due to products becoming obsolete or stolen, tying up capital that could be invested elsewhere, and decreased cash flow limiting the ability to respond to an opportunity or unforeseen emergency. Reducing the IOH requires a commitment to rectifying redundant inventory (including consolidating SKUs and removing product repetitions) and increasing inventory turnover while maintaining adequate levels for optimal patient care.
- 4 Compliance is an Inventory Ally metric to monitor the practice team’s use of the tools available in the program. These tools include automated reorder points, optimized replenishment cycles, customized safety stock, and merging items together in groups for improved predictability. A compliance of 80% or more will give the best results. Less than 80% signals not following Inventory Ally’s recommendations (i.e., over or under ordering or ordering out of cycle). Knowing if the inventory team is taking full advantage of the program can help identify opportunities for continued improvements.

You may ask, “How do these metrics help me manage my inventory?” Take a look at the following graphs for Inventory Ally users in 2022 and 2023. The customer success team used this information to provide guidance to program users.

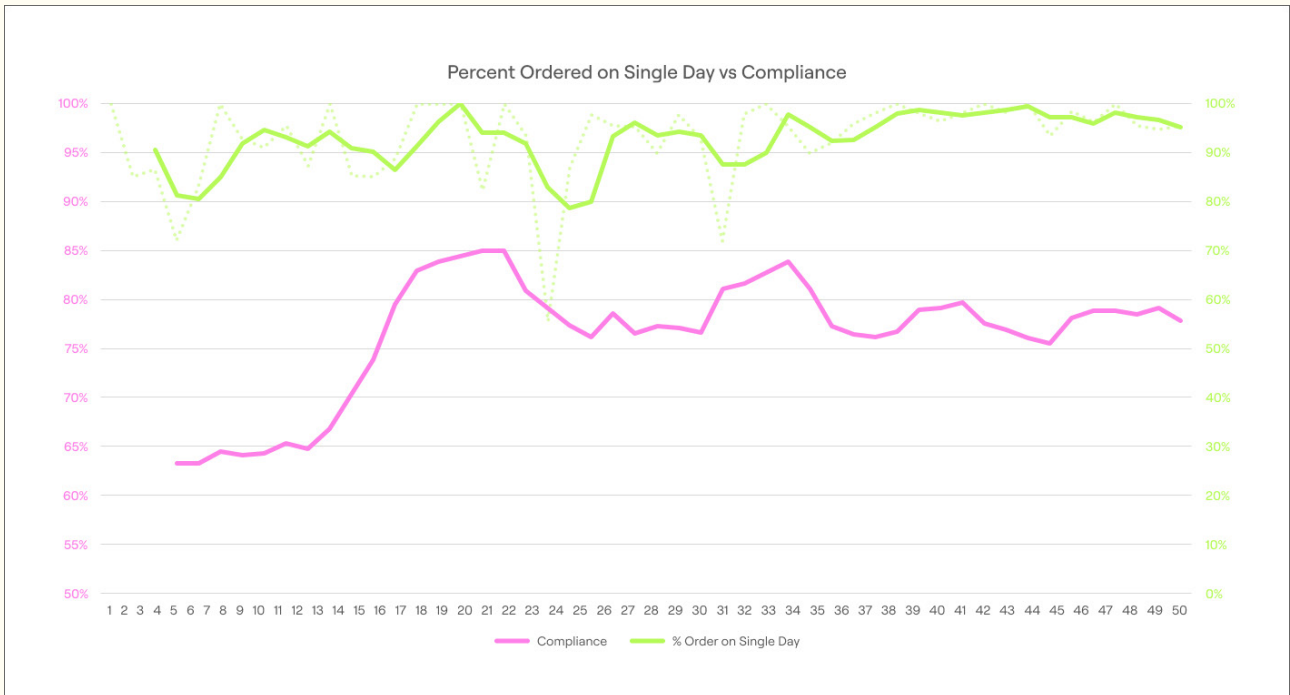
## Days Orders Are Placed

### Concentrate Ordering to One or Two Days a Week

Every hour an inventory manager spends placing an order costs the business money and pulls the inventory manager off of other critical tasks. According to a Simmons Inventory Management report, “1 extra staff hour at \$14.00 / 25 items requires a savings of 56 cents per item to cover that extra hour of time.”<sup>3</sup> As the saying goes, time is money, and taking the time to order every day costs the practice.

