



Store Operating Procedures

I. Ordering

I.2 Milk & Eggs Order Guides



Visuals

Prior Week Sales (CASES)					AVG Daily Cases				Tue 5/14	
4/13/19	4/20/19	4/27/19	5/4/19	5/11/19		Code	Item Description	Pack	Inv	Ord
0.0	0.0	0.0	0.0	0.0	0.0	65920	FAT FREE SKIM MILK-GAL	4		
29.5	26.8	31.8	25.0	15.5	3.7	65830	1% LITE MILK-GAL	4		
38.5	49.8	50.8	55.3	42.8	6.8	65870	2% REDUCED FAT MILK-GAL	4		
199.5	258.0	214.5	214.5	194.8	30.9	65860	VIT D MILK GAL	4		
0.4	0.0	0.7	0.3	0.7	0.1	65850	FAT FREE SKIM MILK-1/2 GAL	9		
2.6	1.8	2.6	1.9	1.7	0.3	65840	1% LITE MILK-1/2GAL	9		
5.1	8.1	8.3	9.7	6.3	1.1	65900	2% REDUCED FAT MILK-1/2 GAL	9		
14.8	14.8	19.1	16.7	15.0	2.3	65890	VITAMIN D MILK-1/2 GAL	9		
0.0	0.0	0.0	0.0	0.0	0.0	65790	CHOCOLATE MILK-GAL	4		
0.0	0.0	0.0	0.0	0.0	0.0	65960	CHOCOLATE MILK-1/2 GAL	9		
6.5	4.0	2.0	6.5	7.0	0.7	19290	ORANGE JUICE-GAL	4		
1.5	0.0	1.0	2.0	2.3	0.2	65940	FRUIT PUNCH-1 GAL	4		
4.5	1.3	2.0	1.8	1.3	0.3	65950	ORANGE DRINK-1 GAL	4		
0.8	1.5	1.5	0.8	3.3	0.2	66300	BLUE RASPBERRY DRINK - GAL	4		
1.3	2.8	2.3	3.3	0.5	0.3	45650	ICE TEA-GAL	4		
0.0	0.0	0.0	0.0	0.0	0.0	52064	ICED TEA WITH LEMON	9		
0.0	0.0	2.0	3.0	2.3	0.2	68000	TAMPICO MANGO PNCH-1 GAL	4		
2.0	0.0	0.0	2.8	1.8	0.2	68020	TAMPICO TROPICAL PNCH-GAL	4		



What

Milk & Eggs Order Guides refer to the tool Save A Lot Store Team Members use to order milk and eggs for the cooler department. It consists of all orderable items for the category and provides 8 days' worth of weekly and average daily sales history for the previous 5 weeks.

Milk & Egg Order Guides can be found on the SAL Browser → Applications → Products and Procurement → Perishable Order Guide (New)

GOAL: To use the order guides and formula to make sure we are meeting expected sales demand and controlling waste without running out of stock, while still upholding our merchandising standards every day.



Why

- Ordering is the most controllable factor of driving sales, inventory management, and shrink
- Proper ordering will improve store sales by always having product available to meet sales demand and avoid excessive quantities that create unnecessary waste and shrink
- Utilizing the order guides and the ordering formula ensures we have the right amount of stock, delivered at the right time for our customers



When

- All Milk & Eggs orders are placed on the same day as the stores standard order, unless otherwise noted by the Distribution Center
- Managers are encouraged to start ordering at **3PM** or later, on order days
- Orders are to be submitted and sent to most DCs by **10PM** (See your DC for details)



How

Ordering Process Flow

- 1) Analyze & Plan
- 2) Date Check
- 3) Work Backstock
- 4) Order Sales Floor
- 5) Review & Submit Order

1) Analyze & Plan

- Managers must spend time throughout the week to plan & analyze orders based on expected sales.
- Planning & Analyzing topics include:
 - Recent Sales/ID Loss Trends
 - Review *PLU Sales Report* – Review Sales Items by value for the last **30 days** every **Monday** after new order guides are received
 - Review *ID Loss Store Detail Report* – Review Top ID Loss items by value for the past **7 days** every **Monday** after the new order guides are received

- Seasonality/Weather
- Day of Week
- Schedule & Planning of Delivery Load
- Time of Month/EBT Release Schedule
- Ad Events/Item Cannibalism
- Upcoming planogram/assortment changes
- Survey & Promotions Planning
 - Managers need to analyze survey quantities scheduled for their store and adjust the quantities if necessary
 - Use the *Survey System* to fill loads with survey items and balance load schedules
 - Use the *Planning Report* to make decisions in helping plan current survey quantities on orders over the next two or six weeks
 - Use the “Review” Promotions Screen on SAL Browser to quickly review pre-surveyed product to which you have committed quantities

2) Date Check

- A date check is the process of verifying all product on the shelves are within their best before date and are suitable to sell to our customers
- In detail, look through all milk and eggs products, collect any expired items to be discarded and place any discards in the grocery bin at the ID Loss Station
- This needs to be completed in milk and eggs before backstock is worked onto the sales floor and an order is placed to ensure stock-on-hand counts only include sellable products
- Products that will expire before the next truck need to be **EXCLUDED** from the inventory counts

