Inbound Logistics Flow

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Introduction

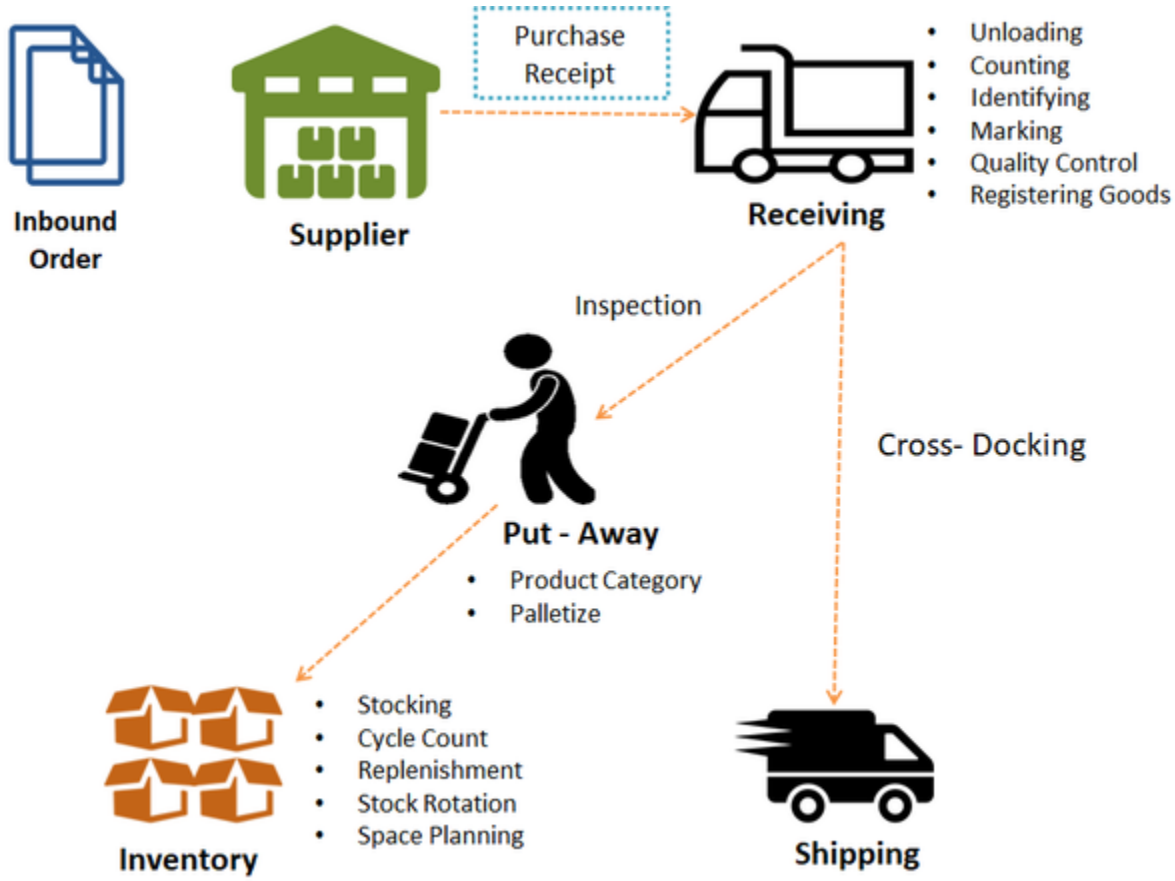
The inbound flow in a warehouse begins when items arrive in the warehouse of the company location, either received from external sources or from another company location. It supports receipt of purchase orders, return material and inter-organization shipments and matched to a corresponding inbound source document:

- Purchase order
- Inbound transfer order
- Sales return order

The inbound order can be cancelled partially or fully prior to receiving the material into the warehouse. After products are received, it can also be decided to immediately cross dock the item, versus putting it away to a regular storage location. An item can be put away based on the temperature required for storage, product velocity or other storage requirements.

Inbound Warehouse Flow

An **inbound order** is created to produce a record in the system against the items that have been purchased to effectively manage the inventory. An inbound order contains order information like the purchase order number associated with the inbound order, order type, facility id, warehouse customer who has made the purchase order, receive date, quantity and item related information like quantity, item id, pallet id, lot numbers etc.



1. Advance Shipping Notice (ASN)

An ASN is received from the client to inform about the contents of an inbound shipment prior to its arrival. An ASN can be communicated by telephone, fax, e-mail or EDI. It should include product detail and preferably also includes inbound vehicle information (trailer number, railcar number, etc.). The advance shipping notification provides details on the products being shipped such as roll or carton I.D. numbers. This identifies the product to be received at the warehouse and the estimated date and time of the product's arrival.It also includes a plethora of data for the

warehouse; SKUs number, lot number, expiration dates and quantity on the pallets. The ASN should always be in the warehouses hands prior to product arriving at the loading dock.
After this step the load arrives at the dock, more information on the inbound load: Inbound/Outbound Loads

2. Release Source Document

When items are received in the warehouse, the source document such as a purchase order or an inbound transfer order is released to signal to warehouse workers that the received items can be put away into the inventory. When the inbound source document is released, an inbound warehouse request is created which contains references to the source document type and number.

3. Pre-Receipt

On the warehouse receipt, the user who is responsible for receiving items retrieves the pending source document lines based on the inbound warehouse request. The goods are checked against the order and the bill of lading. An un-ordered receipt by receiving un-ordered material into the system is created which consists of items that arrive at the warehouse without documentation such as a purchase order. The un-ordered receipts must be matched to a valid document before they can be inspected or put away.

4. Inspection

Inspection is the process of accepting or rejecting goods from suppliers or customers before they are put away to their final destination. In the inspection process checks against the date, quantity, quality, packing unit etc. Positive item ledger entries are created for the quantity of goods received on the inbound source document. This information is then entered into a data system made up of devices that use **radio frequency(RF)** to transmit information into a host system and an inbound **licence plate number (LPN)** is applied to the load. This helps to systematically track every location that the product has been while at the warehouse.This is especially important in the event of any additional product inspection, once this sticker is applied the product can be scanned everywhere it goes within the warehouse.

5. Put-away and storage

After inspection a warehouse put-away request is created and the user specifies quantity, zone, and bin, where the items should be put away in the inventory. The user releases the warehouse internal put-away, which creates an inbound warehouse request so that the task can be retrieved in warehouse put-away documents or in the put-away worksheet. The product is then put away to a location that has a barcode attached to it. The warehouse employee scans the LPN label and scans the location barcode to associate the two of them together.The product now resides in that location so now we have a customer's order in hand and inventory is reserved for the order and the warehouse picker will be directed to the proper location to select the required product at the time of picking

6. Cross-Docking (Optional)

Product or orders that are brought into the warehouse but not put-away. Instead of the stock arriving and being placed into storage, the stock is temporarily stored at the dock to be delivered or goes out immediately on another vehicle to be shipped. This stock is usually shipped immediately or within a day and does not go into storage.

7. Register warehouse Put-away and close receipt

On each line for items that have been put away, partially or fully, the quantity field on the warehouse Put-away page is filled and then the warehouse put-away is registered. Warehouse entries are created, and the warehouse put-away lines are deleted, if fully handled. The warehouse put-away document remains open until the full quantity of the related posted warehouse receipt is registered. Positive item ledger entries are created, warehouse entries are created, and the put-away request is deleted, if fully handled

8. Managing Returns

Returning is the process of moving the material received in the warehouse back to the supplier, customer, or receiving. There must be a valid receipt prior to processing the returns.