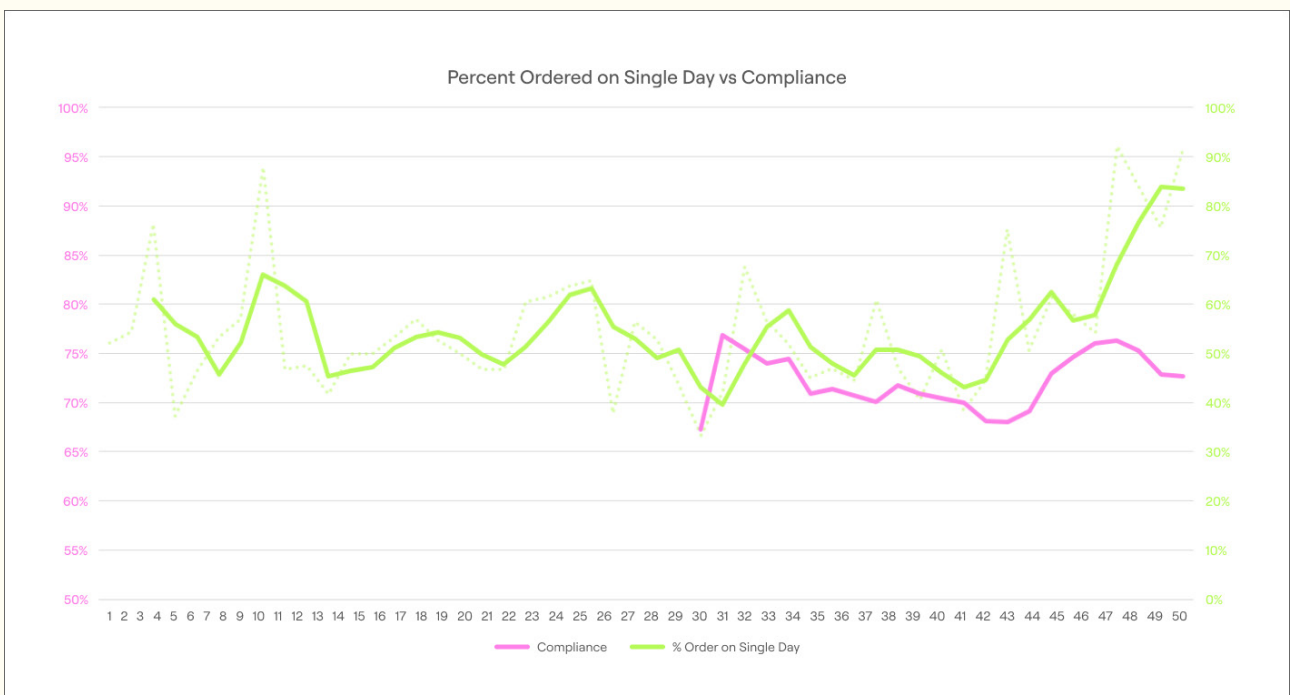
Ordering the majority of items on a single day each week saves time and money (Fig.1). Practice D is very consistent with ordering nearly 100% of their items on one day each week. An interesting fact about this practice is that earlier in the year, the inventory manager left the practice. The new manager spent about an hour learning about the program and the importance of compliance with the replenishment recommendations. Notice the times of higher compliance equate to a higher percentage of items ordered on a single day of the week.

**Fig. 1 (Practice D) Long Term Results**



For a practice just starting on the program (Fig.2), the initial drop in ordering items is due to striving to reach the goal of reducing inventory (redundancy, over-ordered, not being used, etc.) and, therefore, not replenishing (i.e. ordering more). With time and a commitment to compliance with Inventory Ally replenishment recommendations, ordering becomes concentrated to one day a week, which saves time, reduces reactive ordering (ordering any day, any time, any cost), and promotes proactive ordering.

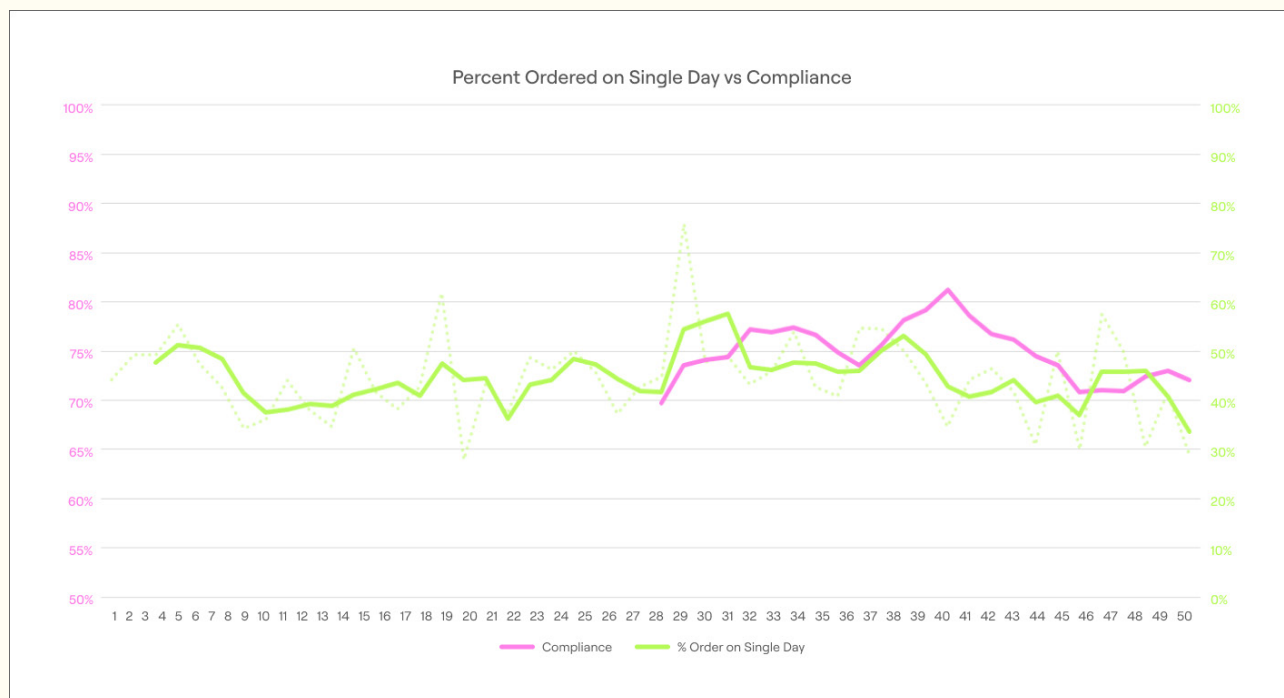
**Fig. 2 (Practice G) New Practice sees fast results**



