

EPICOR

Advanced Unit of Measure:

How Manufacturers Can Improve Inventory Tracking and Forecasting to Lower Costs and Accelerate Growth



MANUFACTURING

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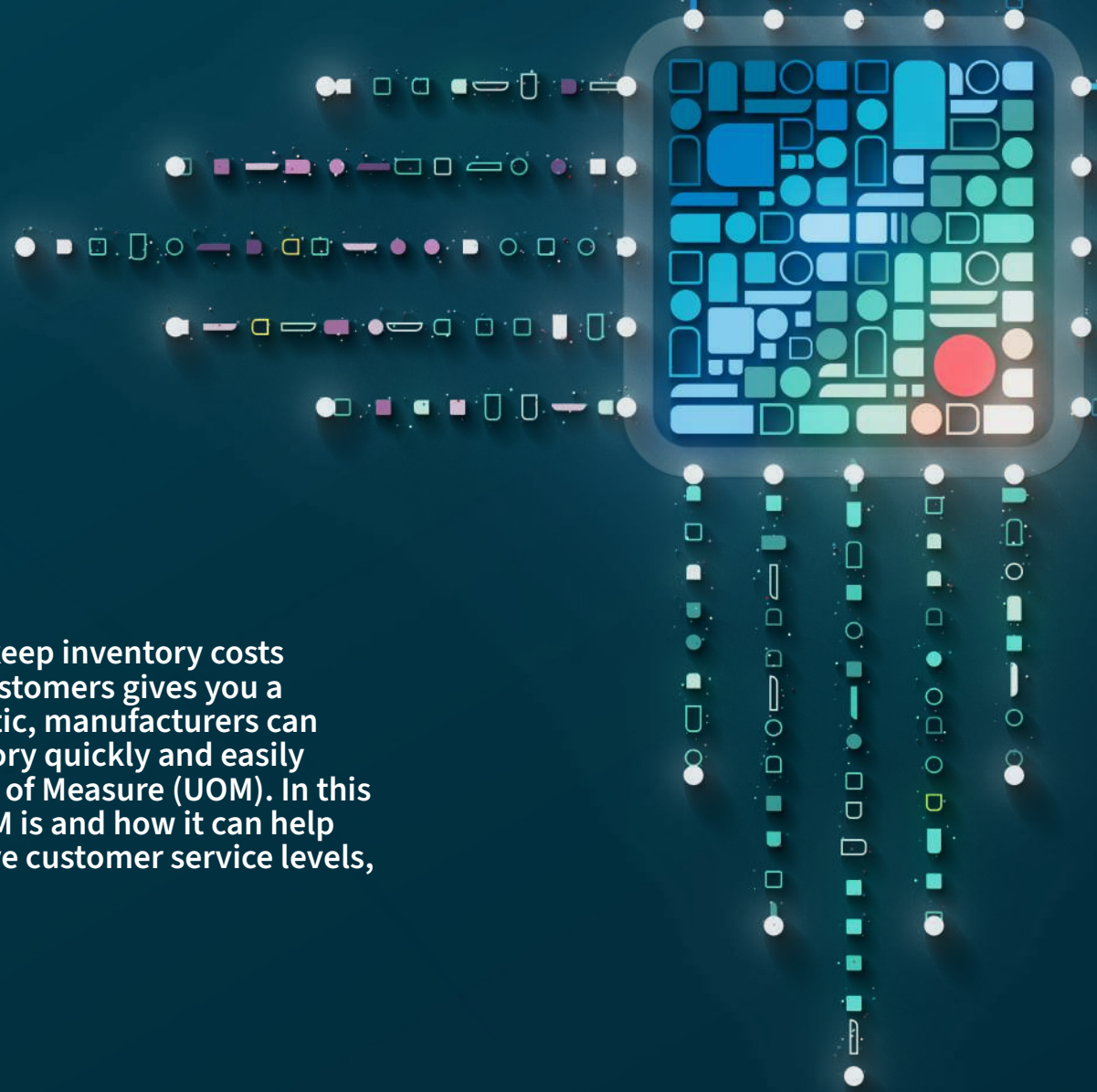
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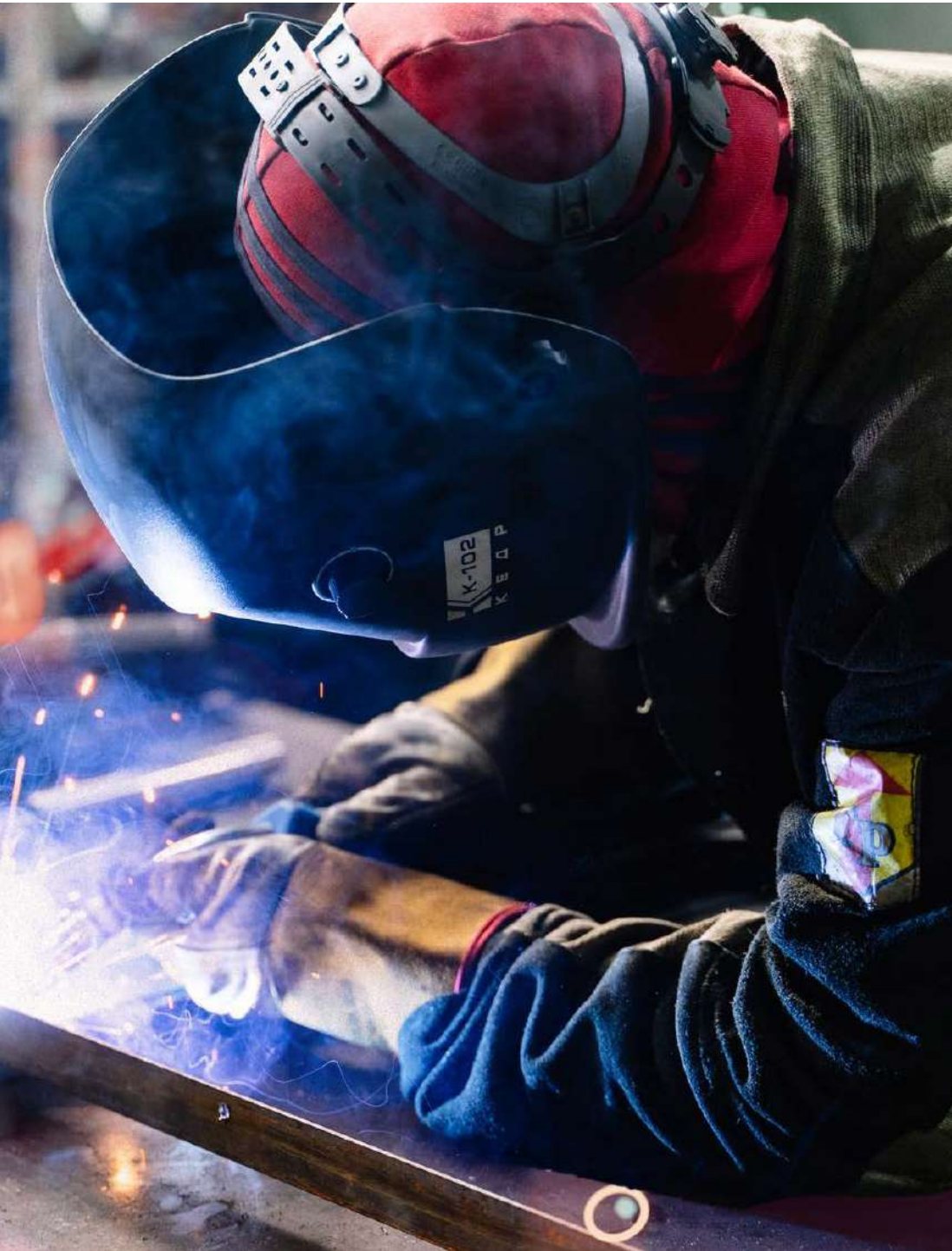




