

They'd been postponing the full physical count for months. There was always a reason: too busy, wrong time of year, not enough staff.

When they finally couldn't avoid it anymore, they blocked off a weekend and counted everything.



What they found was shocking:

- Products discontinued years ago, still occupying prime space
- Returns never processed, gathering dust
- Mystery pallets nobody could identify
- Actual accuracy: 73%

Not the 97% the system showed. Not even close.

For every four orders they thought they could fulfill, one was based on phantom inventory.



The Aftermath:

- Emergency inventory reconciliation
- Brutal Monday morning meeting
- Complete process overhaul
- Painful admission: they'd been making million-dollar decisions on bad data

The Real Cost: Operating on "coin flip" inventory accuracy without knowing it.

When was your last full physical count? And do you really want to know what it would reveal?