## The Cost of Reactive, Daily Ordering

The following practice (Fig.3) is not concentrating their ordering on a single day. This practice has a high amount of out-of-cycle orders and has not moved from a reactive approach of daily ordering. Notice the direct correlation of lower compliance (less than 70-75%) to the low frequency of items ordered on a single day.

Fig.3 (Practice E) Low Compliance, Inefficient Ordering



## The Benefit of Single Day of the Week Ordering

Inventory Ally can measure the percentage of items ordered each day of the week to determine the maximum order day compared to the rest of the week. When the graph shows a low percentage of items ordered over many days each week, it implies a reactive reordering process that does not follow the replenishment recommendations from Inventory Ally. It also means that the hospital is not saving time and, therefore, not saving money on the inventory management process.

## **COGs as a Percentage of Revenue**

### Getting COGs under control

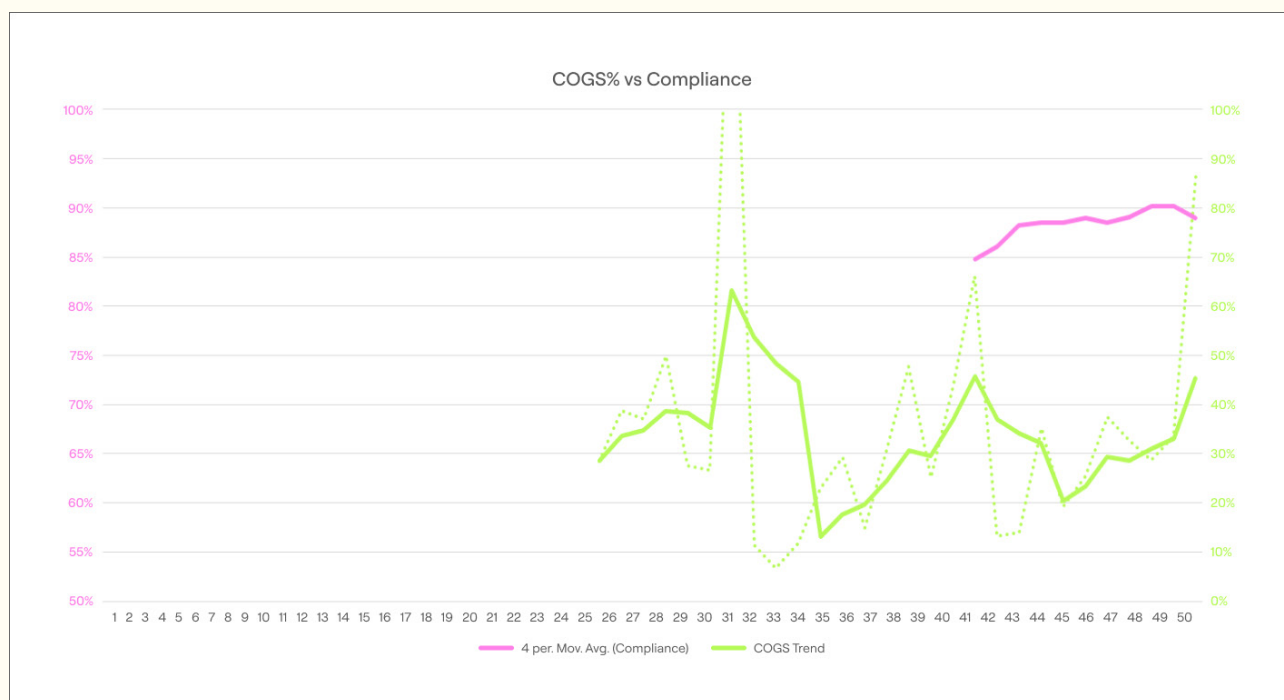
Far too many veterinary businesses see their COGs% running up to 30% (unless a large animal practice or large OTC center, in which case retail centers should be set

up as a separate profit center and not part of the hospital's inventory). Although they recognize this as a problem, fixing it seems to elude them.

