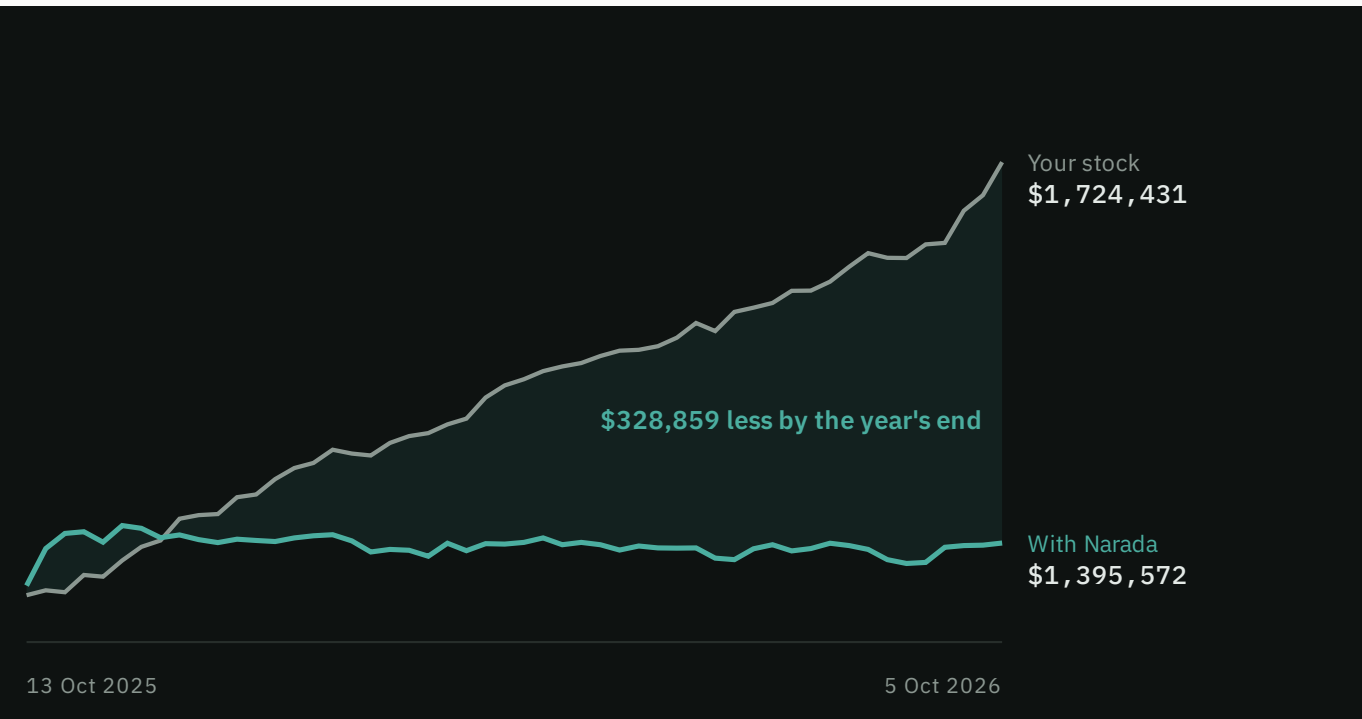


YOUR YEAR, REPLAYED

Your last year, replayed with Narada buying.

Summit HVAC & Plumbing Supply (sample) · 52 weeks · 13 Oct 2025 to 5 Oct 2026



\$328,859 less stock by the year's end	95.0% of A-part demand filled, on a 95% target; B 93.0% on 90%, C 86.7% on 85%	\$31,665–\$46,294 saved a year, at the costs a distributor carries
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Open the live demo →

naradaos.com

Sample report. Summit HVAC & Plumbing Supply (sample) is a fictional distributor. Its sales follow patterns measured in real parts-distribution data; its names, prices and seasons are our assumptions. Every figure was produced by Narada OS from its data files, exactly as it would be for a client.

Prepared 18 Oct 2026 · Every figure traces to a named calculation, listed on the last page

Last year your stock grew from \$1,350,450 to \$1,724,431. Replayed with Narada buying, it would have ended at \$1,395,572, with more of what customers asked for on the shelf.

\$328,859

less stock by the year's end (\$129,630 less on average)

95.0%

of A-part demand filled, on a 95% target. B 93.0% (target 90%), C 86.7% (target 85%): every class at or above its target

\$31,665–\$46,294

saved a year, against a \$24,000 price

After the \$24,000 price, you keep \$7,665 to \$22,294 a year, plus the cash. The range comes from two costs only you know. Holding cost: what a dollar of stock costs you to keep for a year, in money, space, insurance and damage; most distributors carry 20% to 30%. Lost-sale share: how many customers buy elsewhere when a part is out; studies put it at 31% to 40%. Narada pays for itself at any holding cost above 13% to 14%.

Narada fills your fast parts more often (86% to 93%) and lets slow parts run short a little more often (90% to 85%). That is how it holds \$151,570 less slow stock: working capital back in your business. The sales lost on slow parts are already taken out of the lost-sales figure. Even if no customer ever walked away when a part was out, the holding saving alone (\$25,926 a year at the gentlest case) beats the \$24,000 price.

