Knowledge Base

Introduction

Multiple Units of Measure (MUoM) is a simple concept: buy in one unit, hold in a different unit, and sell in another unit still. Enabling Multiple Units of Measure will allow for these different units of measure to be chosen and used when placing purchase orders and when using the item on jobs.
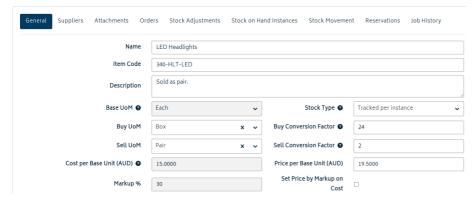
Setting up Conversion Factors

The Base UoM is the unit that your company works with. In a large amount of cases, this will be the smallest divisible unit of an item. In other cases, this may be a unit that is easy to count, easy to store, or easy to carry.

The "Buy conversion factor" is used to convert quantity, cost per unit and price per unit from the item's buy unit to its base unit. The Buy UoM is calculated by multiplying the Base UoM by the Conversion Factor. The "Sell conversion factor" works the same way, where the quantity of the Sell UoM is also calculated by multiplying the same way – Base UoM multiplied by the Conversion Factor. These are always manually set up so that you can account for any situation, wastage, etc. You can also set these conversion factors to decimal values and carry a larger unit than is bought/sold.

For example…

- Your "Buy unit" is "box" because you purchase boxes of an item from a supplier.
- Your "Base unit" is "each", you count each item individually.
- Your "Sell unit" is "pair", you sell the items as a bundle to customers.

LED Headlights (340-HLT-LED)

| General | Suppliers | Attachments | Orders | Stock Adjustments | Stock on Hand Instances | Stock Movement | Reservations | Job History |

Name: LED Headlights
Item Code: 340-HLT-LED
Description: Sold as pair.

Base UoM: Each
Stock Type: Tracked per instance
Buy UoM: Box
Buy Conversion Factor: 24
Sell UoM: Pair
Sell Conversion Factor: 2
Cost per Base Unit (AUD): 15.0000
Price per Base Unit (AUD): 19.5000
Markup %: 30
Set Price by Markup on Cost: ☐

In this case, your buy conversion factor would be however many items are in a box (eg. 6, 24, or 100). Your sell conversion factor would be however many of the base units are sold at a time. Since this item is usually sold as a pair, this item would have a conversion factor of 2.

Note: since everything is based on converting from the Base UoM, this means that if your sell unit is a partial amount of the base UoM, you will need to calculate this.

eg. You purchase a 5m length of steel which is held in your inventory as whole sheets. However, it is cut and sold per metre. In this case the conversion factor would be 0.2, as you are measuring out and selling to the customer per 1/5 of the sheet.

Changing UoM on the BOM

From a job's BOM, once an item has been set up with more than one unit of measure, these units will now be able to be selected for how the item will be sold/presented to the customer. These units will also carry over to the quote and invoice stage (although they can also be removed from the line description when not needed).

In the example image above, we can see that the regular sell unit would be "Pair". This modifies the unit cost and unit price from the base cost, and as the sell unit has been set to be 2 of the base unit, these will be double what the cost/price visibly was on the inventory page for that item.

Purchasing

Much the same as the job BOM, you will also be able to select what unit you are purchasing the item from a supplier in. The amounts required will be automatically converted, and indivisible units will be

rounded up at this point to where they make sense.

Purchase Order to Stark Industry

Currency	Lead Time	Date	Exp Delivery Date	Reference
AUD	3	09/17/2024	09/20/2024	

Item Code	Name	Unit	Order Qty	Unit Price	Amount	Est Lead Time		
340-HLT-LED	LED Headlights	Box	2	350.0000	700.00	3	‹ Change Supplier	×

Total Order: 700.00

(Tax Exclusive)