Consider the ripple effects of carrying high inventory costs. Denise Tumblin feels that even \$10,000 higher can cause lost opportunities that the practice could have funded with that \$10,000 and can result in the loss of \$30,000 to \$50,000+ in practice value. The reduced cash flow from inefficient inventory management also impacts the ability of the practice to pay employees appropriately, respond to unforeseen expenses, and miss opportunities for growth, according to Camala Bailey.

Inventory Ally provides a practice the tools to get COGs expenses under control by optimizing replenishment specific to the hospital consumption patterns (Fig. 4). Practice A is a new user of Inventory Ally. Right at the onset (Week 40), compliance was high at 85-90%, and the effort paid off. COGs% has been maintained at less than 20% week to week, with the exception of a large buy-in (week 50).

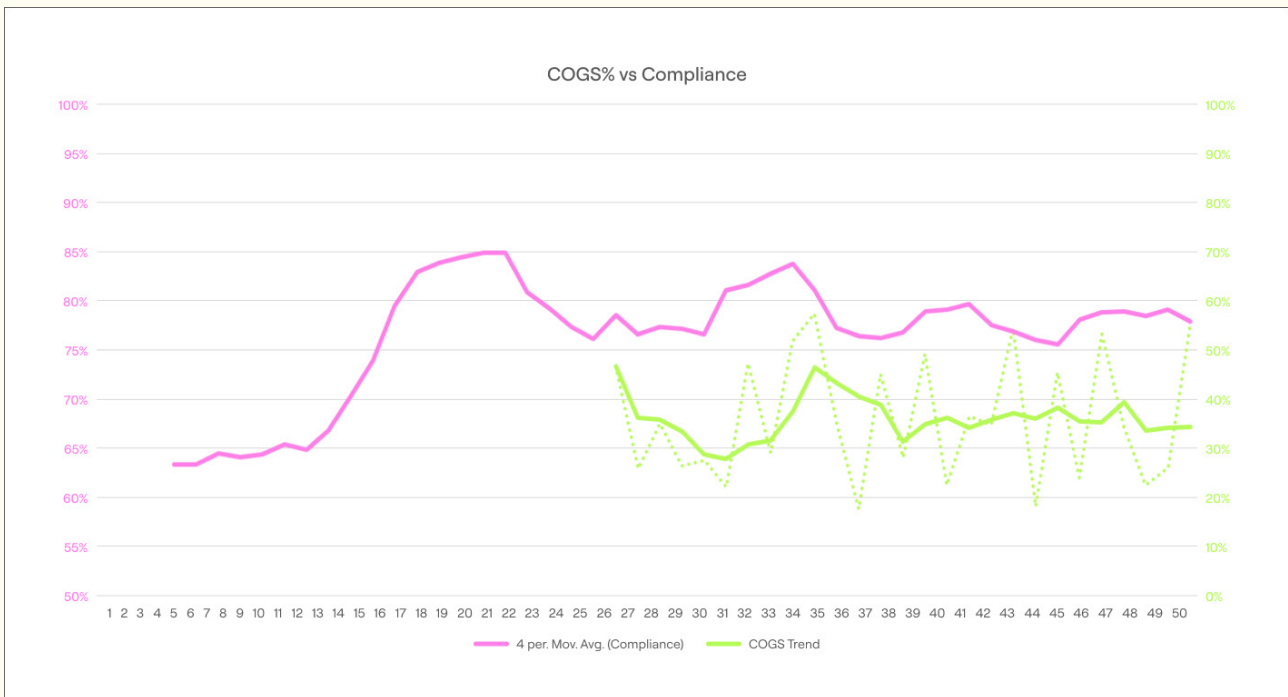
Fig. 4 (Practice A) Immediate impact on optimizing COGs



## Impact on COGs% With Continued Use

Continued use of Inventory Ally's tools helps an established general practice achieve and maintain a COGs% less than 20% (Fig. 5). (Note that COGs can run as low as 8% for a large ER facility and mid to high 20s for a rural mixed or large animal practice). Practice D began using Inventory Ally in 2022 with an average COGs of 28%. After adopting the program, COGs in 2023 averaged 21.4%, and compliance has been between 75-80% week to week.