If the gap holds where the year ended, holding alone saves \$51,723 to \$77,585 a year from year two: it grew because your stock kept rising while Narada's stayed flat. On top: \$45,274 to \$120,732 in cash once from clearing dead stock, and 173 to 520 hours of buying time a year (our assumption).

On your own parts: HV-IGN-3087 at BR-01 filled 15.5% of what was asked for; with Narada, 91.0%. A few parts did worse; they are in the proof, with the reasons. This replays your past year: evidence, not a promise. Each week Narada used only your history up to that week. For your own run we use your own costs, so this range narrows to one figure with an 80% confidence range around it. The replay changes only the buying; a planner acting on what Narada finds takes it further. Moving stock between your branches is priced at \$0 here: 312 trips, about 6 a week; the saving holds while a trip costs under \$60 at the gentlest costs.

Demand filled from stock

86.9% → 91.4%

Average stock held

\$1.52M → \$1.39M

Pays for itself at a holding cost

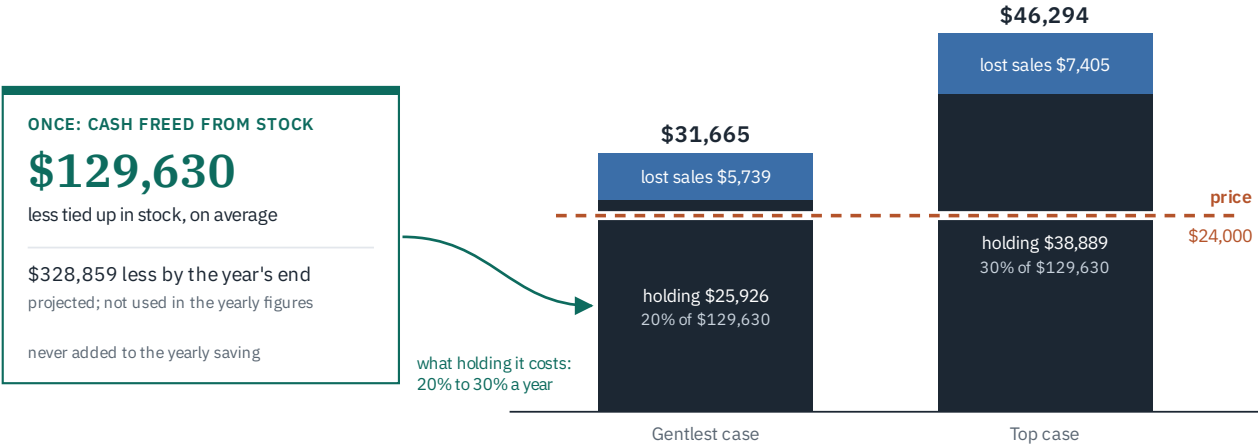
above 13% to 14%

Copy against your real stock

within 0.3%

How to read this report. The next two pages are the decision: the value against the price, and what happens next. Then the proof, page by page. The appendix is for your finance team or ERP consultant: every figure, every assumption and every source.

Is it worth it? The value against the price



\$31,665 to \$46,294 a year against a \$24,000 price, plus \$129,630 less tied up in stock, once. The holding part of each bar is what that \$129,630 costs to keep: 20% a year at the gentlest case, 30% at the top (distributors' usual range; we use your own rate once you give it). Lost sales counts only the profit on sales you would have lost. Buying time (our assumption) would add \$6,067 to \$28,600 a year. Clearing dead stock would bring back another \$45,274 to \$120,732 once. One-off cash is never added to the yearly figures.

Pick your case

The yearly saving from the replay at each holding cost and lost-sale share. Read the row and column closest to your business; the sources for each are at the end of this report.

WHAT HOLDING STOCK COSTS YOU A YEAR	31% OF SHORT CUSTOMERS BUY ELSEWHERE	40% OF SHORT CUSTOMERS BUY ELSEWHERE
20%	\$31,665	\$33,331
25% the usual figure for a distributor	\$38,146	\$39,812
30% bulky stock such as HVAC	\$44,628	\$46,294

The price. Narada Planner on your book is \$2,000 a month, \$24,000 a year. The price follows the stock you hold: \$1,522,790 on average over the replayed year, in the \$1,000,000 to \$2,000,000 band (every band, \$2,000 to \$3,500 a month, is on naradaos.com). Flat for your whole team, never per user.

What happens next

STEP	WHAT HAPPENS
1. Send your files	Sales, purchase orders with their delivery dates, stock readings and your product list, exported from your ERP as files (every ERP the same way; the data guide lists each column). Share them as a link from OneDrive, Google Drive, Dropbox or similar, or by email. Two years of sales gives the best result: the replay needs about six months of history before the year it shows, and the extra months give the forecast your seasons. 18 months is the least that gives a full year's replay. Narada's settings are fixed before the replay starts, and each week it sees only the history up to that week.
2. Your own report, free	We load your files, tell you in the first week if anything is missing, and run this replay on your own business. You decide from it whether Narada is worth it on your numbers. If it is not, you stop here and pay nothing.
3. Seven days to look	You get the replay and every finding on your own data in Narada, to explore at your own pace.
4. Thirty days side by side	Paid. Narada runs beside your buyer on live data. We tune its settings with you (your holding cost, your lost-sale share, your order cost) and set up your ERP to send its exports on a schedule, by email or to a shared folder you already use: every ERP the same way.
5. Then monthly	If the 30 days bear the replay out, Narada carries on and you pay monthly.

