

## **ABSTRACT**

*Two Americanos is a company that focuses on coffee bean processing. As one of the players in the coffee bean industry, Two Americanos requires raw materials to meet the supplies needed for the production process, therefore Two Americanos carries out inventory planning to meet production needs, but Two Americanos still carry out inventory planning using traditional methods and are not based on good standards. As a result, there is often a mismatch in the amount of inventory with existing demand, because of this an overstock condition occurs where the product has an influence on the total cost of inventory.*

*The solution offered to Two Americanos in overcoming the problems that occur is designing an inventory policy by utilizing the continuous review (Q,r) method. The continuous review method is an inventory control system that pays attention to inventory when reordering. With the continuous review method, calculations will be carried out until the reorder value and order quantity reach optimal numbers in order to minimize Two Americanos inventory costs.*

*The results of research carried out using the continuous review method are an inventory policy design in the form of reorder point values and optimal order quantities and have the impact of reducing or minimizing total inventory costs. The results of this inventory policy design result in a reduction in total inventory costs, namely in the conditions of the proposed period In 2022, from the design results, the order quantity was 20,4 Kg and the Reorder Point was 2,9 Kg. Meanwhile, in the proposed conditions for the 2023 period, the order quantity was 18,8 Kg and the Reorder Point was 2,4 Kg.*