Item Master

This screen lets you create the items maintained in inventory. The records created here contain information about an item such as the item's type, sub type, price group, product key, commodity key, ABC key, stocking description, tracking details for tracked items, issue method, costing method, etc. The information maintained here applies to all the item locations of this item.

Creating an item at this screen alone does not make the item available for purchase, sales, production, etc. It must be associated with a location via the *Item Location* screen to become available for use in different modules. The information maintained here is used extensively in BatchMaster Enterprise.

Before maintaining an *Item Master* record, the following parameters should be set up on the *Inventory Setup* screen:

- **Serial/Lot Tracked Applicable.** The value of this parameter can be set to either *Yes* or *No*.

  – If it is set to *Yes*, you will have the option to make any item tracked or non-tracked. The *Track Serial Lot* field, in this case, will contain four options for tracking or not tracking an item.

  – If it is set to *No*, you will not have the option of making an item a tracked item. All the items subsequently created will by default be non-tracked. The *Track Serial Lot* field, in this case, will contain only one option (that is, *No Tracking*).

BatchMater Enterprise provides complete lot traceability features by creating a lot number/serial number, and automatically tracking each lot as it flows from receiving through production and is shipped to your customer, as well as offering you the flexibility to split a single lot into multiple containers.

- **Activation of Location Tab.** On the *Inventory Setup* screen:

  – The value of the *Auto Creation of Item Location Record* option should be set to *Yes*.

  – The Item Class Key, Revenue Account, and Cost of Goods Sold Account number must be maintained.

  – The location should be selected at the Location Key for Auto Creation of Record parameter.

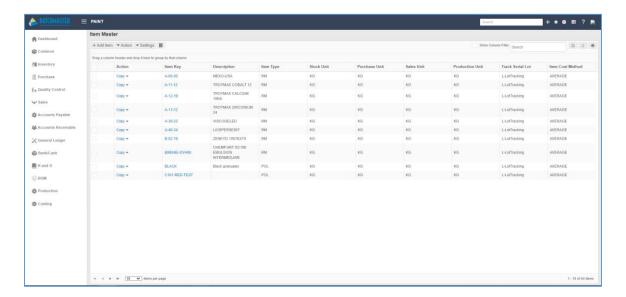**Go To: Distribution → Inventory → Inventory Masters → Item Master.**

Data should be set up at the following screens before creating an Item Master:

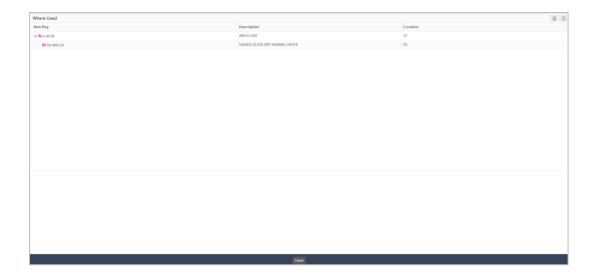- *Item Type.*

- *Units.*

Item Master Dashboard

You can manage inventory items from this dashboard. By default, the system displays all the existing items maintained for your business / company. You can double click on any items record to view its details.
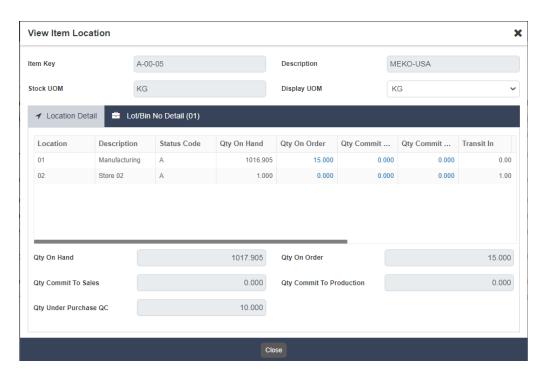

The *Item Master* dashboard contains many elements that occupy 100% of the browser window. Resizing the window would resize the elements to fit. The elements can be rearranged, i.e., docked, resized, grouped, and stacked. The header and the side panel can't be rearranged.

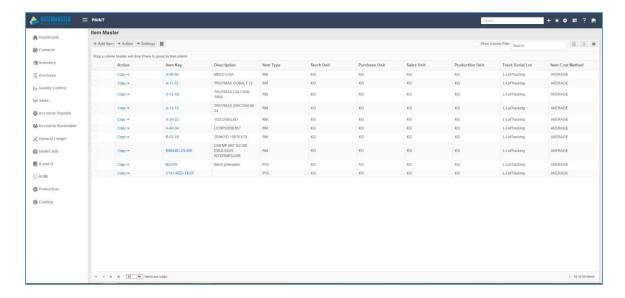Using the *Action* button from the dashboard you can:

- Print selected records

- Delete selected records

- Copy an existing record

- Where used: Click this button to view inventory details for all the item locations of the selected item where it is used.

- View Item Location: Click this button to view inventory details for all the item locations of the selected item.

After you select all the columns of the Item Master dashboard, the middle grid displays the selected columns.

The Item Master dashboard provides a clear vision of the created Items in a read-only mode. You can view the defined items as per the number of pages provided per page.

Item Master Screen Add Mode

To add a new item to your BatchMaster database, click on the *Add Item* button. The system displays the Item Master form, where you can enter any new item details.

Item Master Header

Item Key: This is the name of the item or a code to identify it. This is a mandatory field.

Description: A description of the code entered at the *Item Key* field or information related to the Item name can be maintained here.

UPC Code: Stands for Universal Product Code. It is widely used in Canada and the United States for tracking trade items in stores. The user can now maintain the UPC code against each inventory item. As a result, while working with the *Quotation/Sales Requisition* or *Sales Order Entry*, the system allows user to fetch the sales order line Items by UPC codes.

Description 2: The description maintained here is only for reporting purpose. This can be used for customized reports only, thus entering the description can help the user to maintain information or comment with respect to the risks or other factors etc. In Order to view the '*Description 2*' field to be displayed on the *Item Master Entry* screen, user needs to set the 'View Description 2 on Item Master' field value as 'Yes' on the *Inventory Setup* screen.

Item Master Tab

Item Type: A pre-defined item type key can be selected here that denotes to which Item Type category this item belongs. This is a mandatory field. Selecting an Item Type defaults the Serial Lot mask of that Item Type to this Item Master the Items Master's Serial Lot mask can then be edited.

Item Type Description: Displays the description on the item type associated.

Item Sub Type: A pre-defined item sub type can be selected here to determine to which subcategory this item belongs.

Item Sub Type Description: Displays the description of the Item Sub Type associated.

Price Group: For reporting and reference purposes, a predefined Price group key can be selected here that denotes to which Price Group this item belongs.