The terms. \$2,000 a month, the band for \$1,522,790 of average stock, paid monthly. Your price can't go up for 12 months, and you can still cancel any month. One price for your whole team, never per user.

You stay in charge. Narada proposes and you approve. It drafts each purchase order with its working shown; you approve it and download the file for your ERP. It never sends an order itself.

Your data sits in its own separate account and is never shared with, or seen by, another company.

To start, reply to the email this report came with, or book a 15-minute call at naradaos.com.

The proof: the copy of your business, and the check

Why a digital twin

Changing how a business buys is a risk when it is tried on real money. So we tried it on a copy first: your own last year, rebuilt part by part, where every setting can be tested and priced before a single real order is placed.

1 · YOUR DATA	2 · THE TWIN	3 · 4 SETTINGS	4 · YOU PICK	5 · GO LIVE
52 weeks of sales, orders and deliveries: 20,875 part-and-branch lines.	Your year rebuilt. Fed your own orders, it lands on your records.	Narada bought your year 4 ways, each priced at every cost setting.	Choose the trade-off you want, with the numbers in front of you.	Narada buys on the setting you chose, tested on your own history.

We built a working copy of your business: 8,766 parts across 3 branches, each with its own sales, purchase orders and the delivery dates its supplier really kept.

First, we checked the copy is accurate

Before Narada touched it, we ran your own buyer's orders through the copy, week by week, and compared what came out with your real year. If the copy behaves like your business with your orders, we can trust what it shows with Narada's. **It matched.**

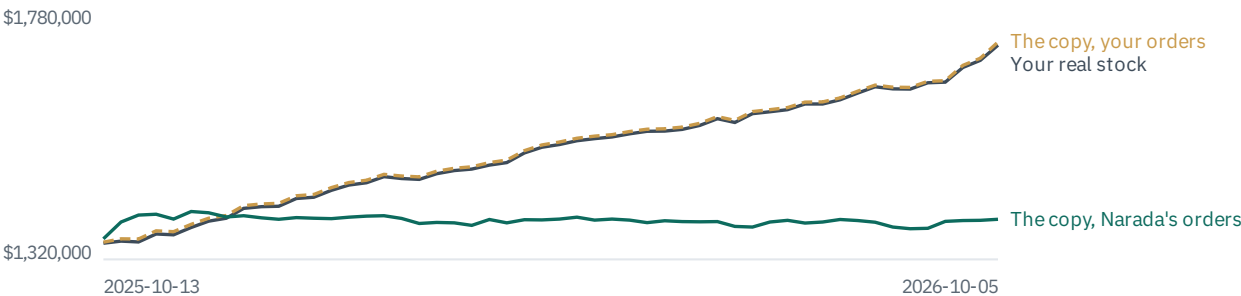
The check, in numbers

CHECK	RESULT
Average stock: the copy against your real year	+0.29% (limit $\pm 3\%$)
Demand filled from stock: the copy against your real year	+0.14 points (limit ± 1)
Result	passed

Our rule: if the copy had been more than 3% off on stock, or more than 1 point off on fill, we would not show you any comparison at all.

Then we let Narada buy

Three lines below: your real stock week by week (dark), the copy run on your own orders (dashed, on top of it), and the copy run on Narada's orders (green).

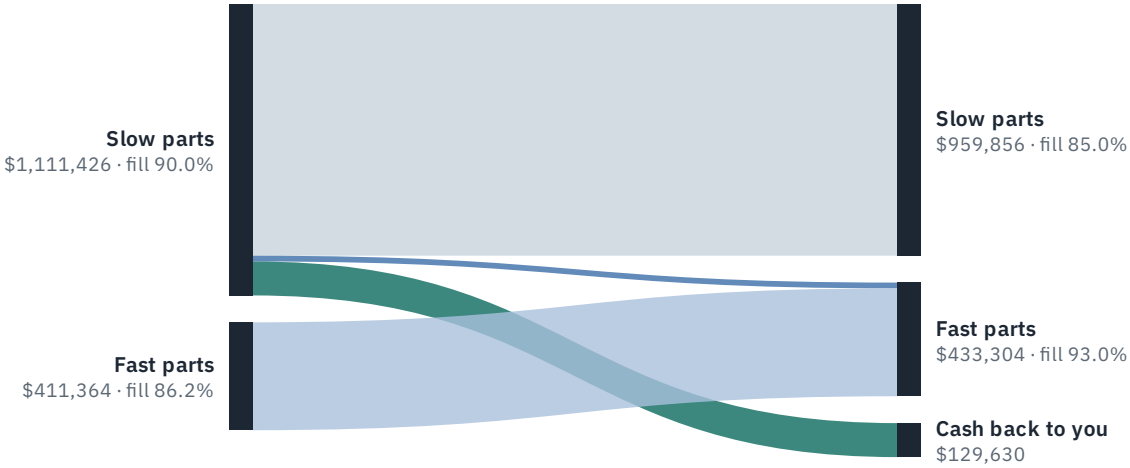


Over the year your stock went from \$1,350,450 to \$1,724,431. Narada's went from \$1,358,761 to \$1,395,572, while filling more of what was asked for. So the cash is mostly stock Narada never bought, rather than stock it sold off.

