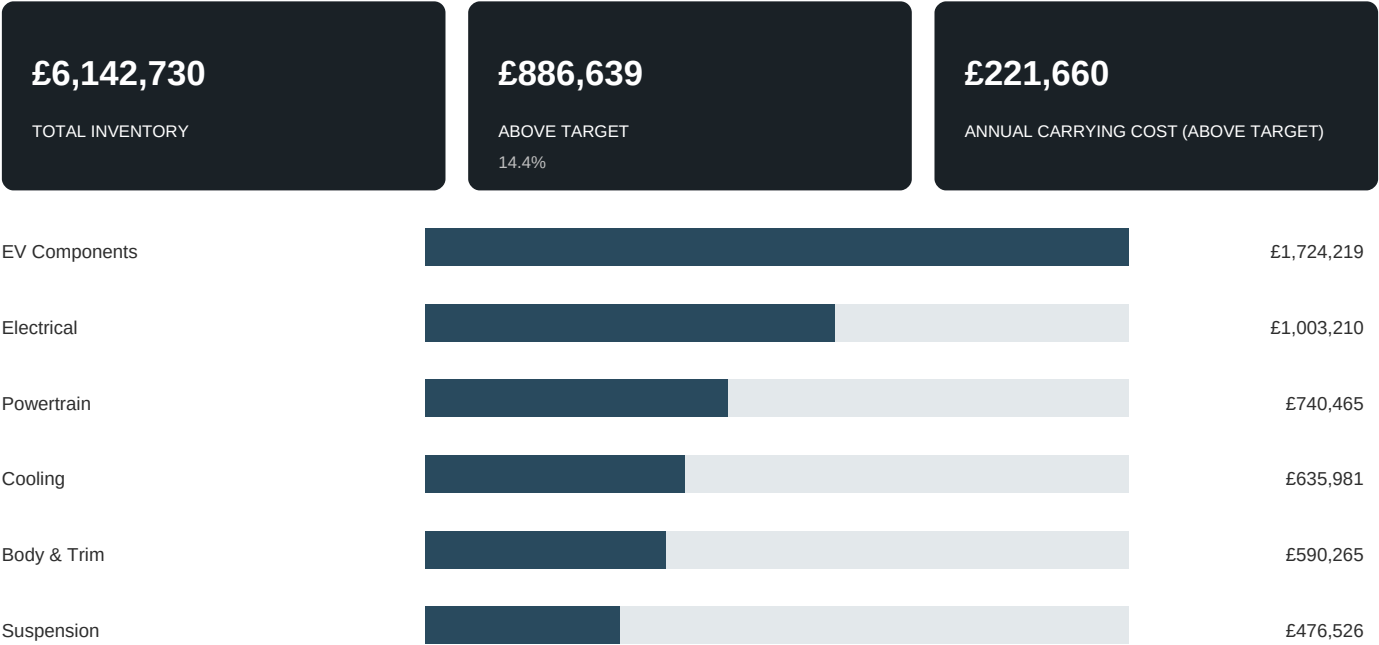


Calculated shortages require validation in parallel with £886,639 of above-target stock requiring controlled containment

Executive Commercial Opportunity Review · Preliminary consulting assessment

Our preliminary opinion is that £886,639 sits above the selected demand-supported target, but the exposure is not one problem. £447,203 is slow-moving or obsolete while £336,104 of potential shortage investment co-exists elsewhere. The first decision is therefore containment and segmentation, not indiscriminate stock reduction.

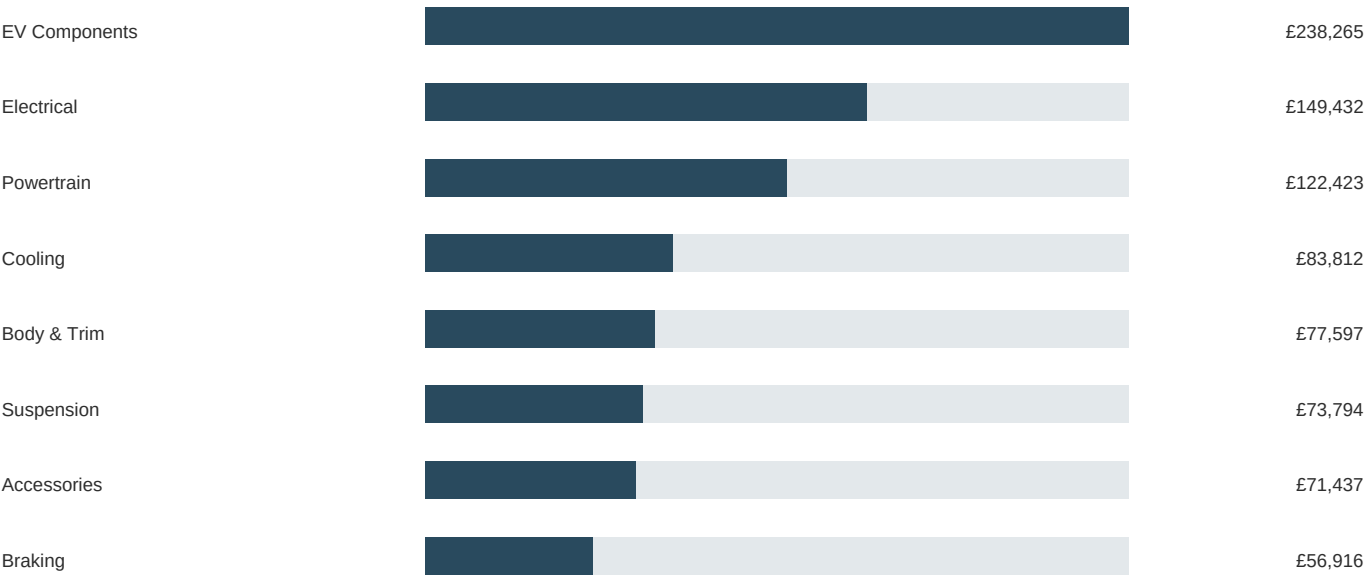


DECISION REQUIRED

Begin management validation by separating moving excess (cause unconfirmed), dormant exposure, protected retention and customer-critical shortage before any irreversible action.

