

## **ABSTRACT**

*One of the leading economies of Indonesian society is the creative economy-based economy industry with the rapid growth of craft subsector. One of the companies that plunge into the creative economy sector of the handicraft sub-sector with kite products is US PUTRA JATINANGOR. In the development of its business is quite developed, US PUTRA JATINANGOR does not compensate with the company's good operating system, especially in the planning needs of raw materials.*

*Raw material planning needs to be done exactly a company so as not to disrupt the company's operational and financial system. Many methods to do inventory planning, one of which is the method of Material Requirement Planning (MRP).*

*The purpose of this research is to determine the optimal number and frequency of ordering by using Material Requirement Planning (MRP) method with Lot-for-Lot calculation technique and to know total raw material inventory cost by company method and MRP method. The type of this research is quantitative descriptive with research variable of demand data, raw material inventory data, product structure, order cost, and storage cost.*

*The result of the research shows that the use of Material Requirement Planning (MRP) method in the planning of company requirement US PUTRA JATINANGOR able to give smaller quantity of order and frequency of purchase compared to the method used by the company as well as the total inventory cost savings where the total cost of inventory method of the company is much greater than after using the MRP method.*

***Keywords: Inventory, MRP, Lot-for-lot, Total Inventory Cost***