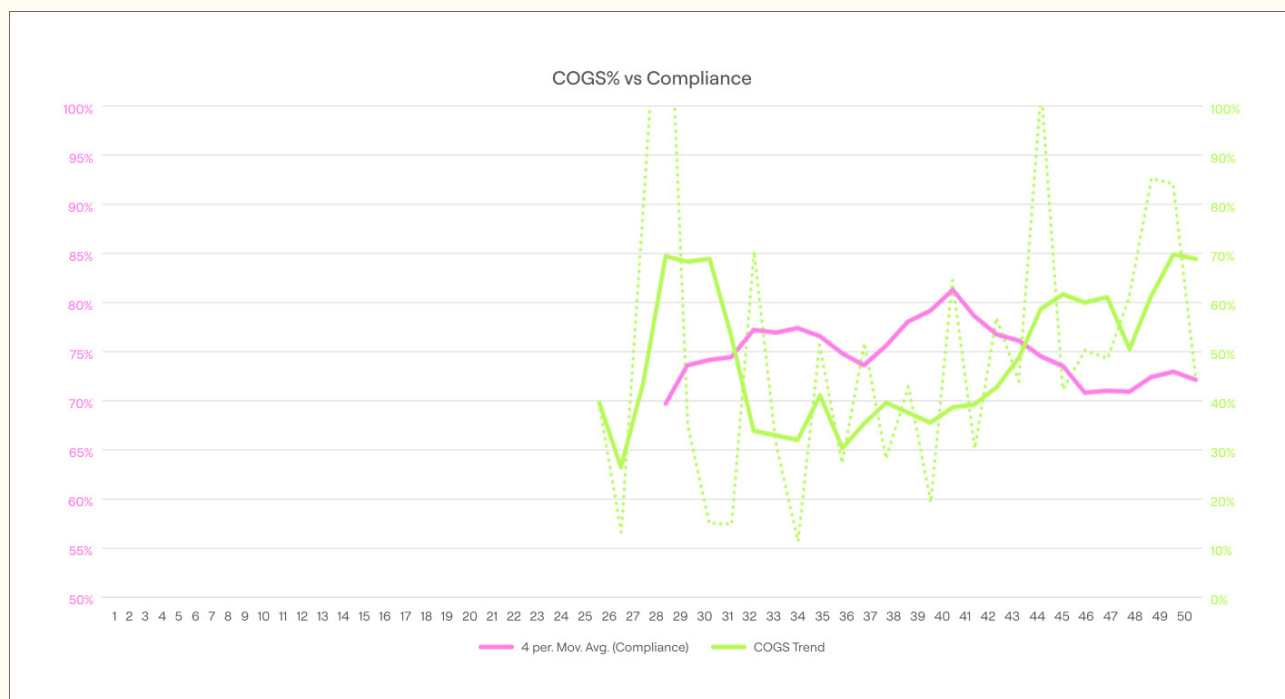
Fig.5 (Practice D) High Compliance, Optimized COGs week to week



## When Compliance Declines

The COGs% shows the effect of failure to comply with recommendations from Inventory Ally (Fig. 6). Practice E entered the program in June. However, after peak compliance above 80% around week 39, there was a rapid decline. The corresponding COGs% rapidly increased during the decline in compliance and remained around 35% due to the lower compliance.

Fig.6 (Practice E) As Compliance Declines, COGs% goes up.



## The Goal of COGs% Control

Inventory Ally gives practices the tools to gain control of high COGs% by automating inventory best practices. Two key components of any successful inventory management process are cycle counts and Just in Time (JIT) replenishment. Inventory Ally optimizes cycle replenishment and calculates item reorder points every week to balance the commitment of time and money to the replenishment process.

Inventory Ally has also added features to simplify product ordering during backorders and customized inventory safety stock. The product dashboards provide insights that help hospitals manage their spending and inventory carry by highlighting key opportunities for improvement.

During the initial start-up of the program, hospitals tend to consume excess inventory. This results in an immediate retraction of COGS as the products are not



replenished until they reach a level that matches their consumption. Once all items have been optimized to match demand and their assigned replenishment cycle, inventory carry costs will be reduced and COGs will begin to stabilize specific to the hospital's sales mix. Moving forward, streamlined replenishment moves the COGs% to more of a flat line. The key is compliance - following the replenishment recommendations and avoiding over-ordering or out-of-cycle ordering. It can be challenging, but it is essential to trust the program.

