

A Pull System is an information system for controlling and improving the flow of materials and information and for allocating resources based on actual consumption not on forecasted demand.

- Production is based on actual consumption rates.
- Critical resources set the pace.
- Collapsing lead times; simplified scheduling.
- Improving flow drives performance.

The Goal: Making Money

- **Increase throughput**—the rate at which money is generated through sales.
- **Decrease inventory**—the money invested by *purchasing* things intended for sale.
- **Decrease operating expense**—the money spent to convert inventory into throughput.

The Ideal State

- Make To Order (MTO) or Make To Stock (MTS)?
- Make To Order vs. Make To Stock Calculations.
- Finished Goods Supermarket Calculations.
- Placing Supermarkets or other buffers.
- Future State Map