552.238-92 Vendor Managed Inventory (VMI) Program.

As prescribed in 538.273 (d)(16) insert the following clause:

Vendor Managed Inventory (VMI) Program (May 2019)

(a) The term “Vendor Managed Inventory” describes a system in which the Contractor monitors and maintains specified inventory levels for selected items at designated stocking points. VMI enables the Contractor to plan production and shipping more efficiently. Stocking points benefit from reduced inventory but steady stock levels.

(b) Contractors that commercially provide a VMI-type system may enter into similar partnerships with ordering agencies under a Blanket Purchase Agreement.

(End of clause)

Parent topic: 552.238 [Reserved]