INTRODUCTION

In modern manufacturing, the ability to keep inventory costs low without compromising delivery to customers gives you a competitive advantage. With Epicor Kinetic, manufacturers can accurately cost, forecast, and find inventory quickly and easily with a functionality called Advanced Unit of Measure (UOM). In this eBook, you will learn what Advanced UOM is and how it can help you manage complex inventories, improve customer service levels, and accelerate business growth.





Competing in Key Industries

Today, many ERP systems require complex implementations and time-consuming inventory management. Advanced UOM for Epicor Kinetic delivers a simplified approach to managing dimensional inventory by segmenting inventory with attributes such as hardness, strength, elasticity, or density.

Advanced UOM is particularly important if you're tracking high-value inventory like metals, but it is also a differentiator when manufacturing textiles, packaging, footwear, eyewear, sporting goods, landscaping (soil or gravel), furniture and fixtures, and more.

Key Industries and Applications for Advanced UOM:

- Fabricated Metals
- Metal Services
- Industrial Machinery
- Job Shops
- Manufacture-to-Order (MTO)
- Engineer-to-Order (ETO)
- Custom-to-Order (CTO)
- Apparel



Solving Common Inventory Challenges

Challenge #1: Inaccurate Inventory Planning

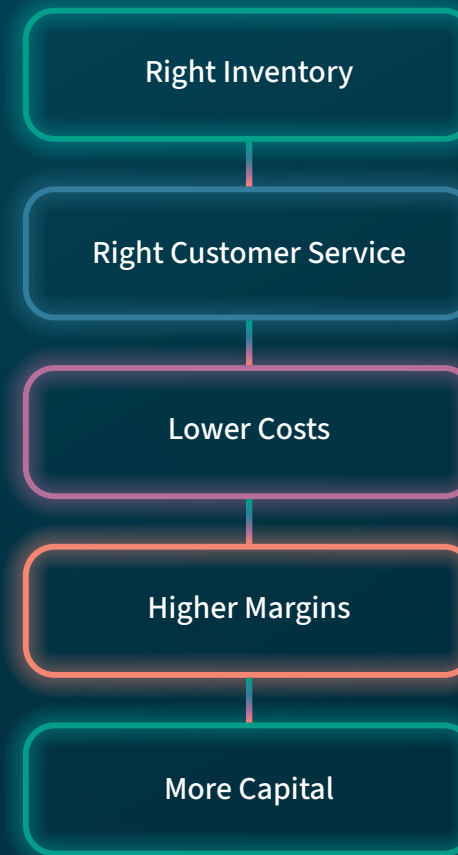
Many manufacturers struggle with accuracy in inventory planning because they don't have a strong understanding of current or future demand. Advanced UOM gives you MRP processes that account for inventory attributes in driving demand, so that you can ensure you aren't purchasing too much or too little, reducing stock runouts and optimizing your ability to serve customers' needs.

Challenge #2: Complicated Sourcing Risks

In a global business environment of complex supply chains, modern manufacturers often struggle with sourcing. Advanced UOM gives you the tools to accurately determine which suppliers perform best, based on the attribute, so that you can minimize the risk of not having the "right" inventory and dealing with expensive and disruptive expedited purchases.

Challenge #3: Lack of Inventory Visibility

When manufacturers can't see their inventory, revenue is likely to suffer—you can't sell what you can't see. If you have ever done a physical count across dimensions in feet, it can be daunting—and all that math. Advanced UOM lets you count each unit of each size and does the translation for you. Advanced UOM brings high visibility to inventory counts and transactions and leverages mobile technology to achieve accurate "at the point of activity" transactions in putaway, inventory movements throughout the warehouse or to the plant floor, and finally to distribution of products.





Use Case: Part Attributes

Advanced UOM solves the challenges of managing dimensional inventories through the capability to manage attributes for inventory against a single part number.

For example, a single part can have inventory at various sizes, grades, shapes, or color. The attributes can be dynamic to more easily manage conversion between units of measure, like weight to size or grams to pounds.

Manufacturers typically collect these attributes as they manage inventory—an extremely time-consuming and difficult process throughout the entire workflow that oftentimes requires customization for accurate reporting.

Advanced UOM simplifies the process and greatly improves the accuracy of part attributes. It also greatly reduces the size of your part master as each size isn't a different part number. This saves time and makes it easier to find what you need.





