



CONSIGNMENT COMPLIANCE AUDIT WITHIN RETAILERS

Case Study: Compliance Audit – Wholesale Distributor

A wholesale distributor needed to **assess retailer's stock levels** to assist with invoicing for stock received

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Case Study: Compliance Audit – A Wholesale Distributor

A wholesale distributor based on the Gold Coast in Queensland required the support of RGIS. They provide a wide range of sunglasses and phone accessories to various retailers across Australia, including convenience stores, pharmacies, grocery stores, news agencies, tourism and gift stores, vending machines and specialty retailers. The wholesales distributor's stock is spread across 8,000+ sites and required RGIS to count stock at select retailers to get a snap shot of stock levels at a certain time to assist with invoicing customers.



REQUIREMENT

The wholesale distributor supplied retailers with stock on a consignment basis, the retailer doesn't pay any up-front cost for the stock. On a regular basis, the wholesale distributor's sales representatives visit each store and replenish the stock levels. Any stock missing from the original allocation is deemed to be sold and invoiced to the retailer.

The wholesale distributor required the following:

- **Stock takes to be completed at the same time** within retailers
- **Check stock levels** against original allocation
- **Photograph** all stock lines which the wholesale distributor supplied



SOLUTION

The wholesale distributor partnered with RGIS to complete the **consignment compliance project**, and provided the following:

- Team of **45 experienced RGIS auditors** were allocated to cover all stores identified
- 15 different ranges were **checked and counted**
- **Scheduled RGIS auditors on a geographic basis** to reduce travel time between stores
- Photographs of all stock lines which the wholesale distributor supply, were put together and added to the **count procedure document**



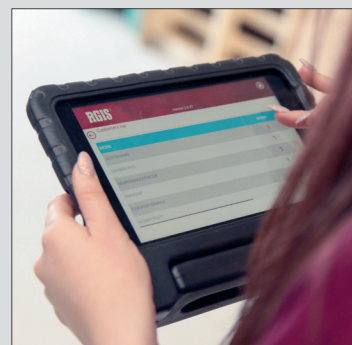
RESULTS

The wholesale distributor found that by outsourcing the consignment compliance project to RGIS, the following was achieved:

- **Identified** missing stock
- Missing stock was then invoiced to the retailers, with the assumption the items had been sold
- The customer received both **accurate reporting and images** to show stock levels within the retailers that were distributing the wholesale distributor's stock



By partnering with RGIS, the wholesale distributor found that from the reports generated, **accurate invoices** could be sent to retailers where missing stock had been identified and assumed sold



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Information Gathering



Photographed Products



Identified Missing Stock



Accurate Data



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