

Inventory Management

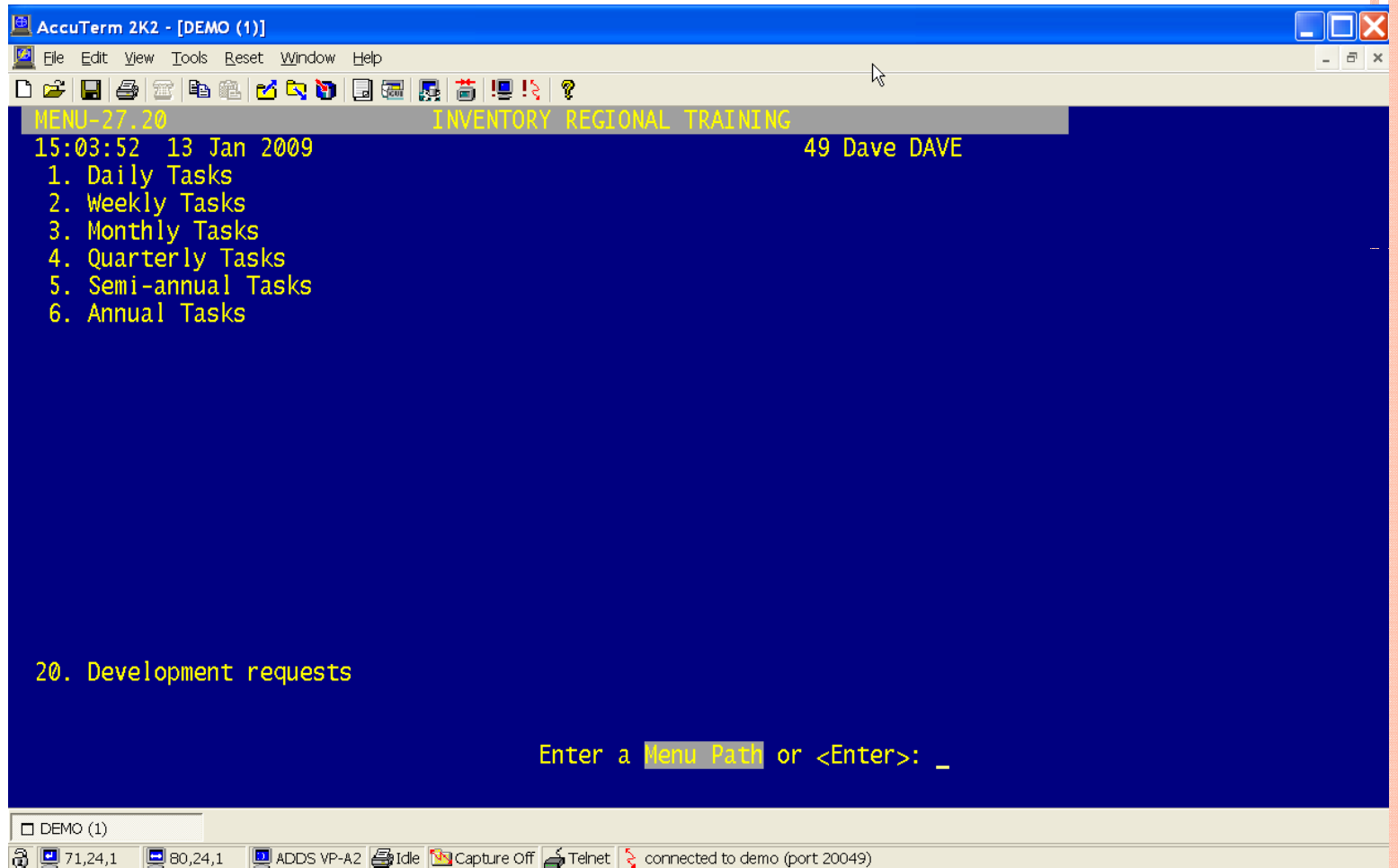
Review & discuss impact of 2008 Changes

- **Menu-27.20**
- **Minimum ROP: Add #MONTHS to expire.**
- **Parameter to keep the EOQ pure**
- **Lead Time Calculations**
- **Enhancements to List of Inventory Problems**
- **Menu-27.1.23 ROP/EOQ Override Parm**
- **Forecasting if PO due.dt is beyond lead time**