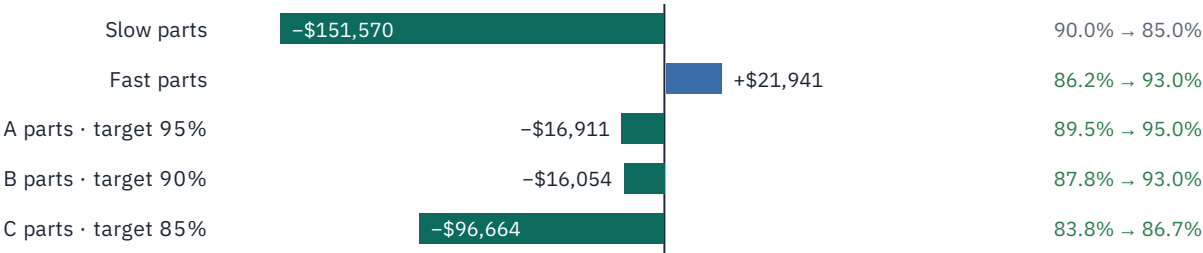
The proof: where your stock money went

Your buyer's average stock on the left, Narada's on the right. Narada took \$151,570 out of slow parts, moved \$21,941 of it into the fast parts customers ask for most, and handed the other \$129,630 back as cash. Fast parts are the 3,515 lines that make up 80% of units asked for; slow parts are the other 17,360.

The gap grew through the year. In the last quarter Narada held \$258,617 less than your buyer, while filling more of what was asked for.



Stock taken out or added, group by group, with the share of demand each group filled, your buyer then Narada.



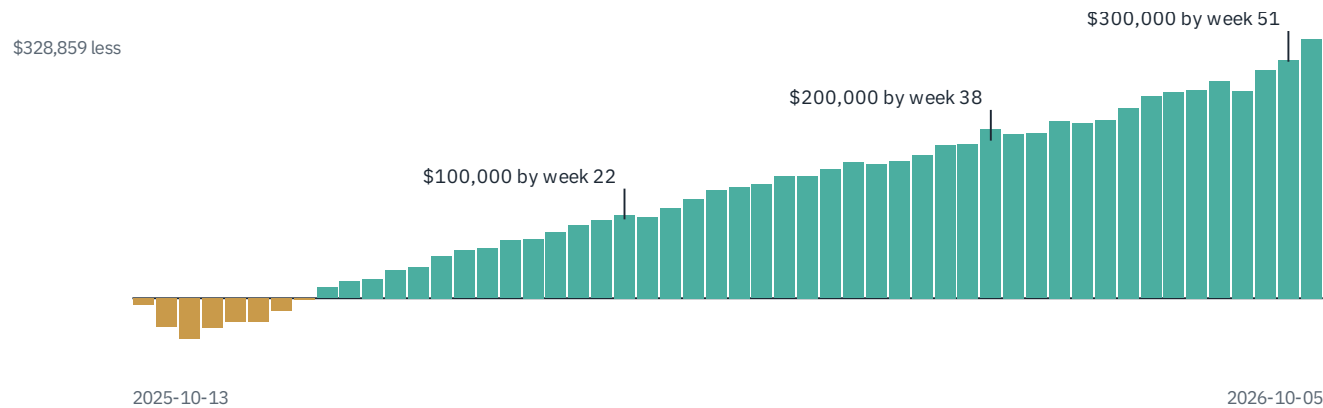
Slow parts give up 5.0 points so the fast parts gain 6.8, and the fast parts are most of what your customers order. The slow-part fill is the other side of the cash: it comes from holding less slow stock. Want more on the shelf? The twin tried 98% / 95% / 92% targets: the whole book reaches 92.9% and slow parts 86.1%, for \$72,737 more stock than your setting, still \$124,299 less slow stock than your buyer holds. Raise the class targets on Your Numbers and the next run prices that trade on your own year.

The proof: how fast it worked, and how full the shelf was

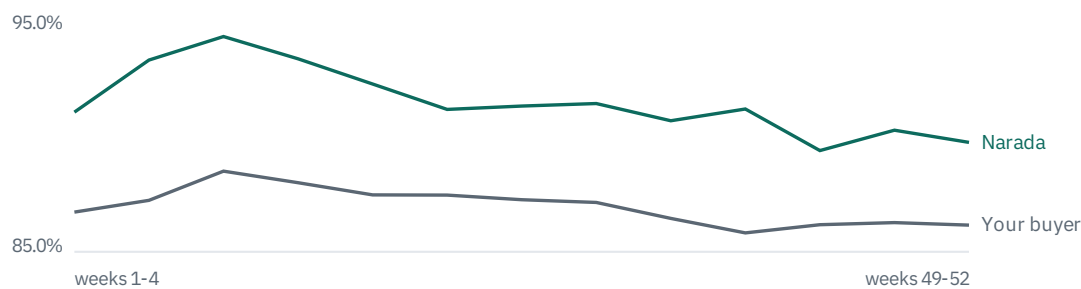
Fill moved first. In the first four weeks Narada filled 91.0% of what was asked for, against your buyer's 86.7%. **Stock took longer,** because Narada does not sell stock off: it stops buying what is not needed and lets the extra sell down. For the first 8 weeks it held up to \$50,776 more, topping up the parts that run out. From week 9 it held less:

\$100,000 by week 22, \$200,000 by week 38, \$300,000 by week 51, and \$328,859 by the year's end.