## **Dollar Value of Inventory on Hand**

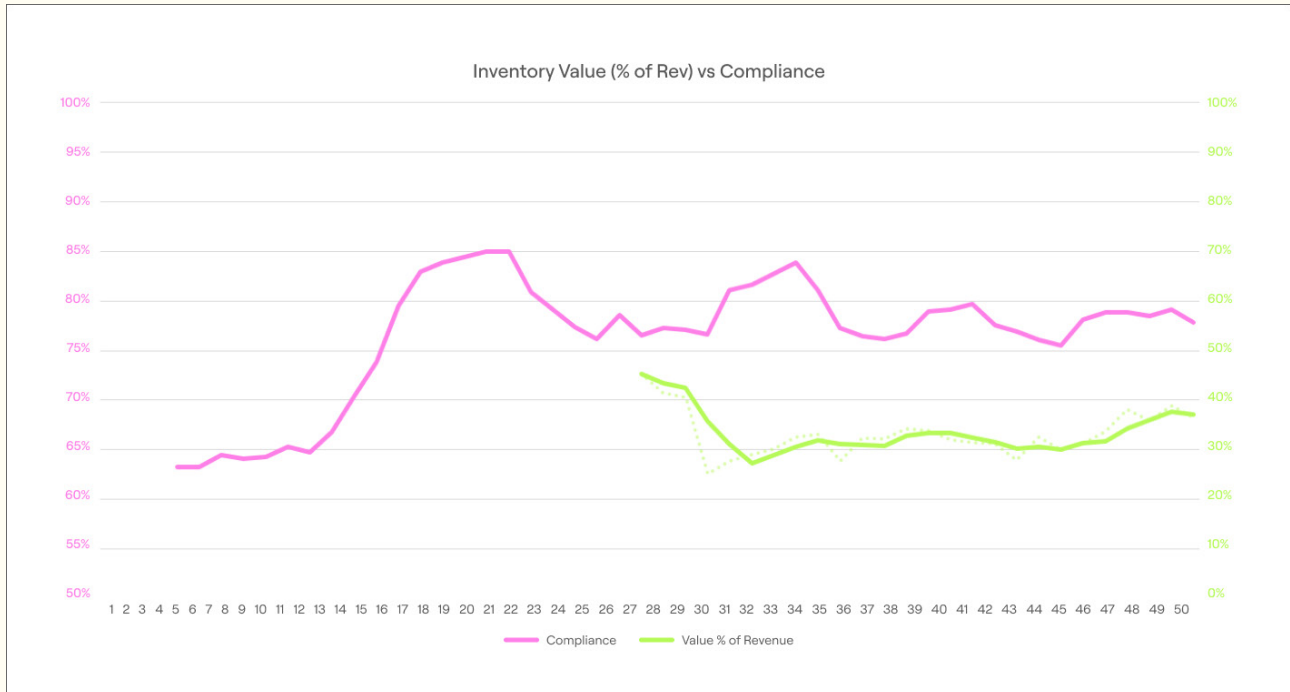
### **The Optimal Value for Inventory On Hand**

When a hospital can maintain an inventory-on-hand balance at or below 20% of the average monthly revenue, that practice has high efficiencies in processes and optimizes inventory turnover, which in turn ensures that cash is not tied up on the shelf and on the balance sheet. The problem with excess inventory is that it “can lead to loss through out-of-date drugs, damaged packaging, and theft. When there’s a lot of inventory sitting around, it’s easy to think no one will notice small amounts missing,” according to Denise Tumblin. She adds that waiting until year-end to identify the problem “delays correcting the issue(s) and limits resources available for other investments in your team and practice.”

Camala Bailey points out that a high inventory count has tax implications in addition to holding costs, lost opportunity costs, and other inventory pitfalls. She says, “The more inventory on hand at the end of the year, the higher the taxable profit. Practices must learn to strike a balance between having enough inventory and minimizing stockouts while avoiding the costs and risks associated with excess inventory.”

The hospital in this example (Fig. 7) maintains an inventory-on-hand balance between 15-20% of the average monthly revenue and a compliance rate around 80%.

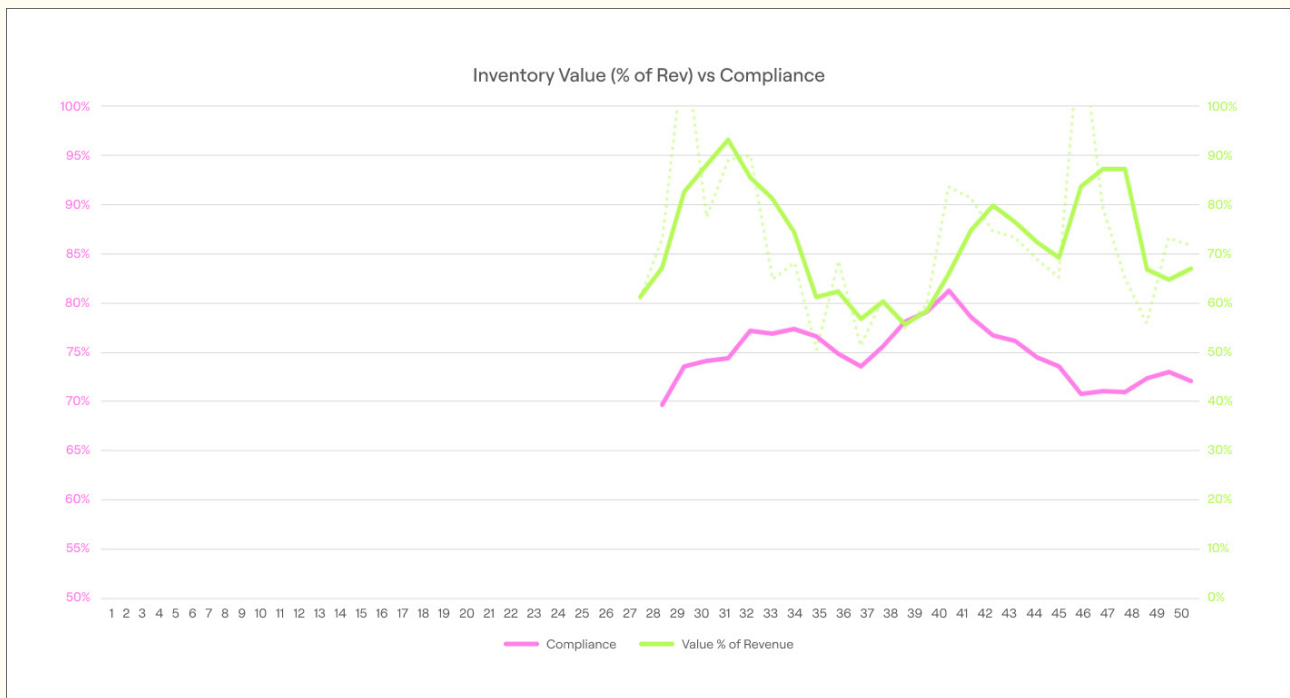
Fig. 7 (Practice D) High Compliance, Optimal Inventory Carry