Inventory Management

Menu 27.20



The screenshot shows a terminal window titled "AccuTerm 2K2 - [DEMO (1)]". The window has a menu bar with "File", "Edit", "View", "Tools", "Reset", "Window", and "Help". Below the menu bar is a toolbar with various icons. The main terminal area has a dark blue background with yellow text. At the top, it displays "MENU-27.20" and "INVENTORY REGIONAL TRAINING". Below this, it shows the time "15:03:52", the date "13 Jan 2009", and the user "49 Dave DAVE". A list of tasks is displayed: "1. Daily Tasks", "2. Weekly Tasks", "3. Monthly Tasks", "4. Quarterly Tasks", "5. Semi-annual Tasks", and "6. Annual Tasks". At the bottom of the list, it says "20. Development requests". Below the list, it prompts the user to "Enter a Menu Path or <Enter>: _". The terminal window is part of a desktop environment with a taskbar at the bottom showing several open applications: "DEMO (1)", "71,24,1", "80,24,1", "ADDS VP-A2", "Idle", "Capture Off", "Telnet", and "connected to demo (port 20049)".

```
AccuTerm 2K2 - [DEMO (1)]
File Edit View Tools Reset Window Help
MENU-27.20 INVENTORY REGIONAL TRAINING
15:03:52 13 Jan 2009 49 Dave DAVE
1. Daily Tasks
2. Weekly Tasks
3. Monthly Tasks
4. Quarterly Tasks
5. Semi-annual Tasks
6. Annual Tasks

20. Development requests

Enter a Menu Path or <Enter>: _
```

DEMO (1) 71,24,1 80,24,1 ADDS VP-A2 Idle Capture Off Telnet connected to demo (port 20049)

Inventory Management

Menu 27.20.1

The screenshot shows a terminal window titled "AccuTerm 2K2 - [DEMO (1)]". The menu content is as follows:

```
AccuTerm 2K2 - [DEMO (1)]
File Edit View Tools Reset Window Help
MENU-27.20.1 INVENTORY REGIONAL TRAINING
15:08:04 13 Jan 2009 49 Dave DAVE

DAILY TASKS
-----
1. Inventory Problems 31.
2. Negative On Hand 32.
3. Flag Exceptional Sales 33.
4. Products on Backorder 34.
5. Lost Sales 35.
6. ROP/EOQ Calc & Impact Report 36.
7. Clear & Calc Entire Forecast 37.
8. Purchase Order Entry & Edit 38.
9. Forecast Totals by Vendor 39.
10. Maintain Forecast 40.
11. Convert Forecast to Purchase Order 41.
12. Fax/Email PO thru Linux Server 42.
13. Overdue Purchase Order Report 43.
14. PO 855 Acknowledgement Rpt 44.
15. Purchase Order Fax Log Report 45.

ON-LINE DOCUMENTATION
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Enter a Menu Path or <Enter>:
```

At the bottom of the terminal window, the taskbar shows several open applications: DEMO (1), 71,24,1, 80,24,1, ADDS VP-A2, Idle, Capture Off, Telnet, and connected to demo (port 20049).

