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Purchasing Price

- State each item specifications in writing with priority to high value and/or large quantity items.
- Set-up purchases plan with special attention for delivery periods especially for hot items to avoid costly means like air shipping.
- Purchases should be scheduled in accordance with provisions quoted in the estimated budget.
- Update suppliers' list on regular basis giving preference to those with good name and reputation, good financial position and with goods after sale services.
- Inform suppliers to provide you regularly with offers to meet items' specifications and in accordance to terms and conditions given.
- Arrange your purchases' orders to be in big quantities to make use of quantity discount. In coordination with suppliers the orders can be divided into several shipments and delivered on intervals as needed during the year.
- Make arrangements with suppliers to keep prices fixed for about a year. Upon signing deals with suppliers make sure to arrange forward buying of foreign currency.
- Deal with few suppliers to ensure sizable volume of purchases with every party to win bigger discounts. Implementing this idea will strengthen your business relationship and will assist you in postponing payments without paying interests.
- Get rid of outdated or slow moving items either by selling it below cost or depreciating what is left.
- Find new ways to make use of slow moving items or any spare parts to speed its movement.
- Try to resell slow moving spare parts to original suppliers who are more competent to deal with it. Make sure to buy only what is needed at time needed.
- Do profit analysis for each item to determine whether it is of high or low profit. High profit items are to be given special attention in sales promotion and advertisements. Low profit items are to be quantified or cancelled and replaced by more profitable ones.