## Lack of Compliance Equates to High Dollar Value of Inventory on Hand

As noted in the examples presented thus far, poor compliance with the recommendations from the Inventory Ally program has consequences. In this particular case (Fig.8), the low compliance resulted in carrying a lot of inventory. Most hospitals will carry between 20% and 30% of monthly revenue as inventory value on hand. However, this hospital has a lot of out-of-cycle orders and low compliance, which inflates the hospital's inventory value (running between 30-45%). A 20% excess inventory carry for a hospital that averages \$2.5M in annual revenue is equivalent to just over \$40,000 in excess cash sitting on the shelf instead of being invested in the team, facility, or growth.

Fig. 8 (Practice E) As compliance declines, Cost of Carry increases



## The Importance of the Dollar Value of Inventory on Hand

High inventory dollar value can harm practice success. Reducing the dollar value of inventory on hand is crucial for optimizing financial resources, improving operational efficiency, and positioning a practice to adapt to changing market conditions. It allows for better management of working capital, minimizes costs, and supports overall practice agility and competitiveness.

By monitoring data over the course of a year, Inventory Ally worked with each practice to identify trends, reduce excess stock, minimize the risk of stockouts, and streamline their overall inventory management practices. Ultimately, leveraging this information empowers veterinary practices to make informed decisions, enhance operational efficiency, and maintain a competitive edge by ensuring that their team has the necessary supplies and pharmaceuticals to meet patient care needs.

## **Innovative Technology to Manage Inventory**

Inventory Ally software contributes to cost reduction, efficient inventory levels, and time savings by offering real-time visibility, automation, analytics, and integration capabilities. The program uses historical data to predict demand and guide replenishment. When PIMS data is added, users can map invoice information to order data to help the program react to large swings in demand and notify the user when stock is getting low or when consumption amounts are exceeded. Additionally,

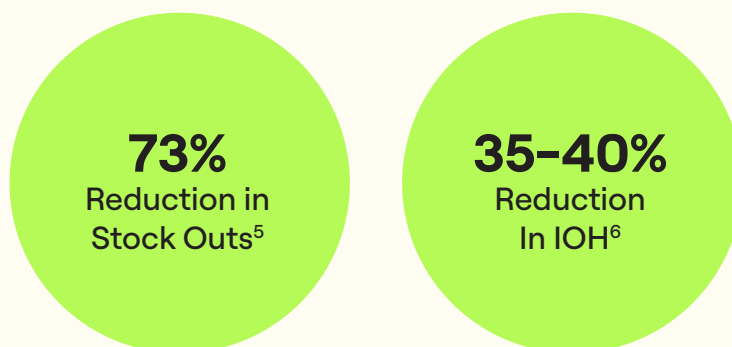
mapped items allow Inventory Ally to give significant insights into critical inventory levels, guiding users on margins, shrink, formulary redundancy, and sales mix improvements.

Reports generated by Inventory Ally and discussed with the practice owner include:

- Compliance - how well actual orders match the program's recommendations
- Count of items ordered by the day of the week
- Value of inventory on hand - an estimate based on counts, new orders, and normal consumption
- Spend analysis - a worksheet that dissects spending year over year and month to month to give insights into spending by supplier, product category, and item level.
- Item frequency review -the distribution of items between weekly, every other week, monthly, and quarterly replenishment.
- Hidden item list - those items not included in the weekly count sheets are identified and evaluated for inclusion on the cycle count.

These insights guide users to optimize their pricing strategy and add controls around loss that will bring additional value to their financial statements. Veterinary practices are empowered to enhance their inventory management procedures, ultimately improving operational efficiency and financial performance.