How much less stock Narada held than your buyer, week by week.



Share of demand filled from stock, four weeks at a time.



How full the shelf was, part by part

A whole-book fill counts every slow, lumpy part that sells a few times a year, so it always reads lower than a figure for the fast, steady parts alone. When you compare with a fill figure from anywhere else, check which parts it covers. Here are both cuts.

PART GROUP	YOUR BUYER	NARADA, YOUR SETTING	NARADA, TARGETS 98% / 95% / 92%
Fast parts: 80% of units asked for	86.2%	93.0%	94.6%
A parts	89.5%	95.0%	96.5%
B parts	87.8%	93.0%	94.6%
C parts	83.8%	86.7%	88.1%
Slow parts: the other 20%	90.0%	85.0%	86.1%
Whole book	86.9%	91.4%	92.9%

The proof: your own parts

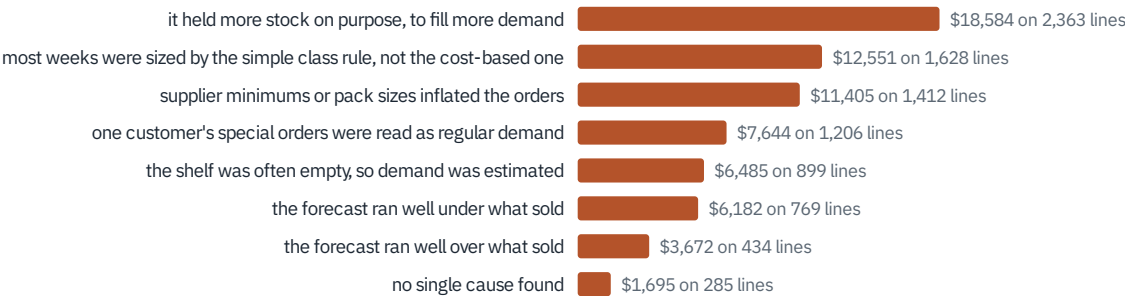
The parts that changed most, both ways

The five parts Narada improved most, then the five where it did worst. Most of the worst are parts that sold once or twice in the year: when the sale came before Narada's stock arrived, the shelf held stock but filled nothing.

PART AT BRANCH	YOUR FILL	NARADA'S FILL	YOUR AVG STOCK	NARADA'S AVG STOCK
HV-IGN-3087 at BR-01	15.5%	91.0%	\$239	\$371
HV-CAP-1230 at BR-01	24.2%	97.9%	\$7	\$23
HV-PIP-2467 at BR-01	24.4%	97.5%	\$3	\$4
HV-CAP-6443 at BR-01	24.4%	97.5%	\$32	\$41
HV-IGN-2659 at BR-02	24.4%	97.5%	\$46	\$40
HV-MOT-0103 at BR-01	100.0%	0.0%	\$2,246	\$2,819
HV-PIP-3919 at BR-03	100.0%	0.0%	\$14	\$24
HV-VAL-5708 at BR-01	100.0%	0.0%	\$60	\$68
HV-PIP-8135 at BR-02	100.0%	0.0%	\$9	\$13
HV-CAP-2027 at BR-02	100.0%	0.0%	\$29	\$33

Where Narada did worse, and why

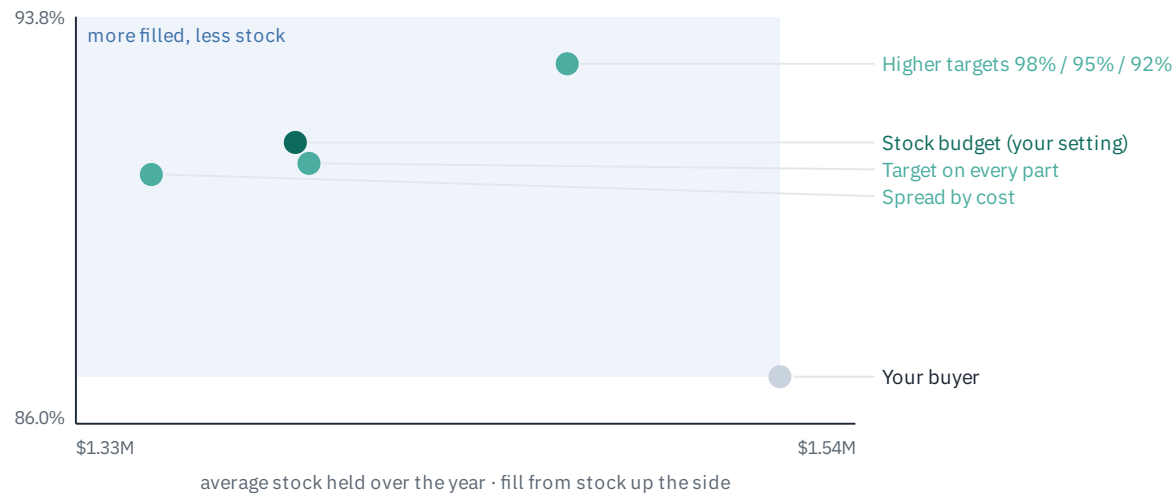
On 4,517 lines Narada did worse than your buyer, \$33,721 a year in all, with holding stock at 25% of its value a year. These are already inside the totals, not taken off them again. Each is sorted by its likely cause; a line can have more than one cause, so the bars add to more than that.



