Inventory Repositioning Before Additional Buying

Executive decision

Review three regional routes first, then redirect suitable inbound supply and search existing same-SKU stock before approving new purchases. The strongest candidates are SKU-039 toward DC-Southeast, SKU-112 toward DC-East and SKU-074 toward DC-Northeast.

The evidence establishes demand-location mismatches and transfer priorities, but not executable transfer quantities. Only one inventory row per SKU is supplied, with balances matching the network totals; separate donor-DC stock, reservations, transit times and costs are unavailable. The primary stocking DC is therefore a candidate origin to investigate, not a proven source of spare stock.

1. Highest-priority route candidates

These three products already rely heavily on cross-DC fulfillment, indicating that the normal stocking pattern is not serving demand efficiently. Together, they had **208 September backorders and $13,260 of contribution exposure**. Cross-DC shipments supplied **616 of their 783 fulfilled units, or 78.67%**.

Rank by backordered contribution exposure, while escalating aged transfer requests alongside that economic ranking.

Priority / SKU	Candidate route	September demand: primary / remote	Backorders / contribution exposure	Available network stock	Open transfer requests / oldest age
1. SKU-039	**DC-South toward DC-Southeast**	139 / 340 units	**101 / $6,912**	**34 units; 2.13 days**	3 / 2 days
2. SKU-112	**DC-West toward DC-East**	60 / 156 units	**45 / $4,257**	**41 units; 5.69 days**	**4 / 13 days**
3. SKU-074	**DC-Central toward DC-Northeast**	89 / 207 units	**62 / $2,090**	**26 units; 2.64 days**	5 / 3 days

The named destination DCs have September demand of **211 units for SKU-039, 97 for SKU-112 and 128 for SKU-074**, exceeding their respective primary-DC demand. They are credible destinations for review, but the remote-demand total includes other DCs too. Do not send all remote demand to one destination automatically.

Immediate action: validate the **12 open transfer requests**, especially SKU-112's oldest request, against current customer need dates and donor availability. Reposition only stock remaining after donor commitments and required protection are covered.

2. Redirect inbound before creating another purchase commitment

The existing inbound plan still sends these products to their primary stocking locations despite demand being concentrated elsewhere. Review routing or split deliveries before adding more supply or creating avoidable secondary transfers.

SKU / PO	Current receiving DC	Open quantity / commitment	Recorded expected date	Routing decision to review
SKU-039 / PO-260031	DC-South	**157 units / $26,985**	October 24, 2026	Direct or split suitable receipts toward DC-Southeast and other validated demand locations

SKU / PO	Current receiving DC	Open quantity / commitment	Recorded expected date	Routing decision to review
SKU-112 / PO-260089	DC-West	**176 units / $50,621**	November 7, 2026	Direct or split suitable receipts toward DC-East; assess whether timing meets customer need
SKU-074 / PO-260059	DC-Central	**102 units / $18,041**	October 22, 2026	Direct or split suitable receipts toward DC-Northeast and other validated demand locations

This is **435 already-ordered units / $95,647 of commitments** to assess before new buying. Changing destination does not cancel the commitment or release its value in cash. It may improve availability and avoid an intermediate movement, but freight savings cannot be quantified from the files.

About **70.94% of September demand for these SKUs came from outside their primary DCs**. Use that as a signal to redesign forward allocation after Sales validates regional forecasts; it is not an instruction to reroute exactly 70.94% of current POs. Confirm shipment status, supplier consent, delivery capability, customer deadlines and any routing charges. Recorded dates are extract values, not verified current delivery promises.

3. Quantified transfer limits and economics

Existing availability is useful but small relative to the service problem. The three SKUs have **101 available units in total**, worth **$22,446 at ledger cost**. That is network availability, not confirmed donor surplus.

If all 101 units could be delivered against otherwise unfulfilled demand at the recorded economics, their contribution would be approximately **$7,082 before additional transfer costs**. This is an illustrative screening bound, not a recovery forecast: the stock may be reserved for other needs, geographically unsuitable or too late. September backorders may also have changed since the snapshot.

The per-unit contribution reference is **$68.44 for SKU-039, $94.61 for SKU-112 and $33.71 for SKU-074**, after recorded product cost and ordinary variable freight/handling. Compare incremental transfer cost, timing and actual recovered demand against those economics. Customer-critical commitments may justify a different priority, but should be documented.

The 101 available units are fewer than the **208 historical backorders**. Repositioning therefore cannot be assumed to solve the entire shortage, even before donor-service constraints are considered. Resolve the location issue and the dated supply issue together.

4. Reuse excess stock before replenishing another DC

Search the excess-review stock for genuine same-SKU demand elsewhere before buying another lot, returning stock or disposing of it. The completed screen identifies **3,794 full units / $1,034,665** for excess review. This is a potential redeployment pool to investigate, not a confirmed transferable balance.

Recorded stocking location	SKU-level full-unit excess-review candidates	Combined book value	Repositioning decision
DC-East	SKU-067: **735**; SKU-031: **595**; SKU-055: **399**; SKU-019: **198**; SKU-061: **261**; SKU-109: **247**	**$707,978**	Match approved same-SKU demand across DCs before replacement buying; prioritize phase-out run-out and the larger value candidates

Recorded stocking location	SKU-level full-unit excess-review candidates	Combined book value	Repositioning decision
DC-Southeast	SKU-090: **328**; SKU-078: **311**; SKU-096: **581**	**$288,972**	Test redeployment against retained customer-program and weakening-product demand elsewhere
DC-West	SKU-052: **88**; SKU-034: **41**	**$36,771**	Match confirmed demand before rescheduling inbound or choosing another recovery route
DC-Northeast	SKU-095: **10**	**$944**	Low-priority verification; the small screen exception does not justify a transfer without a specific need

Destination demand for this pool has not been established, so no recipient DC, transfer quantity or avoided purchase saving can be approved from the supplied evidence. SKU-052 and SKU-096 are among records whose named highest-demand DC conflicts with the reported demand quantities; their destination fields must not be used as routing instructions.

Excess in one SKU cannot fill a shortage in another without approved substitution. In particular, phase-out stock cannot automatically satisfy replacement-product demand. Transfer only where product identity, compatibility, customer acceptance and timing are verified. A transfer preserves network inventory value; cash release occurs through subsequent fulfillment, avoided purchases or another realization event, not through the move itself.

5. The leadership rule before buying more

Make network availability and inbound routing part of the purchase decision. Apply the same sequence to the highest-value shortage SKUs, including SKU-116/008/101/043, without assuming donor stock exists.

Decision step	Required evidence	Result
Confirm the actual shortage	Current SKU/DC orders, reservations, usable stock and need dates	Establish what is missing, where and when
Search the same SKU across the network	Separate DC balances and protection requirements	Calculate donor surplus rather than using network totals
Review existing inbound	Confirmed quantity, receipt date and permitted destination changes	Use or redirect timely existing supply first
Compare feasible options	Transfer arrival, incremental cost, supplier delivery and protected contribution	Choose the best service/economic outcome
Approve incremental buying only for the residual need	Remaining shortage after feasible transfers and timely inbound	Avoid duplicate commitments and subsequent excess

Leadership should prioritize the three regional routes and their incoming orders now. No specific quantity of new purchasing can be declared unnecessary until this sequence is completed. The **37 inconsistent highest-demand-DC records**, missing DC-level balances and absent common as-of date prevent a validated network-wide transfer optimization. The available evidence supports targeted routing reviews and purchase checks, while exact moves and financial benefits require refreshed operating records.