Price Group Description: Displays the description of the Price Group associated.

Product Key: To further categorize inventory, a pre-defined product key can be selected here.

Product Description: Displays the description of the associated product key.

Commodity Key: For the classification purpose, a commodity key can be selected here.

Commodity Description: Displays the description of the associated commodity key.

ABC Key: For the classification purpose, an ABC key can be selected here.

ABC Key Description: Displays the description of the associated ABC Key.

Order Method: This is the method based on which orders are generated for the procurement of an item. The order method can be one of the following:

- **P-MPS**: If the order method is MPS, the item will become available for selection at the Maintain MPS Item screen (for conducting the MPS planning via the Run MPS screen) under the MPS module.

- **M-MRP**: If the order method is MRP, the item will become available for MRP planning at the Run MRP screen.

- **R-ROP**: If the order method is ROP, the item will become available for generating purchase order for it via the 'ROP Triggered PO' utility.

- **O-OTHER**: An item cannot be ordered via MPS, MRP or ROP Triggered PO utility if that item has this Order method. A Purchase Order for such an item can only be created at the Purchase Order Entry screen as well as via Transfer of Purchase Requisitions to PO.

ECCN Code: User can enter this item's Export Commodity Code Number here to indicate the type of export license required to ship this material to other country. This field is used for information purpose only.

Physical Count Days: An Item Location becomes eligible for cycle counting if the number of days since the last counting is equal to or greater than the Physical Count Days defined at the *Item Master* screen. Such item locations are fetched for Cycle Counting via the *Prepare for Physical Counting* screen.

Manufacturer Code: This is the manufacturer/vendor code associated with this item.

Purchasable: Checking this option will configure the item as Purchasable. This in turn facilitates in limiting the item lookup to all the purchasable items while creating Purchase Orders.

Seleable: Checking this option will configure the item as Sellable. This in turn facilitates in limiting the item lookup to all the sellable items while creating Sales Orders.

Specification Template Field: This field displays the name of the Specification template selected for the specific Item. The template can be selected implementing *Specification Template* button available adjacent to this field.
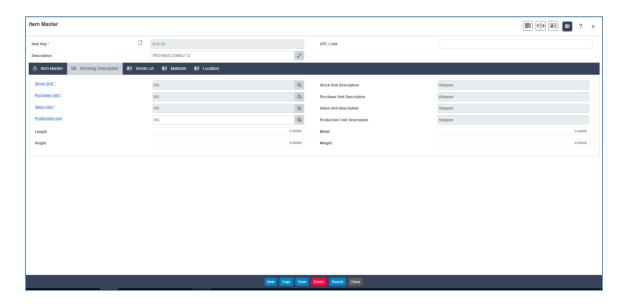
Specification Template Button: Clicking the button would display the *Specification Template Entry* screen, where user can attach the created specification template. User can create the specification template using the *Specification Template Master* under the same *Inventory* Module.

NFPA Code [1 to 4]: Specify the applicable national fire protection association code for the item being maintained.

Apply Quality Control To: Depending upon the selections made here, Quality Control can be applied to this item in one or more ways:

1. **Purchase (Purchase QC/Inventory QC)** - Selecting this checkbox enables 2 options in the form of radio buttons i.e., *Purchase QC* and *Inventory QC*. It is mandatory to select any one of the options. With the *Purchase QC* option, one can apply QC tests to purchased items

   - **Purchase QC**: Checking on the *Purchase QC* radio button explains that the items to be purchased will undergo through QC before being purchased. Selecting this option will apply the Purchase QC directly from the PO receipts.

   - **Inventory QC**: When this option is selected and a Purchase Order is created for that item, then after processing the Purchase Receipt system automatically creates an Inventory QC Order. The system will automatically fetch the purchase receipt item and its lot on the Order / Post Inventory QC screen, with the order status as 'Released'.

2. **Sales**- When this checkbox is checked, the user must undergo QC tests to the item that are being sold.

3. **Production**- When this checkbox is checked, the user must undergo through QC before closing a Batch.

Stocking Description Tab

Stock Unit: This is the unit in which the item is stocked in inventory. This is a mandatory field.

If the Stock Unit of an item is different from the System Weight or Volume unit, then a conversion should be defined from the Stock Unit to the System Weight or Volume Unit to enable the item to be used as formula line item or as a byproduct on the *Formula Entry* screen.

Stock Unit Description: Displays the description of the unit specified in the *Stock Unit* field.

Purchase Unit: This is the unit in which the purchasing of item is done. When creating a purchase order for this item the unit specified here gets defaulted at the *PO Unit* field on the Tab-4 of the *Purchase Order* screen. The Quantity to purchase for this item has to be entered in this unit. The PO Unit may be toggled on the *Purchase Order* screen. This is a mandatory field.

If the Stock Unit and the Purchase Unit differ for an item, then a unit conversion from the Stock Unit to the Purchase Unit will be required before the item can be purchased.

Purchase Unit Description: Displays the description of the unit selected in the *Purchase Unit* field.

Sales Unit: This is the unit in which this item is sold. When creating a sales order for this item the unit specified here gets defaulted at the *SO Unit* field on the Tab-4 of the *Sales Order* screen. This is the unit in which the order quantity is expressed. The SO Unit may be toggled on the *Sales Order Entry* screen. This is a mandatory field.

If the Stock Unit and the Sales Unit differ for an item, then a unit conversion from the Stock Unit to the Sales Unit will be required before the item can be sold.

Sales Unit Description: Displays the description of the unit selected in the *Sales Unit* field.

Production Unit: At the time of batch creation, this unit acts as a default unit for this item.

If the Stock Unit and the Production Unit differ for an item, then a unit conversion from the Stock Unit to the Production Unit will be required before the item can be sold.

Production Unit Description: Displays the description of the unit selected in the *Production Unit* field.

Maintaining different units for Sales, Purchase, and Stock is beneficial in case company buys materials in large quantities, stores it in some different size containers, processes it and sells it in small packets. For example, a company purchases 'White Paint' in Bulk hence measures it in Gallons, stored in Liters and sells it in packs of 250 ml. This requires maintaining different units for Sales, Purchase and stock.
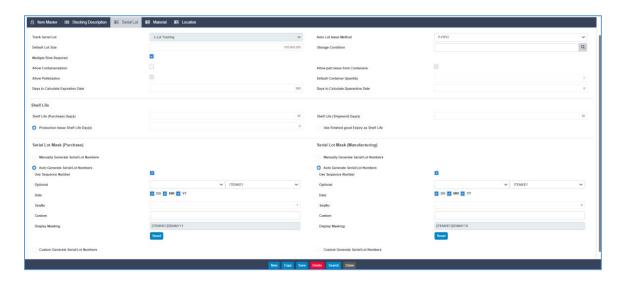
Length: The numeric value entered at this (excluding the unit) is used to calculate the volume if required for the apportionment of landed costs in purchasing. The unit displayed here for this field is automatically fetched from the *Inventory Setup* screen.