**Minimum ROP: Add #MONTHS to expire.
(U2008.1 – job 128703)**

- Menu-12.3.2.3 PROD.DET maintenance field 6. MIN ROP
- New prompt - ENTER #MONTHS
- Existing MIN ROP
set the number of months to 12
- Existing Frozen ROP (zero prefix)
move to MIN.ROP – set #MONTHS to 6
- Menu-27.1.10. Frozen/Minimum ROP
LIST OF PRODUCTS WITH FROZEN ROP OR MIN.ROP



Parameter to keep the EOQ pure (U2008.1 - job 128704)

- Menu-27.1.21. Inventory Parameters
- 15. Round up EOQ for non 'P' std packs = N
- Default is Y
- Original base package programming
 - If non “P” standard pack greater than 1
 - Round up the EOQ to the next standard pack
- Recommendation to set this parameter to N
- Forecasting change on “P” standard packs
 - Example: OH=5 ROP=10 EOQ=14 SP=12P
 - Current Forecast = 24 (14 needed – rounded to 24)
 - New Forecast = 12 (14 needed – rounded down to 12, since 12 is still more than the 5 below ROP)



Lead Time Calculations (U2008.1 - job 128705)

- If there are 2 or more receipts in the last year, it currently looks at up to the last 5 receipts to determine the average lead time.
- Drop ships are excluded
PO header screen, field 5 set to DS
- Preseason orders are excluded
PO total screen, “P”reseason option
- Store Transfers are excluded
Vendors S01 thru S09



Lead Time Calculations

- System will auto calculate the lead time from the average days of the purchase order date to the receiving date, if there are at least 2 non-preseason purchase order receivers on file.
 - Maximum of 90 days
 - Minimum of the 27.1.24 lead times
- If there is not 2 or more receivers on the product, then it will use the default lead time from 27.1.24, fields 1 & 12.
 - Corp lead time – any PROD.DET record assigned to vendor 001
 - Non-Corp lead time – any PROD.DET record not assigned to vendor 001
- There is a default lead time override by vendor in 12.4.1.3, field 3. LEAD TIME, the system used to ONLY recognize a vendor override lead time of 30 days or more – this code was eliminated in Feb 2009.



Lead Times – future development

27.20.5. 6. Vendor Days Supply

- Include vendors with lead times in 12.4.1.3.3

New report of EXCEPTIONAL lead times

- New entry screen for the percentage variance of the lead time to make it an exceptional lead time.
- Mark the PO line item as an exceptional receipt so it will not be used in the lead time calculation.
- Parameter to calculate the lead time for those that don't mark exceptional so it will throw out the high and low lead times (if there is a minimum of 5 and maximum use of the last 7).



Menu-27.1.23 ROP/EOQ OVERRIDE PARAM (U2008.1 - job 128708)

- 1) IF I'VE SOLD 4 UNITS OF A PRODUCT
- **2) AND I'VE HAD 3 HITS ON A PRODUCT**
- 3) IN THE LAST 12 MONTHS,
- 4) AND THE AVG COST IS LESS THAN 100 DOLLARS
- 5) I WANT TO OVERRIDE A ZERO ROP WITH 1



Forecasting if PO due.dt is beyond lead time (U2008.1 - job 128710)

- Current base package program:
The On Order quantity on ANY purchase order where the due date was beyond the current date plus the vendor lead time was considered a FUTURE order and the forecasting system would RE-ORDER current needed quantities.
- U2008.1 Change – ONLY preseason purchase orders that are beyond the lead time will be excluded. PO total screen, “P”reseason option



Inventory Management Development

- Development List from Regional Training Classes – see 27.20.20
- Dave is coordinating 2009 development with Kevin Dier & Mike Duncan
- 1st dev trip was Feb 2009
- Next dev trip is June 2009 in Greenville
- Discussion on addtl Upgrade Requests
 - Weekly list of New “E” items
 - Overstock Transfer Auto Forecasting



End of Month Tracking

The following data will be captured during EOM, for the last 12 months

1. *ROP*
2. *EOQ*
3. *ABC*
4. *SEASONAL FLAG*
5. *LEAD TIME*

This data will be used to highlight trends during forecasting and ROP calculations, along with better historical audits



