

ABSTACT

PT XYZ is a manufacturing company in Bandung Regency which is engaged in the production of fiber optic cables where it carries out a series of production stages starting from the raw material (fiber optic fiber) which is then given a plastic layer to protect the fiber optic fiber until the final process, namely winding the fiber optic cable and then quality. controll. The problem that occurs in the company is the high total inventory costs due to the costs of orders made continuously every month. Therefore, companies need to calculate raw material inventories in accordance with the Economic Order Quantity (EOQ), safety stock and reorder point methods. The results obtained from the EOQ calculation are the frequency of orders twice a year with 300 boxes each or around 15.000 kilograms. The total cost of existing inventory according to company policy is IDR 57.566.433 and the total inventory cost which has been calculated using the Economic Order Quantity (EOQ) method that needs to be spent by the company is IDR 21.941.367. The resulting safety stock value is 7 boxes or the equivalent of 35 kilograms and the reorder point value is 15 boxes or the equivalent of 75 kilograms.

Keyword — Economic Order Quantity, Safety Stock, Reorder Point