Width: The numeric value entered at this field (excluding the unit) is used to calculate the volume if required for the apportionment of landed costs in purchasing. The unit displayed here for this field is automatically fetched from the *Inventory Setup* screen.

Height: The numeric value entered at this field (excluding the unit) is used to calculate the volume if required for the apportionment of landed costs in purchasing. The unit displayed here for this field is automatically fetched from the *Inventory Setup* screen.

Weight: This weight is used to calculate the shipment weights on the Bill of Lading and the Inventory Bill of Lading. This weight is also used in calculating the extended shipment weight of a line item to calculate landed costs on the Purchase Receipt screen. The unit displayed here for this field is automatically fetched from the *Inventory Setup* screen.

Serial Lot Tab

Track Serial Lot: This field specifies whether or how an item is tracked.

- If the 'Serial/Lot Numbers' parameter on the *Inventory Setup* screen has been set to 'No', this field will have only one option 'N-No Tracking' and the user will not be allowed to track the item.

- If the 'Serial/Lot Numbers' parameter on the Inventory Setup screen has been set to 'Yes', the user will have the option to make an item tracked or non-tracked. This field will then have the following four options:

1. **N-No Tracking**: Selecting this option will make the item not tracked and the user will not be able to track that item.

2. **S-Serial Tracking**: Selecting this option will enable tracking of item by serial numbers i.e. enables tracking of entire quantity individually.

3. **L-Lot Tracking**: Selecting this option will enable tracking of item by lot numbers.

4. **B-Multiple Bins**: Selecting this option allows the item to be kept in the multiple bins at a given location.

Auto Lot Issue method: This field remains enabled for tracked items. Tracked items can be issued automatically (if not issued manually) for production in one of the following ways:

1. **FIFO**: Stands for First In First Out. Lots that came in first will be issued first.

2. **LIFO**: Stands for Last In Last Out. Lots that came in last will be issued first.

3. **Nearest Expiry**: Lots having the closest expiry date will be issued first.

4. **Not Yet Depleted**: Lots that have been partially issued and are not completely issued should be issued first.

Default Lot Size: This is the basic size of a lot of this item. This default size is used when lots are created automatically at the time of purchase and production receipt. This field becomes:

1. Disabled if the option at the 'Track Serial Lot' field is selected as 'No Tracking'

2. Disabled and gets defaulted with the value 1 if the option at the 'Track Serial Lot' field is selected as 'Serial Tracking' implying that one serial will contain exactly one unit of the item.

3. Enabled if the option at the 'Track Serial Lot' field is selected as 'Lot Tracking' or 'Multiple Bins'.

Storage Condition: Storage condition for the particular item can be associated through this field. Clicking on the lookup next to the field displays, all the storage conditions maintained at the 'Storage Condition' screen in Inventory Masters. Using the lookup provided next to the field user can now choose multiple storage conditions, separated by commas.

Multiple Bins Required: If this check box is checked, it means that the lots of this item can be stored in multiple bins. In such a case, bin numbers need to be assigned for each lot on the *Serial Lot Maintenance* screen.

Allow Containerization: Checking the *Allow Containerization* option offers user to create Containers in sequence to the container size. It reflects the effect on the *Serial Lot Maintenance* screen.

Allow part issue from Containers: Checking the option 'Allow part issue from Containers' implies that the system would calculate the exact lot quantity and not the variance as defined on the *Sales Setup* screen, in the containerized section of *Maintain Serial/Lot* screen.

Allow Palletization: Checking the *Allow Palletization* option offers user to create Pallets in sequence to the pallet size. It reflects the effect on the *Serial Lot Maintenance* screen.

Default Container Quantity: This is the quantity of which the sub lots (containers) will be created.

Days to Calculate Expiration Date: These many days are automatically added to the lot creation date to arrive at a lot expiry date.

Days to Calculate Quarantine Date: The value in this field is added to the receipt date of the lot to arrive at the Quarantine date for that lot.

Shelf Life

Shelf Life (Purchase) Day(s): This is the time in days that the purchased item can be stored and can be used or accepted under normal conditions.

Shelf Life (Shipment) Day(s): This is the time in days for which the item to be shipped can be stored and is acceptable under normal conditions.

Production Issue Shelf Life Day(s): This is the time in days for which the material issued for production can be stored and used in production under normal conditions.

Use finished good Expiry as Shelf Life: If this radio button is checked, the expiry date of the finished good (in which the item is used) will be considered as the shelf life.

Serial Lot Mask (Purchase):

This frame gets enabled only if the Serial Tracking or Lot Tracking option is selected at the 'Track Serial Lot' field.

Manually Generate Serial/Lot Numbers: If this option is checked, then the Serial /Lot Mask frame becomes disabled. It implies that the user will need to manually enter the lot numbers while creating lots for an item on the *Serial Lot Maintenance* screen.

Auto Generate Serial/Lot Numbers: If this option is checked, then the Serial /Lot Mask frame becomes enabled, which enables auto generation of serial /lot numbers as per the mask specified by the user. This mask May, however, be changed on the *Serial Lot Maintenance* screen.

Custom Generate Serial/Lot Numbers: If this option is checked, then the Serial /Lot Mask frame becomes enabled, and the user can specify the sequence in which the following parts of the serial mask will be used to default the serial lot numbers:

1. **Optional (1**) – can be one of ITEMKEY, VENDORKEY and DOCNO.

2. **Custom (2)** – Can be any character, special character or value that user needs to incorporate within the defined masking.

3. **Date (3)** – User can mention the calendar date format through this field. The format of the date can be selected as per the order in which the checkbox(s) are selected.

   For Example: The date format selected is DDMMYYYTD, that means the date will be mentioned first, than the month (01 for January, 02 for February and so on), next the last two digits for the year and then YTD (Year To Date) that is the number of the day in the mentioned year. Suppose, the date is March 15, than YTD will be 74 as March 15 is the 74th day of the given year.

4. **SeqNo (4)** – This is the sequence number after which the next lot should start. E.g. – if 0 is mentioned here, the lots will start from 1, the next 2 and so on.

At the Define Sequence field, user can enter the numeric 1, 2, 3 and 4 in any sequence. This will specify the order in which the text for Optional, Custom, Date and SeqNo will appear. For example, if user specifies 4321, then the order will be SeqNo, Date, Custom and Optional.