Exceptional Sales

| Exceptional Sales Beta | | | | | | | | | | | | |
|---|--------------------------|------------------------|---------|----------------------|-----|------------------------|-------------|-----------|-------------|-----------|---------------------------|------------------|
| Start Date | | Friday, April 24, 2009 | | End Date | | Friday, April 24, 2009 | | Whse: | | 002 | | Retrieve Records |
| Inv Qty Greater Than | | 1 | | Inv Qty Greater Than | | 1 | | X ROP | | | | Save |
| Drag a column here to group by this column. | | | | | | | | | | | | |
| | Exceptional | a prod no | inv qty | rop | abc | sold 12mo | branch cost | inv dat | rel no | a cust no | cust name | |
| ▶ | <input type="checkbox"/> | B11-387 | 2 | 0 | D | 0 | \$93.90 | 4/24/2009 | 02323016002 | 100571 | PARKER MECHANICAL | |
| | <input type="checkbox"/> | B13-043 | 5 | 2 | B | 95 | \$3.77 | 4/24/2009 | 02323726001 | 108418 | FALCON SCHOOL DISTRICT 49 | |
| | <input type="checkbox"/> | b92-127 | 6 | 3 | C | 18 | \$1.43 | 4/24/2009 | 02323204001 | 051396 | BROWN'S HTG & COOLING | |
| | <input type="checkbox"/> | G22-014 | 2 | 1 | C | 10 | \$2.19 | 4/24/2009 | 02323767001 | 117425 | PARKEY'S REFRIGERATION CO | |
| | <input type="checkbox"/> | g31-439 | 3 | 2 | B | 34 | \$3.82 | 4/24/2009 | 02323725001 | 127300 | WENDYS OF COLO SPRGS | |
| | <input type="checkbox"/> | H25-876 | 4 | 2 | B | 43 | \$9.28 | 4/24/2009 | 02323702001 | 100736 | LOCKHEED MARTIN CRED CARD | |
| | <input type="checkbox"/> | J27-100 | 12 | 8 | B | 105 | \$0.24 | 4/24/2009 | 02323688001 | 102011 | HVAC SOLUTIONS INC | |
| | <input type="checkbox"/> | I37-098 | 2 | 1 | B | 33 | \$4.35 | 4/24/2009 | 02323386001 | 101253 | L & L MECHANICAL | |
| | <input type="checkbox"/> | I37-100 | 2 | 1 | C | 28 | \$4.26 | 4/24/2009 | 02323386001 | 101253 | L & L MECHANICAL | |
| | <input type="checkbox"/> | I37-432 | 4 | 2 | A | 88 | \$49.67 | 4/24/2009 | 02323386001 | 101253 | L & L MECHANICAL | |
| | <input type="checkbox"/> | I37-437 | 3 | 1 | C | 4 | \$8.87 | 4/24/2009 | 02323721001 | 102768 | THE FIREPLACE DOCTOR | |



Weighting of Sales Quantities

Non-seasonal Weighting

Weight each of 6 previous months for ROP calculation
Add demand days based on number of days in the month (week days).

Lumpy Parameter

On non-seasonal, only average the months with sales

Seasonal Lead Lag

Transitional months
By Warehouse
lead/lag
of usage months



Main Screen

Similar interface to CDI

Separated by warehouse / tabbed

Data Services - Forecasting

Vendor # Southwark Metal Mfg. Co.

Warehouse 001 Warehouse 002 Warehouse 003 Warehouse 004 Warehouse ALL

Drag a column here to group by this column.

