

ABSTRACT

PT XYZ is a company engaged in the pharmaceutical field. PT XYZ has Business Manager (BM) which function as dedicated supplier medical store XYZ. BM PT XYZ Bandung dedicated supplier for 37 medical store located in Bandung. Based on the types of products BM PT XYZ has 5 categories product, there are prescription drugs, limited OTC drugs, OTC drugs, medical equipment and customer goods.

In determining inventory policies, BM PT XYZ not using standard calculations. Inventory policies taken by estimating the right amount for each purchase. This situation resulted in the overstock that causes total inventory costs become very high.

The purpose of this research is to determine the inventory policy for prescription drugs and OTC drugs with tools matrix ABC-VED analysis that will result in 3 categories will be divided into 2 priority, the first priority ($AV+BV+CV+AE+AD$) there were 629 drugs and priority II ($BE+CE+BD+CD$) there were 1390 drugs. Inventory policies for priority I using Continuous review (s, S) method and to priority II using Continuous review (s, Q) method.

Results of calculation of inventory policies for priority I give total inventory cost savings amounting to 41.47% while for priority II gives a total cost savings of 18.11%.

Keywords – *Inventory, Probabilistics, Overstock, Continuous review (s,Q), Continuous review (s,S).*