If this option is selected here, then while creating serials/lots on the *Serial Lot Maintenance* screen under *Distribution* module, User will have the option to replace the entire or a part of the serial/lot number with any string.

Serial Lot Mask (Manufacturing)

This frame gets enabled only if the *Serial Tracking* or *Lot Tracking* option is selected at the *Track Serial Lot* field.

Manually Generate Serial/Lot Numbers: If this option is checked, then the Serial /Lot Mask frame becomes disabled. It implies that the user will need to manually enter the lot numbers while creating lots for an item on the *Serial Lot Maintenance* screen.

Auto Generate Serial/Lot Numbers: If this option is checked, then the Serial /Lot Mask frame becomes enabled, which enables auto generation of serial /lot numbers as per the mask specified by the user. This mask May, however, be changed on the *Serial Lot Maintenance* screen.

Custom Generate Serial/Lot Numbers: If this option is checked, then the Serial /Lot Mask frame becomes enabled, and the user can specify the sequence in which the following parts of the serial mask will be used to default the serial lot numbers:

1. Optional (1) – can be one of ITEMKEY, VENDORKEY and DOCNO.

2. Custom (2) – Can be any character, special character or value that user needs to incorporate within the defined masking.

3. Date (3) – User can mention the date format through this field. The format of the date can be selected as per the order in which the checkbox(s) are selected. For Example: the date format selected is DDMMYYYTD, that means the date will be mentioned first, than the month (01 for January, 02 for February and so on), next the last two digits for the year and then YTD (Year To Date) that is the number of the day in the mentioned year. Suppose, the date is March 15, than YTD will be 74 as March 15 is the 74th day of the given year.

4. SeqNo(4) – This is the sequence number after which the next lot should start. E.g. – if 0 is mentioned here, the lots will start from 1, the next 2 and so on.

At the 'Define Sequence' field, user can enter the numeric 1, 2, 3 and 4 in any sequence. This will specify the order in which the text for Optional, Custom, Date and SeqNo will appear. For example, if user specifies 4321, then the order will be SeqNo, Date, Custom and Optional.

If this option is selected here, then while creating serials/lots on the *Serial Lot Maintenance* screen under the *Distribution* module, user will have the option to replace the entire or a part of the serial/lot number with any string.

Serial/Lot Mask (Purchase):

Use Sequence Number: If this checkbox is checked, a box appears for entering the value for a sequence number. The next automatically generated lot number will be this number plus one.

Optional: This displays how the mask will appear. The entire mask can be of 31 characters at the most as follows:

Mask: XXXXXXXXXXXXXXXXXX-DDMMYY-12345

- 18 'Optional' characters

- 1 character for the hyphen after the 'Optional' characters

- 6 characters for the 'Date'

- 1 character for the hyphen after the 'Date'

- 5 characters for the 'Sequence Number'

The Optional characters can be derived by one of the following approaches:

- 18 characters of Item Key

- 15 characters of Vendor Key

- 13 characters of Doc Number

- 18 characters of Customized text

- 13 characters of Vendor Key + 3 characters of Customized text

- 13 characters of DocNo + 3 characters of Customized Text

- 3 characters of Customized Text + Vendor Key

- 3 characters of Customized Text + DocNo

The definition of the 'DocNo' for the Serial /Lot Mask is as follows:

- In case of purchase, the DocNo refers to the Purchase Receipt number.

- In case of sales, the DocNo refers to the Sales Shipment number.

- In case of inventory, the DocNo refers to the Transaction Number.

Custom: This is a customized text, which gets added to the serial /lot mask.

Date: The date can be specified in any sequence of DD (date), MM (Month), YY (Year) and YTD {(year to Date, Julian) active only in case of Custom generated Serial/Lot numbers}.

SeqNo: The sequence number can be of 5 digits at the most. This number is automatically incremented by 1 when a serial or lot number is auto-created using this mask. The sequence number is reset to zero for a new date.

Reset: Clicking this button clears the mask values.

<u>Serial/Lot Mask (Manufacturing):</u>

Use Sequence Number: If this checkbox is checked, a box appears for entering the value for a sequence number. The next automatically generated lot number will be this number plus one.

Optional: This displays how the mask will appear. The entire mask can be of 31 characters at the most as follows:

Mask: XXXXXXXXXXXXXXXXXX-DDMMYY-12345

- 18 'Optional' characters

- 1 character for the hyphen after the 'Optional' characters

- 6 characters for the 'Date'

- 1 character for the hyphen after the 'Date'

- 5 characters for the 'Sequence Number'

The Optional characters can be derived by one of the following approaches:

- 18 characters of Item Key

- 15 characters of Vendor Key

- 15 characters of Doc Number

- 18 characters of Customized text

- 15 characters of Vendor Key + 3 characters of Customized text

- 15 characters of DocNo + 3 characters of Customized Text

- characters of Customized Text + Vendor Key

- characters of Customized Text + DocNo
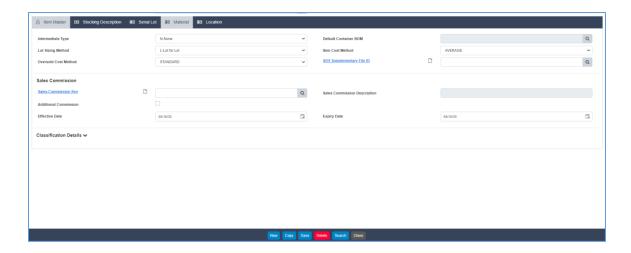
Here, the DocNo refers to the Batch Number.

Custom: This is a customized text, which gets added to the serial /lot mask.

Date: The date can be specified in any sequence of DD (date), MM (Month), YY (Year) and YTD {(year to Date, Julian) active only in case of Custom generated Serial/Lot numbers}.

Sequence Number: The sequence number can be of 5 digits at the most. This number is automatically incremented by 1 when a serial or lot number is auto-created using this mask. The sequence number is reset to zero for a new date.

Reset: Clicking this button clears the mask values.

Material Tab

Intermediate Type: Intermediates are of two types; one that are manufactured in-house and other that are purchased from other company. User may enter an 'I' to denote In-house intermediate and 'P' to denote Purchased intermediate. The value here is just for the sake of information. It is not used anywhere in the BatchMaster Web.

Default Container BOM: This field is displayed only for Intermediate Type Item i.e. selecting the Intermediate Type as Intermediate enabled the *Default Container BOM* field. As a result, on creating the production batch for the item, from Transfer MPS Production Order and Transfer MRP Production Order screens, system automatically defaults this Container Information.

Lot Sizing Method: This can be Lot for Lot or EOQ.

