

Seven Reasons to Adopt the Modern Inventory Management Solutions

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Pressure on margins, regulatory demands and skills shortages are all creating a challenging environment for terminal operators, who need accurate data to manage their bulk liquid inventory and support decisions to improve performance and drive down costs.

Terminal operators today are facing several challenges related to the profitability of their bulk terminal, petrochemical and oil field storage sites.

- First, they're under pressure to increase margins by using all available tank capacity and shutting down any unused terminals. At the same time, they are trying to maximize throughput and performance by optimizing related activities such as allocation, planning and scheduling.
- Second, they must ensure they meet the latest American Petroleum Institute (API) and American Society for Testing and Materials (ASTM) metrology regulations and that all reporting related to custody transfer, accounting and duties complies with specific formatting and frequency requirements. This is a full-time job that requires deep regulatory knowledge and the capability to keep pace with constant changes in the law.
- Third, operators are looking for ways to speed up and simplify the all-consuming reconciliation process to free up vital bookkeeping staff to perform other high-value activities. To do this, they need to be able to automate longstanding manual processes and to reduce administration by integrating related data from other enterprise systems such as safety, CCTV and fire and gas into reporting and scheduling functions.

Going beyond traditional techniques

To overcome these challenges, terminal operators are looking for a new breed of inventory solution that goes beyond the capabilities of traditional management applications and that uses the latest tank gauging measurement techniques.

Why tank gauging? Because it provides the data accuracy required for the effective management of inventory control, custody transfer, oil movement and operations and leak control and reconciliation functions – which in turn helps reduce inventory uncertainties, minimize product losses and drive terminal efficiency.

Beyond the use of tank gauging, what qualities are terminal operators looking for in modern inventory management solutions? Let's look at seven important ones.

The terminal operator's check list

1. **Increasing operator efficiency** – To make the best use of resources, terminal operators need to take a more integrated approach to inventory management, which has been traditionally siloed from the rest of the business. They can achieve this by taking a platform-based approach in which relevant data from across the enterprise is consolidated into a single, high-level view of global inventory operations. With complete, real-time data at their fingertips, operators can make faster, more informed decisions. Meanwhile, automating legacy, manual processes can free bookkeeping staff from time-consuming administration to focus on higher-value activities, while smart productivity features such as the capability to embed notes for shift changeovers and to color-code information for better visibility can lead to improved efficiency, safety and compliance.
2. **Optimizing assets and process** – By using real-time data related to terminal inventory and capacity, operators can constantly benchmark their performance against industry standards and make ongoing adjustments to boost operational efficiency and throughput. Meanwhile, they need the capability to record and store data such as alarms, acknowledgments and individual tank information for future review and traceability.
3. **Reducing administration** – The availability of complete, accurate, real-time data can help operators plan more effectively, thereby increasing turnaround time and throughput while reducing overall administration. In addition, the ability to automate and customize reports for regulators, customers and internal stakeholders can significantly reduce the burden of paperwork.
4. **Lowering installation costs** – Integrating an inventory management solution with other enterprise platforms and applications can help to reduce hardware and software footprint, which in turn helps lower ongoing installation and maintenance costs.
5. **Accuracy** – The foundation for any modern inventory management solution is precise, reliable, complete data. Having the capability to easily visualize, analyze and share that data in different formats can reduce inventory uncertainty, maximize capacity; and drive operational and environmental safety.
6. **Bringing the plant together** – By taking a platform rather than an application-based approach to inventory management, terminal operators can get rid of inefficient, legacy silos and bring disparate data from multi-site operations together for the first time.
7. **Robust safety and security** – To protect sensitive data from constantly evolving external and internal threats, any modern inventory management solution must be architected from the ground up for cybersecurity and incorporate advanced safeguards such as tamper-proof audit trails.

Conclusion

As we've seen, modern inventory management solutions must cater to a wide spectrum of user needs and requirements. Some offerings, such as Honeywell's ENTIS Inventory System, do just that, help terminal operators reduce inventory uncertainties, increase efficiency and minimize product losses.

Exploring the ENTIS Inventory System

Built on Honeywell's proven Experion® platform, ENTIS provides a single, powerful, enterprise-wide system for inventory management, integrating data from multiple sites plus related sources such as video surveillance and fire and gas systems.

With over 2,000 installations in distribution and bulk liquids terminal worldwide, Honeywell's ENTIS Inventory System is one of the most trusted inventory management solutions on the market.

ENTIS also provides users with industry-leading Honeywell cybersecurity protection, the ability to automate processes at scale and seamless compatibility with the Honeywell Enraf portfolio of reliable, versatile and accurate servo tank gauges.

Learn more at: www.hwll.co/ENTIS