| | id | Prod# | Fcst Cost | Fcst Qty | ROP | EOQ | ABC |
|---|-----------|----------|-----------|----------|-----|-----|-----|
| ✓ | 002272997 | RBS4106 | 1.53 | 60 | 48 | 60 | A |
| ✓ | 003275073 | P145 | 11.02 | 1 | | | |
| ✓ | 002275073 | P145 | 11.02 | 1 | | | |
| ✓ | 001275074 | P163 | 9.25 | 20 | 30 | 15 | A |
| ✓ | 002272766 | | 19.55 | 5 | 6 | 5 | A |
| ✓ | 002279517 | ATSC14 | 5.77 | 18 | 23 | 18 | A |
| ✓ | 003272790 | BAND100 | 4.5 | 20 | 29 | 20 | A |
| ✓ | 001279517 | ATSC14 | 5.77 | 18 | 33 | 18 | A |
| ✓ | 002273130 | P85 | 4.82 | 20 | 20 | 16 | A |
| ✓ | 002276941 | Y866 | 5.85 | 24 | 15 | 12 | A |
| ✓ | 001273127 | P65 | 3.17 | 20 | 17 | 20 | A |
| ▶ | 003282003 | ATRP6 | 2.47 | | | | A |
| ✓ | 002272790 | BAND100 | 4.5 | | | | B |
| ✓ | 002274878 | Y1088 | 6.97 | | | | B |
| ✓ | 003275185 | R108 | 3.48 | 12 | 4 | 12 | B |
| ✓ | 002270516 | T6 | 5.38 | 12 | 5 | 7 | B |
| ✓ | 004297786 | SCB6R8 | 1.37 | 30 | 25 | 30 | B |
| ✓ | 004275228 | SLOCK | 3.1 | 10 | 50 | 10 | B |
| ✓ | 004273192 | RB904106 | 1.53 | 36 | 60 | 29 | B |
| ✓ | 002273197 | EL12 | | | | | B |
| ✓ | 004282005 | ATRP8 | | | | | B |
| ✓ | 001273199 | EL16 | 9.99 | 8 | 8 | 8 | B |
| ✓ | 001272981 | SCF14 | 1.75 | 16 | 6 | 16 | C |
| ✓ | 004282002 | ATRP4 | 2.47 | 12 | 3 | 12 | C |
| ✓ | 004273000 | RBS4126 | 1.53 | 12 | 12 | 12 | C |

Sales History

Data Chart

| | 2009 | 2008 | 2007 |
|-----------|------|------|------|
| January | 54 | 11 | 27 |
| February | | 49 | 37 |
| March | | 72 | 34 |
| April | | 24 | 17 |
| May | | 91 | 28 |
| June | | 52 | 53 |
| July | | 38 | 27 |
| August | | 69 | 39 |
| September | | 27 | 29 |
| October | | 7 | 106 |
| November | | 23 | 57 |
| December | | 30 | 16 |

Totals

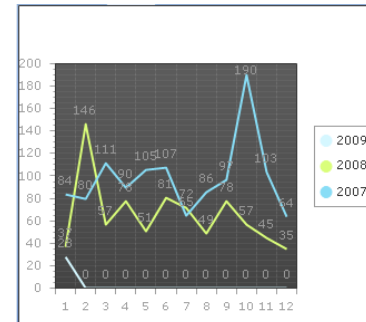
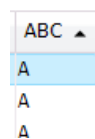
| | |
|----------|---------|
| Total \$ | 1928.59 |
| Lbs | 3230 |
| FGT | 1000 |
| Units | 483 |
| Corp \$ | 1998.85 |

Accept Delete



More Features

- One click Column Sorting
- Can look at Sales History through a chart
- Group by certain Columns to make managing data easier



| | | id | Prod# | Fcst Cost | Fcst Qty | ROP | EOQ |
|-----------|-------------------------------------|-----------|---------|-----------|----------|-----|-----|
| ABC ▲ | | | | | | | |
| ^ ABC: A; | | | | | | | |
| ▼ | <input checked="" type="checkbox"/> | 002272997 | RBS4106 | 1.53 | 60 | 48 | 60 |
| ▼ | <input checked="" type="checkbox"/> | 003275073 | P145 | 11.02 | 10 | 18 | 10 |
| ▼ | <input checked="" type="checkbox"/> | 002275073 | P145 | 11.02 | 10 | 10 | 10 |
| ▼ | <input checked="" type="checkbox"/> | 001275074 | P163 | 9.25 | 20 | 30 | 15 |
| ▼ | <input checked="" type="checkbox"/> | 002272766 | | 19.55 | 5 | 6 | 5 |
| ▼ | <input checked="" type="checkbox"/> | 002279517 | ATSC14 | 5.77 | 18 | 23 | 18 |
| ▼ | <input checked="" type="checkbox"/> | 003272790 | BAND100 | 4.5 | 20 | 29 | 20 |
| ▼ | <input checked="" type="checkbox"/> | 001279517 | ATSC14 | 5.77 | 18 | 33 | 18 |
| ▼ | <input checked="" type="checkbox"/> | 002273130 | P85 | 4.82 | 20 | 20 | 16 |
| ▼ | <input checked="" type="checkbox"/> | 002276941 | Y866 | 5.85 | 24 | 15 | 12 |
| ▼ | <input checked="" type="checkbox"/> | 001273127 | P65 | 3.17 | 30 | 47 | 30 |
| ▼ | <input checked="" type="checkbox"/> | 003282003 | ATRP6 | 2.47 | 60 | 53 | 36 |
| ▼ ABC: B; | | | | | | | |
| ▼ ABC: C; | | | | | | | |