If EOQ is selected, any order quantities generated by the system will be as integral multiples of the EOQ value defined at the Item Location. BatchMaster Web can generate such quantities as follows:

- On ROP Triggered PO

- On Purchase Requisitions via Critical Material Report

- On MRP Purchase or Production orders (excluding Exception orders) via Run MRP

(MPS Purchase or Production orders are based on the EOQ values defined at the Maintain MPS Item screen).

Lot for Lot means that the order quantities will not be automatically modified to integral multiples of EOQ.

Item Cost Method: The cost calculations of this item will be done on the basis of the method defined here. When On Hand quantity is decreased for an item, the Cost Layers are relieved according to the item's cost method. The Lot cost method applies to only those items that are Lot or Serial Tracked. The remaining cost methods can be used for all types of items, irrespective of whether the item serial/lot tracked. The Item Cost Method can be one of:

1. Standard

2. Average

3. LIFO

4. FIFO

5. LOT Cost

The default option at this field is 'Standard'.

Here it is to be noted that while performing part close and part close with sizing operation at batch close the Finished Good cost is calculated based on the costing methods defined.

Oversold Cost method: This is the cost method for this item in an oversold condition and can be one of:

1. Standard (Cost)

2. Average (Cost)

3. Last (Cost)

The oversold condition is feasible for only those items that are neither lot tracked, nor serial tracked.

Oversold refers to the condition where the On-Hand quantity field of Item-Location drops to zero and oversold field has a positive number. This indicates that user has sold more than BatchMaster believes to be available on hand.

SDS Supplementary File ID: If user plans on Printing SDS for this material, user may enter an SDS Template key here. Template keys are meant to be used to print specific boilerplate paragraphs on SDS based on this item.

<u>**Sales Commission:**</u>

Sales Commission Key: This is the Sales Commission key associated with this item. The associated commission is paid as additional commission if the *Additional Commission* box is checked or as an alternate commission if the *Additional Commission* box is unchecked.

Sales Commission Description: Displays the description of the sales commission key specified.

Additional Commission: Only if this box is checked that the additional commission will be paid as per the key selected at the *Sales Commission Key* field.

Effective date: This is the date on which the Sales Commission key becomes effective for this item.

Expiry Date: This is the date up to which the Sales Commission key remains effective for this item.
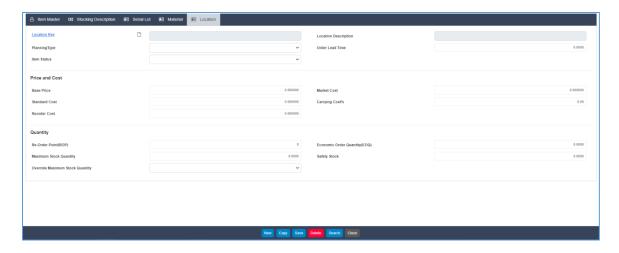
Classification Details: Click the Add Item button to enter Classification details for this item, if a Classification type Supplementary File has been created that is relevant for this item. You can now attach multiple classification ids to the item. As soon as a classification id is added to an item, the system will look for a supplementary file with the same item name. If there is one, it will insert the unique boilerplates belonging to the classification ids into the supplementary file. If there is none, then the system will automatically create a supplementary file with the Material name and the boilerplates related to the classification ids will be added to the supplementary file. You can add multiple classifications if required.

> **Add Line:** Click this button to ass a line in the Classification Details grid.

> **Classification:** this field displays the unique identification code of the attached to the supplementary file.

> **Action:** This contain the *Delete* button. Click the button to delete the specific classification line.

Location Tab

Location tab on the *Item Master Entry* screen includes all the mandatory fields required to maintain Item Location separately such as Price and Cost, Quantity etc. While inserting any new item on the *Item Master Entry* screen, the 'Location key' selected in Inventory Setup gets defaulted on the *Location* Tab.

Location Key: The location where the item is present or will be available can be selected here. In case the *Inventory Default Location* option at the *Item Location Defaults* Tab of the *Inventory Setup* screen is set to *Yes* and an *Inventory Default Location* Key is defined, the system would default the same key here.

Location Description: Displays the description on the location associated.

Planning Type: This can be one of Buy or Make. The orders generated by MRP module will be for purchase if the item is Buy type or for production if the item is Make type.

Order Lead Time: This field becomes enabled only when the *Buy* option is selected at the *Item Type* field. This is the approximate time (in days) that usually elapses before the delivery of the material takes place.

The Order Lead time specified here is taken into account when the purchase orders are generated for this Item Location via Run MPS or Run MRP. For example, if the lead-time has been defined as 5 days, then the purchase order will be generated for a date that is 5 days prior to the delivery date.

Item Status: are predefined in BatchMaster and need to be entered for each item location combination. The status of an Item Location affects the processing of certain transaction as follows:

Item Status	Transactions Blocked
Active	None (All transactions are allowed)
No New Purchases/Discontinued	O-On Order (Increase or Decrease) P-Purchase/Production Receipt

Obsolete	A-Adjustment
	E-Cost Adjustment
	O-On Order (Increase or Decrease)
	P-Purchase /Production Receipt
	X-Commitment to Production
Deactivated	All Transaction are blocked

Item Locations are excluded from certain Item Location lookups based on the item's status (as defined at the Item Location), if the item status is one of No New Purchases/Discontinued (N), Obsolete (O) and Deactivated (D). These exclusions, based on Item Status, are automatic.

Screen Name	Excluded Item Status
Transaction Entry (Inventory Module)	N is excluded from P type transaction
	O is excluded from all transactions except C, D, G and S type transactions
	D is excluded from all transactions
Warehouse Transfer	N, O, D
Purchase Order Entry (Normal PO, Direct Delivery and Return Without Reference)	N, O, D
Purchase Receipts (Normal PO, Direct Delivery and Return without Reference)	N, O, D (the receipt cannot be processed)
Sales Order Entry (Normal SO and Return without Reference)	D
Maintain Shipment (Normal SO and Return without Reference)	D
Sales Kit	D
Sales Template	D
Promotional Pricing	D
Formula Entry	N, O, D

BOM Entry	Tab-1: N, O, D; Tab-2: D
Product Cost Analysis	N, O, D
Forecast Entry	D
Maintain MPS Item	D
Pull MPS Item	D
Material Safety Information	D

Pick List, Packing Slip, Bin Transfer, Bill of Lading Inventory Information, all the screens in Serial Lot Handling, and all the screens in Physical Counting have no exclusion for Item Location lookup based on Item Status.