3) Work Backstock

- Work backstock prior to writing an order to ensure that all inventory is accounted for and the backroom is organized when an order is written
- To save time and steps, when you are done working backstock, write down your remaining backstock quantities onto your order guide in the “Inventory” column

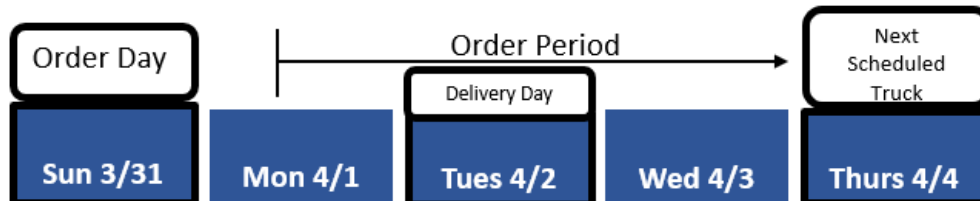
4) Order Sales Floor

- The column of the day of delivery should be used to write the Inventory and order quantities
 - i.e. If ordering on a Monday for a Wednesday delivery, write Inventory and order quantities on the Wednesday column
- While on the sales floor, start counting inventory to the nearest ½ case and write this number in the “Inventory” column of your order guides
- Refer to the “pack” column for the case size of each individual product
- Order Formula: **Expected Sales – Inventory = Order Quantity**
 - A. Expected Sales is the total combined sales of an order period:
 - a. Day After the Order Day **THROUGH** the NEXT Scheduled Truck
 - The expected sales order period consists of the sales demand between the order day and next scheduled truck **PLUS** an extra buffer day (delivery day) to ensure product availability (late deliveries, an unexpected spike in sales, etc.)
 - i.e. If ordering on Monday for a Wednesday delivery and the next scheduled truck is on Friday, the order period needed to calculate is Monday **THROUGH** Friday
 - B. Inventory is the total inventory stock on hand in case quantity in the backroom, sales floor, and product In-Transit (if truck is delayed)
 - C. Order Quantity is the number of cases to be ordered after calculation of the formula is completed (any survey quantities need to be subtracted from the result, if applicable)
- After the formula is calculated, it is recommended you round up to the nearest case



Multiply AVG Daily Cases by the days in the order period being ordered. In this example, the order period to be included is **Monday through Thursday: 1.1 x 4 = 4.4**

Prior Week Sales (CASES)					AVG Daily Cases				Tue 4/2	
3/2/19	3/9/19	3/16/19	3/23/19	3/30/19		Code	Item Description	Pack	Inv	Ord
8.3	8.3	8.0	6.5	6.8	1.1	65920	FAT FREE SKIM MILK-GAL	4	2	3
11.0	12.8	13.8	9.0	10.3	1.6	65830	1% LITE MILK-GAL	4		



Understanding the Milk & Eggs Order Guides

- On the Milk & Eggs Order Guides, multiple avg daily sales by the days of the order period being ordered.
 - i.e. If ordering on a Wednesday for a Friday delivery and the next scheduled truck is on Monday, the order period is Thursday through Monday - 5 days
- Survey (PPQ) quantities are not included in the Milk & Eggs Order Guides so manual research of current items being surveyed into the store needs to be executed

5) Review & Submit Order

- Orders should be reviewed and submitted by the SM or ASM
- Orders should be reviewed to ensure that they are accurate. (no input errors on order quantities, no item codes incorrectly keyed, etc.)
- Keep an eye on the truck type, FTL (Full Truck Load) or LTL (Less Than Full Truckload) weight and cube limits, you may need to adjust your order to ensure
- All orders must be placed by **10PM** each order day



Top Tips

- Help stock out a Milk & Eggs delivery you ordered two days prior and review how you did:
 - Walk the sales floor; take note of low/out of stock (OOS) items
 - Review Stock Outs list from the e-invoice
 - Adjust following orders to accommodate any findings (i.e. Rate of sale changes)
 - Use this practice as a learning tool to improve ordering accuracy on the next order
- Be familiar with the high discards & high sales items within the department each week
- Review Survey & Promo Planning Reports EVERY week:
 - Utilize the Survey System
 - Utilize the Planning Report
- Trust the sales history and averages but remember there are always exceptions! It's important to keep in mind the data only shows what you've sold, not necessarily what you can sell




Tool Kit

- Milk & Eggs Order Guides
- PLU Sales Report
- ID Loss Store Detail Report
- Survey System/Planning Report
- Black/Blue Pen
- Calculator

Reference Material in the Document Repository:

- [SAL Browser User Guide](#) –

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- *Survey System & Planning Report: Pg. 205 & 233-245*
 - *ID Loss Store Detail Report: Pg. 108-110*
 - [ISS45 V8 User Guide –](#)
 - *PLU Sales Report: Pg. 88-100*
 - 1.2.3 Milk & Eggs Order Guides – Practice Example
 - 1.2.3 Milk & Eggs Order Guides – Practice Example Answer Key