The proof: four settings, tried before any real order

A planner tuning a new system usually learns its settings on live orders, and pays for every wrong guess. Here each setting replayed your whole year, so the trade-offs are tested on your own history before any real order. All 4 beat

your buyer on both: more filled, less stock. Up and to the left is better: more demand filled from less stock.



SETTING	TARGETS A / B / C	FILL	A	B	C	AVG STOCK	SAVED A YEAR
Most money within your stock budget	95% / 90% / 85%	91.4%	95.0%	93.0%	86.7%	\$1.39M	\$31,665 to \$46,294
The class target on every part	95% / 90% / 85%	91.0%	95.5%	92.5%	85.5%	\$1.40M	\$30,308 to \$44,390
Spread by cost across the class	95% / 90% / 85%	90.8%	95.3%	92.6%	85.1%	\$1.35M	\$35,765 to \$53,200
Most money within your stock budget, with higher class targets	98% / 95% / 92%	92.9%	96.5%	94.6%	88.1%	\$1.47M	\$19,400 to \$27,419

What each setting does

- **The class target on every part:** every part in a class aims at the same chance of not running out.
- **Spread by cost across the class:** cheap parts held higher, costly parts lower, so the class keeps its target with less money in stock.
- **Most money within your stock budget:** each part's cover set by what running out loses against what holding one more costs, inside one stock budget.
- **Higher class targets:** the same rule aiming at 98%, 95% and 92%.

Which leads on each measure

- **Most demand filled:** Most money within your stock budget, with higher class targets.
- **Least money in stock:** Spread by cost across the class.
- **Saves most at the gentlest costs:** Spread by cost across the class.
- **Saves most at the top of the range:** Spread by cost across the class.

Your setting is in bold. Spread by cost across the class saves more with less stock, but fills 90.8% of demand against 91.4%: yours keeps more customers served. Pick it if cash matters more to you than fill. You can change it on Your Numbers at any time, and the next run prices the new choice the same way.

Appendix: every source of value, in full

SOURCE	WHAT IT IS	RANGE
Every year, from the replay at your cases		
Lower holding cost	\$129,630 less stock, at 20% to 30% of its value a year	\$25,926 to \$38,889
Fewer lost sales	the 3,702 more units Narada shipped from stock, as margin kept, at 31% to 40% of short customers buying elsewhere; \$18,512 if every one had walked	\$5,739 to \$7,405
Moving stock between branches	312 trips, priced at \$0 above. The saving holds while a trip costs under \$60 at the gentlest costs, \$136 at the top	minus 312 × your cost a trip
Measured saving	1.3× to 1.9× the price	\$31,665 to \$46,294
After the price	the measured saving less Narada's \$24,000 a year	+\$7,665 to +\$22,294
Holding from year two, if the gap holds	the last quarter's gap, \$258,617 less stock, at the same holding rates. A projection, not measured: it holds if your stock would have kept rising without Narada, as it did last year	\$51,723 to \$77,585
Every year, our assumption		
Buying time back	173 to 520 hours: 1,040 supplier orders drafted for you, 10 to 30 minutes each, at \$35 to \$55 an hour. Use your own figures; time is money only if it goes to other work	\$6,067 to \$28,600
With buying time	the measured saving plus our time assumption	\$37,731 to \$74,894
Once		
Less cash tied up in stock	the average stock Narada did not need to buy. Resampling your lines 2,000 times, 8 results in 10 fell between \$107,997 and \$152,489	\$129,630
Less stock on parts that stopped selling	at the year's end, stock on parts with no sale in its last 13 weeks: \$796,280 with Narada, \$1,080,788 with yours. Partly the same stock as the line above, so not added	\$284,508

Sales kept. The better fill keeps about \$26,606 to \$34,330 a year of sales that would have gone elsewhere: the lost-sales margin above, over your 21.6% gross margin. That is revenue, shown for scale; the profit on it is already in the table.

If you act on what Narada finds on your book today

The replay changes only the buying. In practice your planner also acts on what Narada finds each week: clearing dead stock, asking suppliers for smaller minimums, chasing late orders and overdue invoices. That is where the result goes further than the replay. Each line pays when you act on it, so none is added to the totals above.