Price and Cost:

Base Price: This is the Base Price of this Item Location. BatchMaster's Order Entry Module as a starting price uses base Price, before any discounts are applied, if any. This price is defined per sales unit in Home Currency. This price is considered for this item location on a sales order as per the settings on the *Price Search Order* screen.

The base price can be modified via the *Intermediate Cost Rollup* and *Update Finished Good Costs* screens also.

Market Cost: This is the Market Cost of this Item Location. The market cost is defined per sales unit in Home Currency. This is usually the cost at which similar products are available in the market. This cost can be modified via the *Intermediate Cost Rollup* and *Update Finished Good Costs* screens also. It is used for replacement cost analysis and revaluation.

Standard Cost: This is the Standard Cost of this Item Location. This price is defined in Home Currency per Stock Unit of Measurement. This cost gets defaulted to the *Base Price* field on the purchase order if

- The price Source happens to be Item Location, and

- The value at the *Unit Cost Default Method* parameter is set as *Standard*.

This cost can be changed via the *Intermediate Cost Rollup and Update Finished Good Costs* screens also.

If the Standard Cost is changed for an item location having an on hand quantity greater than zero where the item follows a Standard Cost method, a B type transaction will be fired to update the Distributed Cost as per the new Standard Cost.

Carrying Cost%: This is the cost of maintaining inventory of this Item Location. This is expressed in terms of a percentage of the Standard Cost of this Item Location. The Carrying Cost of an Item Location is used for calculating the Re-order point and the Economic Order quantity for this Item Location via the *ROP /EOQ* screen under the *Utilities* module.

This cost can be changed via the *Intermediate Cost Rollup* and *Update Finished Good Costs* screens also.

Reorder Cost: This is the cost of re-ordering certain quantity of this Item Location. The Reorder Cost of an Item Location is defined in Home Currency per Purchase Unit of Measurement. The Reorder Cost is used in the formula for calculating the Re-Order Point and the Economic Order Quantity for this Item Location via the *ROP /EOQ* screen under the *Utilities* module. It is also used for planning purposes and the by the MRP module when re-ordering currently stocked inventory.

Quantity:

Re-Order Point (ROP): This is the Re-Order Point, expressed in Stock Unit of Measurement for this Item Location. When the available quantity of this Item Location falls below the ROP, then a *'ROP Triggered Purchase Order'* can be generated via the *'ROP Triggered PO'* screen if the Order Method has been defined as 'ROP' on the associated Item Master. For this purpose, the available quantity is calculated as follows:

Available quantity = On Hand quantity + On Order quantity – Committed to Sales quantity – Committed to Production quantity

The Re-order point (quantity) can be entered manually at this field or updated via the 'ROP/EOQ' utility.

Economic Order Quantity (EOQ): This is the Economic Order Quantity associated with this Item Location. This is expressed in Stock Unit of Measurement.

The EOQ value can be entered manually at this field or may be modified via the *ROP /EOQ* utility.

Any order quantities generated by the system (while the *Lot Sizing Method* is *EOQ* at the associated Item Master) will be as integral multiples of the EOQ. BatchMaster Enterprise can generate such quantities as follows:

- On ROP Triggered PO

- On Purchase Requisitions via Critical Material Report

- On MRP Purchase or Production orders (excluding Exception orders) via Run MRP

(Note that the MPS Purchase or Production orders are based on the EOQ values defined at the Maintain MPS Item screen).

Maximum Stock Quantity: This is the maximum quantity of this Item Location's that can be stocked in the inventory. The maximum limit for an Item Location may have to be defined for various reasons such as stocking capacity of the warehouse, durability of the item, carrying cost of the item, etc. The enforcement of this Maximum Stock Quantity depends on the value specified at the *Override Maximum Stock Quantity* field on this tab of this screen.

Safety Stock: This is the buffer stock that should be maintained in the inventory at any point of time. Processing a Run MPS or Run MRP will generate an exception order to replenish the item location if the On Hand quantity falls below the Safety Stock.

Override Maximum Stock Quantity: The value at this field can be one of the following:
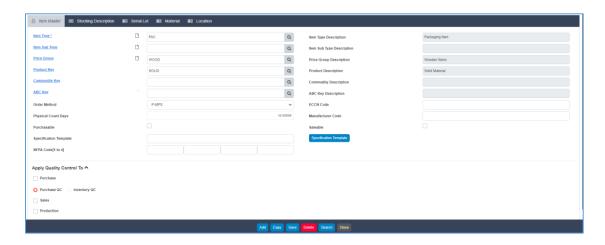
- **Yes**: In this case the user is allowed to exceed the 'Maximum Stock Quantity'; no warning is given.

- **No**: In this case the user is not allowed to exceed the 'Maximum Stock Quantity'; no warning is given.

- **Yes-With Warning**: When the user attempts to process a transaction that increases the on-hand quantity causing the on-hand quantity to exceed the Maximum Stock Quantity, a warning is displayed. Thereafter, the user has the option to process that transaction anyway.

Creating an Item Master

1. Open the *Item Master* dashboard.

2. Click on the *+Add Item* button to open the *Item Master* screen.

3. Using the *Item Key* field, enter the name of the item or a code to identify it.

4. Enter a description for the item in the *Description* field.

5. If required, maintain the UPC code for the item in the *UPC Code* field. This code is particularly helpful while working with the *Quotation/Sales Requisition* or *Sales Order Entry* screens, because the system allows you to find sales order line items by UPC codes.

6. If the *Description 2* field is visible, you could use this field to maintain an extra description for reporting purposes, if required.

Item Master

| Item Key * | | BOX | UPC Code | |
| Description | | 2KG Box | Description 2 | |

7. Move on to the *Item Master* tab.

a. Using the *Item Type* field, select the applicable item type for the item. The item type specified here denotes the item type category this item belongs to.

b. Specify the applicable item sub type for the item in the *Item Sub Type* field.

c. Using the *Price Group* field, select the price group to which this item belongs. This field is used for reporting and reference purposes only.

d. To further categorize inventory, a pre-defined product key can be selected at the *Product Key* field.

e. For classification purposes, a commodity key can be selected at the *Commodity Key* field.

f. For more classification purposes, an ABC key can be selected at the *ABC Key* field.

g. In the *Order Method* field, select the method based on which orders are generated for the procurement of an item. There are four options: *MPS*, *MRP*, *ROP*, and *Other*.

   - *MPS* means the item is ordered through Master Production Scheduling. This is appropriate for finished goods you are going to manufacture.

   - *MRP* means the item is ordered through Material Requirements Planning. This is appropriate for raw materials and container/packaging items that are directly consumed in a production batch.

- *ROP* means the item is ordered through a *Re-Order Point* report. This is appropriate for consumables that are used regularly but which are not directly scaled within a production batch (for example, cleaning materials).

