# 99.20.1.22 Slow moving & Obsolete Inventory - New

Due to change in lot number logic, current report does not display or calculate correct slow moving data. The report should be modified with new inventory definition.

1. Inventory Category

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Rule | Item  Type | Prod Line | Lot Digit | UM | Inventory | Remark |
| 1 | CS |  |  |  | FG | If item type = “CS, then “FG” |
| 2 | SS |  |  |  | FG | If item type = “SS, then “FG” |
| 3 |  | 4 |  |  | FG | If prod line begins with “4”, then “FG” |
| 4 |  | 2 |  |  | FG | If prod line begins with “2”, then “FG” |
| 5 | F | 1 | 13 | KG | FG | If Item Type is F AND Product line begins with 1 AND lot is 13 digit AND UM is KG, then FG |
| 6 | P | 3 |  |  | FG | If item type = “P” AND prod line begins with “3”, then “FG” |
| 7 | R |  |  |  | RM | If item type = “R”, then “RM” |
| 8 | W |  |  |  | WIP | If item type = “W”, then “WIP” |
| 9 | F | 1 | 18 |  | FG | If item type = “F” AND prod line begins with “1” AND lot is 18 digit, then “FG” |
| 10 | F | 1 | 13 |  | WIP | If item type = “F” AND prod line begins with “1” AND lot is 13 digit, then “WIP” |
| 11 | F | 3 | 18 |  | FG | If item type = “F” AND prod line begins with “3” AND lot is 18 digit, then “FG” |
| 12 | F | 3 | 13 |  | WIP | If item type = “F” AND prod line begins with “3” AND lot is 13 digit, then “WIP” |
| 13 | P | 1 | 18 |  | FG | If item type = “P” AND prod line begins with “1” AND lot is 18 digit, then “FG” |
| 14 | P | 1 | 13 |  | WIP | If item type = “P” AND prod line begins with “1” AND lot is 13 digit, then “WIP” |
| 15 |  |  |  |  | WIP | Else if, then display WIP |

\* Rule should be applied with given sequence

\* Each rule checks the condition with “AND”

Example) Rule 3 means if Item Type is F and Product line begins with 1 and lot digit is 13 and UM is KG, then Inventory Category is FG

\* Rule 15 for all the exceptional case. Hence display Inventory category as WIP but apply WIP logic to capture last transaction type and calculate reserve amount

1. Reserve Rule
   1. IF THE LOCATION STATUS = NNN, THEN 100% RESERVE, REGARDLESS OF INVENTORY CATEGORY OR LAST MOVEMENT DATE

* 1. Last Movemet Type(LOT)

2).b.1 Transaction type below should be excluded for last movement date

|  |
| --- |
| CYC-RCNT |
| CYC-CNT |
| CYC-ERR |
| RCT-GIT |
| RCT-DO |
| RCT-TR |
| ISS-TR |
| ISS-DO |
| ISS-GIT |
| TAG-CNT |
| RJCT-WO |
| CST-ADJ |
| ISS-CHL |
| RCT-CHL |
| WIP-ADJ |
| WO-CLOSE |

2).b.2 Last movement type should be limited to below for each category

* + 1. RM

No Movement in Six Months 25%

No Movement in Nine Months 50%

No Movement for One Year 100%

|  |  |  |
| --- | --- | --- |
| RM | 1 | ISS-WO |
|  | 2 | ISS-SO |
|  | 3 | RCT-PO |
|  | 4 | RCT-UNP |
|  | 5 | ISS-UNP |

Example: Last Movement Type should be ISS-WO, if there is no ISS-WO, then ISS-SO.

If there is no ISS-WO or ISS-SO, then use the next transaction type of the item and date

* + 1. WIP and WIP (Definition Rule 15, exception)

No Activity for Three Months 50%

No Activity for Six Months 100%

|  |  |  |
| --- | --- | --- |
| WIP | 1 | ISS-SO |
|  | 2 | ISS-WO |
|  | 3 | RCT-WO |
|  | 4 | RCT-PO |
|  | 5 | RCT-UNP |
|  | 6 | ISS-UNP |

* + 1. FG

No Movement in Six Months 50%

No Movement for One Year 100%

|  |  |  |
| --- | --- | --- |
| FG | 1 | ISS-SO |
|  | 2 | ISS-WO |
|  | 3 | RCT-PO |
|  | 4 | RCT-WO |
|  | 5 | RCT-UNP |
|  | 6 | ISS-UNP |

* 1. When item level is " ISS-SO ", lot level movement type will be also shown as "ISS-SO"

1. Report Display
   1. Details
      1. Reserve rule should be applied at lot level
      2. Display the full digit of lot number
      3. Display the last transaction type and the date
   2. Summary
      1. Reserve rule should be applied at item level not lot level
      2. Display the total qty and amount by item
      3. Display the last transaction type and the date by item level
   3. Excessive
      1. Reserve rule should be applied at item level not lot level
      2. Display the annual sales qty and excessive qty by item
      3. Display the last transaction type and the date by item level