WHAT YOU DO	WHAT IT IS	ONCE	EVERY YEAR
Clear the dead stock	\$301,830 at cost in parts with no sale in 180 days or more. Narada lists each part and its best way out. Cash back at 15% to 40% of cost (liquidator and trade figures), and the holding cost on that cash stops. On paper the stock is written down by \$181,098 to \$256,555; no cash leaves	\$45,274 to \$120,732	\$9,055 to \$36,220
Halve supplier minimums	on your top parts, if the suppliers agree		\$12,645
Collect overdue invoices	cash owed to you; not a buying saving	\$118,145	
Win back drifting customers	19 customers buying less than before: margin at risk, a warning rather than a saving		\$45,325 at risk

HOW THE MONEY IS COUNTED

- The yearly figures come from the replay's own cost settings; the cash freed is never added to them.
- Fewer lost sales is part of the yearly saving, counted once.
- What pays only when you act (clearing dead stock, supplier minimums, overdue invoices) sits in its own table, never in the totals.
- Buying time is our assumption, kept apart from the measured saving. Put your own minutes and hourly cost in, and the line moves with them.
- Moving stock between branches is counted free; the trip cost that would cancel the saving is printed beside it.
- The four settings were tried on the same year, so the next run checks your choice on weeks it has not seen.
- Set your own holding cost and lost-sale shares on Your Numbers, and the next run prices your exact case.

Appendix: what we assumed, and what we will ask you

Most of this report is measured from your own files. A few costs only you know. Until you tell us, we try each at both ends of a range drawn from published sources, which is why the saving is a range rather than one number.

WHAT	WHAT WE USED	WHAT IT MOVES	WHAT WE WILL ASK YOU
What holding stock costs you	20% to 30% of stock value a year	Lower holding cost: \$25,926 to \$38,889	What does a dollar of stock cost you to hold for a year: the money, the space, insurance, damage and shrink? About 25% is usual for a distributor; bulky stock such as HVAC sits near 30% (sources at the end).
Lost-sale share	31% to 40% of customers who find a part out buy elsewhere	Fewer lost sales: \$5,739 to \$7,405	When a part is out, how often does the customer go elsewhere, for your A, B and C parts? Studies find 31% switch supplier and 9% more do not buy at all.
Cost of placing one purchase order	not needed here	Nothing: both sides placed the same number of supplier orders	What does one order cost you to place and receive, in time and fees?
Buying time (our assumption)	10 to 30 minutes an order at \$35 to \$55 an hour	Buying time back: \$6,067 to \$28,600	How long does your buyer spend on one order today, and what does their hour cost?
Cash back on dead stock	15% to 40% of cost	Clearing dead stock: the cash-back line	Do your suppliers take returns, and for what fee? What has clearing old stock brought back before?
Moving stock between branches	free	The saving holds while a trip costs under \$60	What does one trip between your branches cost?

Your case. The Pick your case table on the value page gives the yearly saving for each holding cost and lost-sale share. Narada sized this run's orders at 25% holding. Answer these on the Your Numbers page and the next run sizes and prices your exact case.

Measured from your files, not assumed: what you sold and when, what you ordered, the delivery dates your suppliers really kept, your stock week by week, and your costs. Special orders are kept apart from regular demand.

Appendix: the replay's own detail

STRESS TEST: DOES IT HOLD AT THE EXTREMES?

- **Yes.** We priced the same orders at costs outside the usual range. Even at a 10% holding cost, well below the 20% to 30% distributors usually carry, Narada still saves \$18,702 a year; with 55% of short customers buying elsewhere, \$42,589.
- **The cash does not move.** Every case frees the same \$129,630: it is stock Narada did not need to buy, and no cost guess changes that.
- **From year two, if the gap holds** (a projection): \$258,617 less stock, so even at 10% holding alone saves \$25,862 a year.
- This replays your past year. It is evidence, not a promise of what next year saves.

Each test setting below re-prices the same orders. The Pick your case table on the value page uses the usual range.

HOLDING COST A YEAR	LOST-SALE SHARE	SAVED A YEAR	READS
10%	31%	\$18,702	costs less
10%	55%	\$23,145	costs less
25%	31%	\$38,146	costs less
25%	55%	\$42,589	costs less

Other checks worth reading.

WHAT THE CHECK FOUND

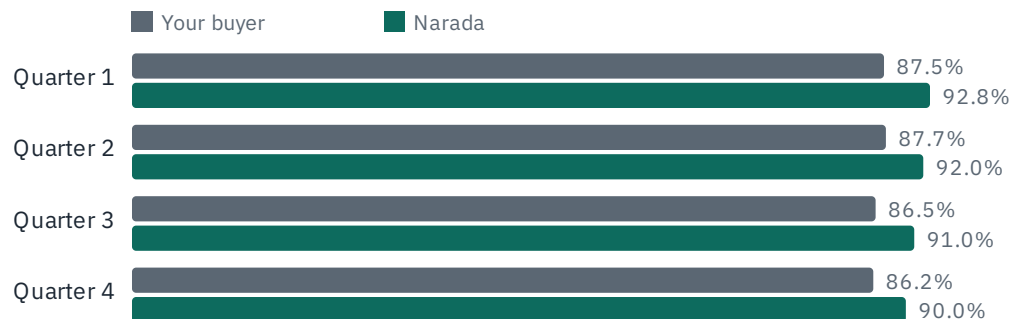
3 orders bought only the supplier minimum of a slow part, leaving more than about 4.0 years of stock; biggest: HV-FIX-8681 at BR-01, week of 2026-05-11, about 4.2 years of stock. Worth asking whether to stock these parts at all