- *Other* is appropriate for engineering supplies, for example, which are only ordered when required for maintenance.

By default, the value of this field is *MPS*.

h. You can enter the item export commodity code number at the *ECCN Code Number* field. This field indicates the type of export license required to ship this material to another country. This field is used for information purposes only.

i. An item location becomes eligible for cycle counting if the number of days since the last counting is equal to or greater than the physical count days defined at the *Physical Count Days* field. Maintain the physical count days' value, if needed.

j. In the *Manufacturer Code* field, maintain the manufacturer/vendor code that is to be associated with this item.

k. Select the *Purchasable* checkbox to configure the item as purchasable. This in turn facilitates limiting the item lookup to all the purchasable items while creating purchase orders. This facility will be effective only when the *Pick Item Location* parameter on the *Purchase Setup* is set to *Purchasable Item*.

l. Select the *Saleable* checkbox to configure the item as sellable. This in turn facilitates limiting the item lookup to all sellable items while creating sales orders.

m. The *Specification Template* field displays the name of the specification template selected for the specific item using the *Specification Template* button beside this field.

n. Using the *NFPA Code* field, specify the applicable national fire code for the item being maintained.

o. At the *Apply Quality Control To* field, select the options to enable quality control. Depending upon the selections made here, quality control can be applied to this item in one or more ways:

- Selecting the *Purchase* (*Purchase QC/Inventory QC*) checkbox allows two options in the form of radio buttons (i.e., *Purchase QC* and *Inventory QC*). It is mandatory to choose one of the options if the checkbox is selected. With the *Purchase QC* option, you can apply QC tests to purchased items. Selecting the *Inventory QC* option implies that when

a purchase order is created for this item, the system will automatically create an inventory QC order after processing the purchase receipt. This gives you the option of mandating QC tests *before* the item can be accepted into inventory or mandating that those tests be performed *after* the item has been accepted into inventory.

- Checking the *Sales* option implies that items being sold need to undergo QC tests before being dispatched.

- Checking the *Production* option implies that a batch needs to undergo QC tests before it can be closed.

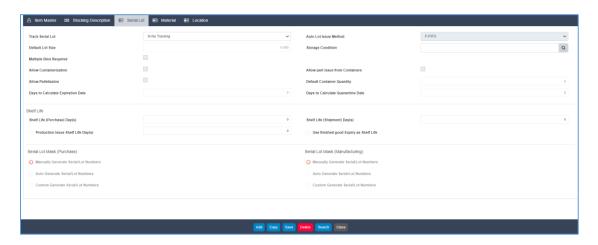8. Switch to the *Stocking Description* tab.

a. In the *Stock Unit* field, select the unit in which the item is stocked in inventory. This is a mandatory field. If the Stock Unit of an item is different to the System Weight or Volume Unit, then a conversion must be defined from the Stock Unit to the System Weight or Volume Unit if the item is to be used as a formula line item or as a by-product on the *Formula Entry* screen.

b. In the *Purchase Unit* field, select the unit in which purchasing of the item is done. When creating a purchase order for this item, the unit specified here is defaulted to the *PO Unit* field on *Tab-4* of the *Purchase Order* screen. The quantity to purchase for this item has to be entered in this unit. The PO unit may be changed on the *Purchase Order* screen. This is a mandatory field.

c. In the *Sales Unit* field, select the unit in which this item is sold. When creating a sales order for this item, the unit specified here is defaulted to the *SO Unit* field on *Tab-4* of the *Sales Order* screen. This is the unit in which the order quantity is expressed. The SO unit may be changed on the Sales Order screen. This is a mandatory field.

d. In the *Production Unit* field, specify the unit which acts as a default unit for this item at the time of batch creation.

If the Stock Unit and the Purchase, Sales, or Production Units differ for an item, then a unit conversion from the Stock Unit will be required.
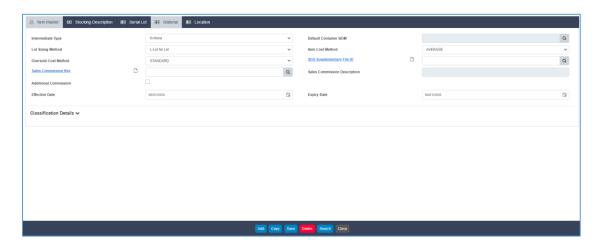
e. In the *Length* field, enter a numeric value for the length of the item that can be used to calculate the volume if required for the apportionment of landed costs in Purchasing. The unit displayed for this field is automatically brought from the *Inventory Setup* screen.

f. In the *Width* field, enter a numeric value for the width of the item that can be used to calculate the volume if required for the apportionment of landed costs in Purchasing. The unit displayed for this field is automatically brought from the *Inventory Setup* screen.

g. In the *Height* field, enter a numeric value for the height of the item that can be used to calculate the volume if required for the apportionment of landed costs in Purchasing. The unit displayed for this field is automatically brought from the *Inventory Setup* screen.

h. In the *Weight* field, enter the weight for the item that can be used to calculate the shipment weights on the bill of lading and the inventory bill of lading. This weight is also used in calculating the extended shipment weight of a line item to calculate landed costs on the *Purchase Receipt* screen. The unit displayed here for this field is automatically brought from the *Inventory Setup* screen.

9. Switch to the *Serial Lot* tab. This tab specifies whether or not an item is tracked.

a. In the *Track Serial Lot* field, specify the tracking method for the item. Options are:

-   **N-No Tracking** – Selecting this option will make the item not tracked. The user will not be able to track that item.

-   **S-Serial Tracking** – Selecting this option will enable tracking of the item by serial numbers (i.e., allows tracking of the entire quantity individually).

- **L-Lot Tracking –** Selecting this option will enable tracking of the item by lot numbers.

- **B-Multiple Bins –** Selecting this option allows the item to be kept in multiple bins at a given location.

b. When the item is tracked, you can specify the default issue method for the item using the *Auto Lot Issue Method* field. Options are:

- **FIFO –** Stands for 'first in, first out'. Lots that came in first will be issued first.

- **LIFO –** Stands for 'last in, last out'. Lots that came in last will be issued first.

- **Nearest Expiry –** Lots having the closest expiry date will be issued first.