## Control Inventory on Hand (IOH)



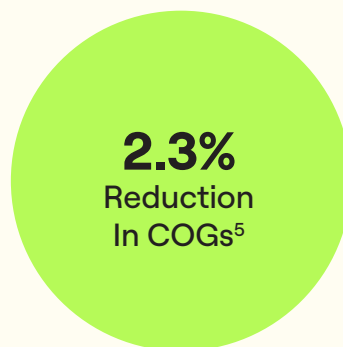
One of the first “wins” a practice will experience after starting Inventory Ally is a reduction in the IOH. During the first 8-12 weeks, excess inventory is used up and not replenished. In the subsequent 12-24 week timeframe, Inventory Ally offers guidance on replenishing items that match the demand and adjusts the recommendations based on replenishment patterns.

Many hospitals see a 35-40% reduction in total inventory on hand by following Inventory Ally's cycle counts and replenishment recommendations. By optimizing

replenishment patterns, Inventory Ally reduces the amount of money sitting on the hospital's shelves without running the risk of stockouts of critical items. The key is to allow technology to guide ordering.

With continued use and compliance with Inventory Ally recommendations for cycle counts and replenishment, slow-moving inventory, redundant products, and shrink are managed. By optimizing these issues, COGs show better results. According to Hans Bernhard, DVM and Director of Business Operations at Vets Pets, Inventory Ally "has solved the questions of what to order, when to order, and how much of each item to order." Inventory Ally helps the team perform cycle counts and order correct amounts - reducing the need for returns or having inventory take up space on the shelf collecting dust and fur balls.

## Reduce and Control COGs

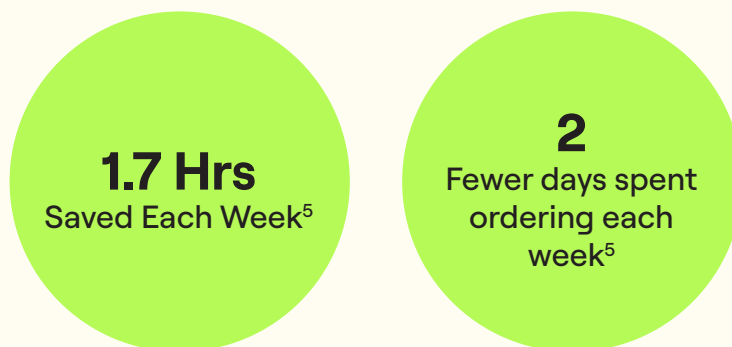


COGS is unique to a hospital's sales mix, costs, pricing, and shrinkage. While an ER/SP hospital can run between 8% and 12%, a GP will usually settle between 18% and 22%.<sup>6</sup> As a hospital grows, it realizes more service revenue than goods revenue, impacting COGs. Todd County Animal Clinic, Inc. (Practice H) saw an impressive drop in COGs from 43% to 33%, according to owner John H. Laster, DVM.<sup>7</sup>

The manager from participating Practice D reports "better control of inventory, mainly keeping less extra on the shelves and therefore keeping COGs lower." However, this has required a shift in mindset as the initial reduction caused the team to "worry that it (an item) will not be in on time and we will run out of product."

Inventory Ally does not target specific COGs, but through optimized replenishment, it helps to reduce shrink, resulting in an estimated 4 percentage point improvement for most hospitals. With high compliance with program recommendations, hospitals with COGs of 30-40% can reduce them to 20% within a few months of starting the program.

# Improve Time Required for Inventory Management



Inventory Ally has helped practices spend less time each week on inventory by reducing ordering days to just one or two times a week, improving how cycle counts are scheduled, providing dynamic minimum and maximum levels and reorder points, and reducing the amount of time needed to manage inventory. The inventory manager from participating Practice B says, "Counting and ordering feels more predictable."

By improving predictability, one primary order can be placed each week, followed by a subsequent order if needed. Additionally, the program enables inventory tasks to be delegated. Managers should feel that it is easier to delegate to others. They should especially feel like they are capable of taking a vacation without concern and without being the only one who knows how to do the inventory.

## Never Outgrow the Benefits of Inventory Ally

If you are worried about purchasing something you won't use or will outgrow as your business grows, rest assured you will find that Inventory Ally never stops giving you the benefits of reducing IOH, controlling COGs, improving management processes, and more.

Practices that grow or take on new locations find Inventory Ally to be a great tool for keeping up with expansion and growth. Hans Bernhard, DVM, says Inventory Ally is great when onboarding a new clinic. "Traditionally, we have tried to rely on inventory modules native to the PIMS. While we have found that to be successful with significant setup and maintenance, the scalability to additional practices has been a barrier."

When used correctly, Inventory Ally can help teams overcome inventory issues, whether privately owned or corporate, single location or multiple locations. Practices can use data for decision-making processes, reduce the time spent on inventory tasks, improve inventory finances by reducing COGs and IOH, and maintain an adequate inventory to provide excellent patient care.

## References

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- 4 Independent consultant recommendation
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