Narada's safety check asked for your OK instead of ordering: 50 lines held because the engine proposed more than about 4.0 years of stock; most weeks held: HV-IGN-6624 at BR-03 (28 weeks)

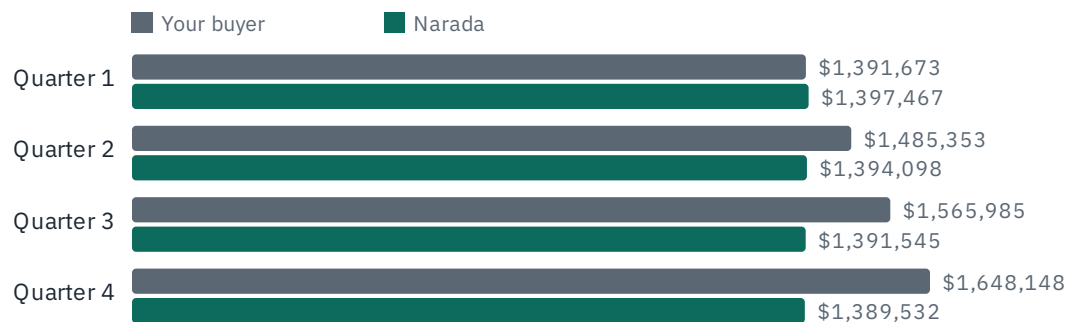
Narada moved stock between your branches instead of buying a supplier's minimum. The figures above count those moves as free. 312 trips between branches; the saving holds while a trip costs under \$60 at the lowest cost setting (\$136 at the highest); 2,633 part lines moved (5,932 units); under \$7.10 a line at the lowest setting.

Stock with no recent demand at the end of the year: \$796,280 with Narada's buying, \$1,080,788 with yours. Shown beside the money, never added to it.

Quarter by quarter: share of units shipped from stock



Quarter by quarter: average stock



Each class: the target, and what was shipped

The target is cycle service: the chance of not running out inside one order cycle. Shipped is units shipped: the share of units you could supply from stock: on slow, lumpy parts a 95% target usually ships less than 95% of units; on steady, fast parts it usually ships more.

CLASS	TARGET SET	YOUR BUYER SHIPPED	NARADA SHIPPED	YOUR STOCK	NARADA'S STOCK
A	95%	89.5%	95.0%	\$576,534	\$559,623
B	90%	87.8%	93.0%	\$240,985	\$224,930
C	85%	83.8%	86.7%	\$705,271	\$608,607

How the numbers are worked out

What Narada is worth on your book

- The replay is your last year, rebuilt and run twice: once on your own orders (it must land within 3% of your stock and 1 point of your fill), once on Narada's. Each week only the history up to that week is used.
- Every year = less stock × what holding stock costs you (20%, 25% or 30% a year) + the margin on sales Narada kept × the share of short customers who would have bought elsewhere (31% or 40%). Buying time is shown apart: supplier orders × 10 to 30 minutes × \$35 to \$55 an hour (our assumption; put in your own).
- Once = your average stock minus Narada's: cash freed. Its yearly holding cost is already in the yearly figure, so the two are never added.
- Price = Planner's band for your average stock (\$1M to \$2M: \$2,000 a month). The multiple is the yearly value divided by the yearly price.

Sources

1. **Holding cost.** Azzi, Battini, Faccio, Persona and Sgarbossa, "Inventory holding costs measurement: a multi-case study", *International Journal of Logistics Management* 25(1), 2014: "25 percent is the minimum reasonable value that can be used as rule of thumb." emerald.com/ijlm/article/25/1/109/135053. J. Bader, The Distribution Team: "The average carrying cost for a distributor is about 25% annually." distributionteam.com/resources/liquidating-dead-inventory-vendor-returns. Bulky stock such as HVAC needs more floor space per dollar, which puts it near the top of the range.
2. **Lost-sale share.** Corsten and Gruen (2005), via *Annals of Operations Research* (Springer, 2025): of shoppers who find an item out, 31% buy at another store and 9% do not buy at all; those who wait or switch to another item are left out. Retail studies; no industrial-parts study was found.
3. **Cash back on dead stock.** MAAS Companies, "Liquidate surplus inventory: a 2026 guide" (wholesale buyers 40% to 70% of cost, marketplaces 15% to 40%, auctions 10% to 30%). J. Bader, The Distribution Team: "approximately 10% of his inventory was eligible for return using the manufacturer's stated policies." Trade and vendor figures, not independent studies.
4. **Buying time per order.** Our assumption; no independent figure for distributors was found. Replace it with your own.
5. **Price.** Narada Planner's published bands by average stock held, naradaos.com.

Ask us for the full working of any figure in this report: every number traces to a named calculation on your own data.