

TERMINOLOGY

Order Quantity	The amount of item ordering which must be ordered by company to fulfill the demand
Reorder Point	The amount of stocks in the warehouse as a point to reorder item to avoid stock out happen
Lead Time	The interval of time between item ordered until arrive at its customer
SKU	An identification of particular item that allows it to be tracked for inventory purposes
Maximum Inventory Level	The maximum amount of inventory in warehouse
Service Level	The level of service that shows the percentage of consumer demand can be fulfilled
Review Interval	Interval of replenishment when inventory below of inventory policy
Overstock	Condition in which inventory is more than inventory policy
Stockout	Condition in which inventory is less than inventory policy
Downtime	Condition in which machine cannot operate well either in preventive or in corrective