- **Not Yet Depleted –** Lots that have been used over a period of time should be issued first.

c. In the *Default Lot Size* field, set the basic size of a lot of this item. This default size is used when lots are created automatically at the time of purchase and production receipt.

d. In the *Storage Condition* field, associate the applicable storage condition for the item.

e. Check the *Multiple Bins Required* option when the lots of this item need to be stored in multiple bins.

f. Check the *Allow Containerization* option when containers are to be created in sequence to the container size. It reflects the effect on the *Serial Lot Maintenance* screen.

g. Check the *Allow Part Issue from Containers* option when you want the system to calculate the exact lot quantity and not the variance (as defined on the *Sales Setup* screen) in the containerized section of the *Maintain Serial/Lot* screen.

h. Using the *Default Container Quantity* field, specify the quantity in which the containers need to be created for the item.

i. **Days to Calculate Expiration Date:** These many days are automatically added to the lot creation date to arrive at a lot expiry date.

j. In the *Days to Calculate Quarantine Date* option, set the value that is to be added to the receipt date of the lot to arrive at the quarantine date for that particular lot.

k. In the *Shelf Life* (Purchase) field, set the time (in days) for which the purchased item can be stored and used.

l. In the *Shelf Life* (Shipment) field, set the time (in days) for which the item to be shipped can be stored and is acceptable under normal conditions.

m. In the *Production Issue Shelf Life* field, set the time (in days) for which the material issued for production can be stored and used in production under normal conditions.

n. Select the *Use Finished Good Expiry as Shelf Life* radio button when you need to consider the expiry date of the finished good (in which the item is used) as the shelf life.

o. The *Serial Lot Mask* (Purchase) frame is only enabled when the *Serial Tracking* or *Lot Tracking* option is selected at the *Serial Lot* field. If this frame is enabled, set the value using one of the following options:

- *Manually Generate Serial/Lot Numbers*.

- *Auto Generate Serial/Lot Numbers*.

- **Custom Generate Serial/Lot Numbers**: Check this option to enable the *Serial/Lot Mask* frame. With this frame the user can specify the sequence in which the following parts of the serial mask will be used to default the serial lot numbers:

  i. Optional (1).

  ii. Custom (2).

  iii. Date (3).

  iv. SeqNo (4).

p. Similarly, set the lot mask for manufacturing.
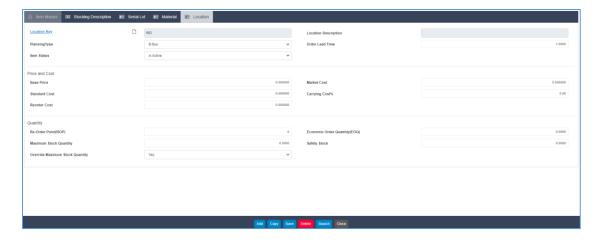
10. Switch to the *Material* tab

a. Set the intermediate type as either *None*, *Intermediate* or *Purchased*. In case of intermediate define the Default Container BOM in its respective field.

b. Specify the lot sizing method as either *Lot for Lot* or *EOQ* using the *Lot Sizing* field. Lot-for-Lot is a way of ordering exactly what is required in each period, creating a demand record for each instance of need encountered. EOQ is a method which computes an Economic Order Quantity based on average demand and such things as the Carrying Cost of inventory, and orders in lots of this size.

c. Set the item cost method in the *Item Cost Method* field. Options are *Standard*, *Average*, *LIFO*, *FIFO*, or *Lot Cost*.

d. Set the cost method for this item in an oversold condition. Options are *Standard*, *Average*, or *Last*.

💡 The oversold condition is only feasible for those items that are neither lot tracked nor serial tracked. Oversold refers to the condition where the on-hand quantity field of the *Item Location* screen drops to zero and the *Oversold* field has a positive number. This indicates that you have sold more than BatchMater Enterprise believes to be available on hand.

e. In the *SDS Supplementary File ID* field, specify the Safety Data Sheet (SDS) template key. Template keys are used to print specific boilerplate paragraphs on an SDS.

f. Use the *Sales Commission* field to associate the applicable sales commission key for the item.

g. Select the *Additional Commission* checkbox if additional commission will be paid as per the key selected at the *Commission Key* field.

h. In the *Effective Date* field, set the date on which the Sales Commission Key becomes effective for this item.

i. Use the *Expiry Date* field to set the date up to which the Sales Commission Key remains effective for this item.

j. Click the *Add Item* button to enter Classification details for this item.

11. Click the *Save* button to save the record.
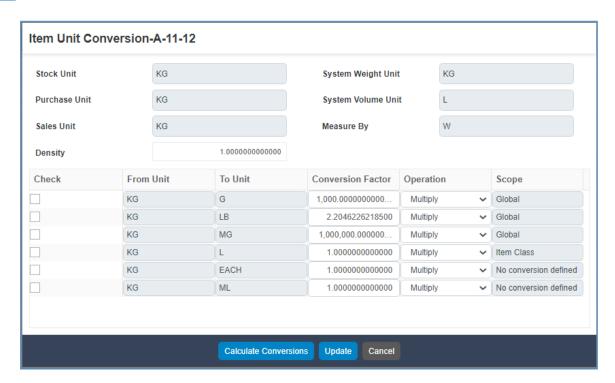
12. Switch to the *Location* tab.

Here you can enter basic data for the default, or Primary, Location. See *Item Location screen* for details about these fields.
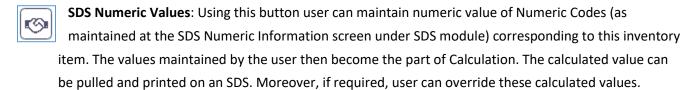
Special Functions

 Unit Conversion: Clicking this button opens a window which enables user to define conversion from the Stock unit of this item to one or more of the available units.

- If the Stock Unit of an item is different from the System Weight unit, then a conversion should be defined from the Stock Unit to the System Weight Unit to enable the item to be used as formula line item or as a byproduct on the *Formula Entry* screen.

- If the Stock Unit of an item is different from the System Volume unit, then a conversion should be defined from the Stock Unit to the System Volume Unit to enable the item to be used as formula line item or as a byproduct on the *Formula Entry* screen.

- If the Stock Unit and the Purchase Unit differ for an item, then a unit conversion from the Stock Unit to the Purchase Unit will be required before the item can be purchased.

- If the Stock Unit and the Sales Unit differ for an item, then a unit conversion from the Stock Unit to the Sales Unit will be required before the item can be sold.

SDS Numeric Values: Using this button user can maintain numeric value of Numeric Codes (as maintained at the SDS Numeric Information screen under SDS module) corresponding to this inventory item. The values maintained by the user then become the part of Calculation. The calculated value can be pulled and printed on an SDS. Moreover, if required, user can override these calculated values.

SDS Boilerplate Text: Use this button to maintain Supplementary File for this item. A supplementary file is a collection of SDS boilerplates and is used in determining which boilerplates will be printed on SDS. Supplementary files can also be maintained from the Supplementary File screen of SDS module under manufacturing group.