EV Components combines the largest commercial concentration with a distinct demand profile

The pattern a stock valuation alone cannot reveal



OBSERVED FACT

EV Components carries £1,724,219 of inventory and £238,265 above target. Its no-demand value is £31,875, equivalent to 1.8% of category value.

COMMERCIAL INTERPRETATION

High excess with continuing movement may indicate over-commitment, but the cause is not established by the supplied inventory file. Where projected stock covers forecast demand and supplier lead time, controlled replenishment reduction may allow normal demand to consume the position before a recovery route is considered.

ENTERPRISE QUESTIONS

Test supplier minimum order quantities, launch assumptions, programme timing, warranty retention, open purchase orders, supersession and alternative demand elsewhere in the network.

DECISION REQUIRED

Do not authorise category-wide recovery until moving inventory and genuinely dormant stock have been separated.

£136,938 of the exposure sits in the twenty largest exceptions

Concentration determines whether management needs named interventions, category controls or both

£51,154

TOP FIVE

5.8%

£95,838

TOP TWELVE

10.8%

£136,938

TOP TWENTY

15.4%

Part	Category	Excess	Sales
[REDACTED]	EV Components	£12,772	68
	EV Components	£10,457	77
[REDACTED]	Electrical	£10,253	120
	EV Components	£9,908	75
[REDACTED]	EV Components	£7,764	103
	EV Components	£7,225	78
[REDACTED]	EV Components	£6,768	106
	Powertrain	£6,671	80
[REDACTED]	Cooling	£6,130	107
	Electrical	£6,120	91

DECISION REQUIRED

Validate the highest-value exceptions immediately while determining whether broader category and governance change is also required.

The obvious recovery action may be commercially wrong on selected lines

Inventory data identifies candidates; enterprise evidence determines the route

WHAT THE FILE PROVES

Quantity, cost, movement, target, excess, ageing and category concentration can be assessed consistently.

WHY THE CONCLUSION MAY BE WRONG

Supplier constraints, programme commitments, recalls, warranty retention, supersession and regional supply risk may justify stock that appears excessive.

FOURTH DIMENSION QUESTIONS

Has the vehicle programme slowed? Have supplier MOQs changed? Could a recall consume this stock? Did a buyer ignore supersession? Could another site use it? What happens if production ends six months early?

CONFIDENCE — Calc: High · Diagnosis: Moderate · Recommendation: Moderate · Benefit: Moderate

DECISION REQUIRED

Commission the evidence requests that can confirm or overturn the preliminary conclusion before selecting a recovery route.

Management can now see the decisions that require investigation, not merely the stock classifications

The consulting journey increases depth by audience without changing the underlying facts

BOARD VIEW

A concise opinion, financial consequence, competing explanations and the decisions requiring sponsorship.

INVESTIGATION VIEW

The evidence, causal chain, enterprise hypotheses, route economics and confidence behind each recommendation.

OPERATIONAL VIEW

Priority lines, evidence packs, transfer and return tests, owners, due dates and escalation triggers.

PROGRAMME VIEW

A twelve-week containment and validation plan with six decision gates and Finance-controlled benefit realisation.

DECISION REQUIRED

Use the preliminary assessment as the agenda for the first cross-functional validation meeting.

The immediate value lies in stopping the wrong decision before it is made

Recommended management starting point

THIS WEEK

Appoint an Executive Sponsor, place material above-target lines into controlled replenishment review, reducing or suspending replenishment only where the required demand, order and lead-time evidence supports it; issue the open-PO challenge list and schedule the Week 2 Containment Gate.

BEFORE RECOVERY

Confirm physical stock, demand, supersession, support obligations, network demand and supplier terms.

EXECUTIVE JUDGEMENT

The evidence supports immediate containment but does not yet justify broad recovery or replenishment. A short validation period carries less commercial risk than acting prematurely.

CONFIDENCE — Calc: High · Diagnosis: Moderate · Recommendation: Moderate · Benefit: Moderate

DECISION REQUIRED

Start with containment and evidence. Release transfer, return, sale, disposal or new purchase only when the route-specific evidence is complete.

This assessment was prepared by Vertex Automotive Solutions

Independent aftersales commercial intelligence and advisory



ABOUT VERTEX AUTOMOTIVE SOLUTIONS

Vertex Automotive Solutions specialises in aftersales, one of automotive's most misunderstood profit engines. We combine real-world operational experience, behavioural psychology and structured KPI methodology to turn declining service revenue, parts profitability and disconnected customer journeys into measurable commercial outcomes, including through the EV transition.

WORK WITH US ON THIS ASSESSMENT

Visit www.vertexautomotivesolutions.com to discuss a full governed commercial investigation, an implementation programme, or independent validation of the findings in this report.

www.vertexautomotivesolutions.com

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