And More Features

- Select Multiple Products to delete on account at once

| | | | | | | |
|-------------------------------------|-----------|---------|-------|----|----|----|
| <input checked="" type="checkbox"/> | 002272997 | RBS4106 | 1.53 | 60 | 48 | 60 |
| <input type="checkbox"/> | 003275073 | P145 | 11.02 | 10 | 18 | 10 |
| <input type="checkbox"/> | 002275073 | P145 | 11.02 | 10 | 10 | 10 |
| <input type="checkbox"/> | 001275074 | P163 | 9.25 | 20 | 30 | 15 |
| <input type="checkbox"/> | 002272766 | | 19.55 | 5 | 6 | 5 |
| <input checked="" type="checkbox"/> | 002279517 | ATSC14 | 5.77 | 18 | 23 | 18 |
| <input checked="" type="checkbox"/> | 003272790 | BAND100 | 4.5 | 20 | 29 | 20 |
| <input checked="" type="checkbox"/> | 001279517 | ATSC14 | 5.77 | 18 | 33 | 18 |
| <input checked="" type="checkbox"/> | 002273130 | P85 | 4.82 | 20 | 20 | 16 |
| <input checked="" type="checkbox"/> | 002276941 | Y866 | 5.85 | 24 | 15 | 12 |
| <input checked="" type="checkbox"/> | 001273127 | P65 | 3.17 | 30 | 47 | 30 |
| <input checked="" type="checkbox"/> | 003282003 | ATRP6 | 2.47 | 60 | 53 | 36 |

- View More information in it

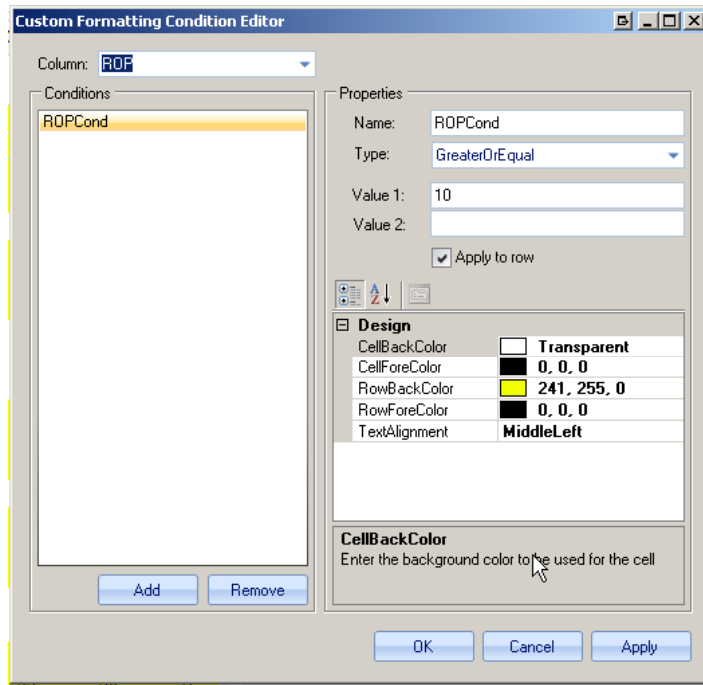
ABC: A;

| | | | | | | | | | | |
|-------------------------------------|-----------|---------|---------|--------|--------|---------|----------|----------|---------|----------|
| <input checked="" type="checkbox"/> | 002272997 | RBS4106 | 1.53 | 60 | 48 | 60 | | | | |
| | Std Pack | Days.S | Min.ROP | Min.Mo | Season | Br Cost | Avg Cost | Dir Cost | Dir Qty | Whse Loc |
| | 12 | 7 | | | B | 1.74 | 1552 | | | WZ.12C |
| <input type="checkbox"/> | 003275073 | P145 | 11.02 | 10 | | | 18 | | | 10 |
| <input type="checkbox"/> | 002275073 | P145 | 11.02 | 10 | | | 10 | | | 10 |



Even More Features

- Advanced Formatting: Highlight rows with ROP Greater than or equal to 10



| | | id | Prod# | Fcst Cost | Fcst Qty | ROP | EOQ | ABC | |
|---|---|--------------------------|-----------|-----------|----------|-----|-----|-----|---|
| ▶ | ▼ | <input type="checkbox"/> | 001272981 | SCF14 | 1.75 | 16 | 6 | 16 | C |
| | ▼ | <input type="checkbox"/> | 002272997 | RBS4106 | 1.53 | 60 | 48 | 60 | A |
| | ▼ | <input type="checkbox"/> | 003275073 | P145 | 11.02 | 10 | 18 | 10 | A |
| | ▼ | <input type="checkbox"/> | 002275073 | P145 | 11.02 | 10 | 10 | 10 | A |
| | ▼ | <input type="checkbox"/> | 001275074 | P163 | 9.25 | 20 | 30 | 15 | A |
| | ▼ | <input type="checkbox"/> | 002272766 | | 19.55 | 5 | 6 | 5 | A |
| | ▼ | <input type="checkbox"/> | 002279517 | ATSC14 | 5.77 | 18 | 23 | 18 | A |
| | ▼ | <input type="checkbox"/> | 003272790 | BAND100 | 4.5 | 20 | 29 | 20 | A |
| | ▼ | <input type="checkbox"/> | 001279517 | ATSC14 | 5.77 | 18 | 33 | 18 | A |
| | ▼ | <input type="checkbox"/> | 002272790 | BAND100 | 4.5 | 8 | 3 | 8 | B |

Example: Forecast Qty)

| | | id | Prod# | Fcst Cost | Fcst Qty | ROP | EOQ | ABC | |
|---|---|--------------------------|-----------|-----------|----------|-----|-----|-----|---|
| ✎ | ▼ | <input type="checkbox"/> | 001272981 | SCF14 | 1.75 | 16 | 6 | 16 | C |
| | ▼ | <input type="checkbox"/> | 002272997 | RBS4106 | 1.53 | 60 | 48 | 60 | A |
| | ▼ | <input type="checkbox"/> | 003275073 | P145 | 11.02 | 10 | 18 | 10 | A |
| | ▼ | <input type="checkbox"/> | 002275073 | P145 | 11.02 | 10 | 10 | 10 | A |
| | ▼ | <input type="checkbox"/> | 001275074 | P163 | 9.25 | 20 | 30 | 15 | A |
| | ▼ | <input type="checkbox"/> | 002272766 | | 19.55 | 5 | 6 | 5 | A |
| | ▼ | <input type="checkbox"/> | 002279517 | ATSC14 | 5.77 | 18 | 23 | 18 | A |
| | ▼ | <input type="checkbox"/> | 003272790 | BAND100 | 4.5 | 20 | 29 | 20 | A |
| | ▼ | <input type="checkbox"/> | 001279517 | ATSC14 | 5.77 | 18 | 33 | 18 | A |
| | ▼ | <input type="checkbox"/> | 002272790 | BAND100 | 4.5 | 8 | 3 | 8 | B |