Unlimited Flexibility, Zero Complexity


Track and transact dimensional and attributed products.

- No complexity
- No need for unique part numbers

In this screenshot from Epicor Kinetic, you can see a number of Advanced UOM parts, plus on-hand and available inventory—in terms of number of pieces, as well as overall footage or weight—in multiple different attributes:

- Bar carried in different Lengths
- Sheet carried in different Length, Width, and in different colors

From this screen, you can easily quote or sell any of these products, at a specific attribute, to a customer—while also having real-time visibility into availability.



Inventory Advisor

Inventory Advisor List

Attribute Class: Description

Add To Quote Add To Sales Order Create Quote Create Sales Order

Drag a column header and drop it here to group by that column:

Select	Part	Part Description	Attribute Set	Inu Num Pcs	Avail Num Pcs	Action Num Pcs	Action Qty	On Hand	Avail Qty
	304-CL-0.0180NOM	304 Stainless Steel Coil 0.0180" Nominal	48, 16, 40, 14, 433.75, 4, 884.44, 14	1	1	0	0	14,433.75	14,433.75
	304-CL-0.0180NOM	304 Stainless Steel Coil 0.0180" Nominal	48, 16, 40, 14, 432.64, 4, 884.44, 14	1	1	0	0	14,432.64	14,432.64
	304-CL-0.0180NOM	304 Stainless Steel Coil 0.0180" Nominal	48, 16, 40, 14, 433.54, 4, 884.44, 14	1	1	0	0	14,433.54	14,433.54
	304-RB-3-8X	304 Stainless Steel Straight Round Bar Co	12ft	15,010	15,010	0	0	87,725.12	87,725.12
	304-RB-3-8X	304 Stainless Steel Straight Round Bar Co	10ft	25,000	24,999	0	0	94,000	93,996.24
	304-RB-3-8X	304 Stainless Steel Straight Round Bar Co	08ft	57,000	57,000	0	0	171,474.05	171,474.05
	304-RB-3-8X	304 Stainless Steel Straight Round Bar Co	06ft	15,900	15,900	0	0	42,804	42,804
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	blue, 36x120	16	16	0	0	1,423.83	1,423.83
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	blue, 36x144	24	24	0	0	2,278.13	2,278.13
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	blue, 48x120	41	41	0	0	4,324.22	4,324.22
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	blue, 60x120	34	34	0	0	4,482.43	4,482.43
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	blue, 72x120	21	21	0	0	3,322.27	3,322.27
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	green, 36x120	12	12	0	0	1,977.54	1,977.54
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	green, 36x144	27	27	0	0	2,962.9	2,962.9
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	green, 48x120	27	27	0	0	2,847.66	2,847.66
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	green, 60x120	27	27	0	0	3,558.58	3,558.58
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	green, 72x120	27	27	0	0	4,271.49	4,271.49
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	green, 72x144	27	27	0	0	5,125.79	5,125.79
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	orange, 36x120	27	27	0	0	2,135.75	2,135.75
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	orange, 36x144	21	21	0	0	1,963.36	1,963.36
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	orange, 48x120	27	27	0	0	2,847.66	2,847.66
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	orange, 60x120	27	27	0	0	3,558.58	3,558.58
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	orange, 72x120	27	27	0	0	4,271.49	4,271.49
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	orange, 72x144	27	27	0	0	5,125.79	5,125.79
	304SS-10G	304 Stainless Steel 10 Gauge Sheet	red, 36x120	28	28	0	0	2,214.85	2,214.85



Use Case: Dual Units of Measure

A second set of functionality in Advanced UOM collects two units of measure at each transaction point and maintains this data throughout your system, eliminating the need for customizations built on top of traditional ERP and reducing the likelihood of errors in cost accuracy, visibility, or customer document modifications.

Example: Planning in one unit of measure, each of a 2x6 foot bar.

- Although the user is planning in eaches, the system will maintain the pounds (lbs) in the transaction as well.
- Likewise, the user can purchase in eaches and receive in lbs to make it easier to reconcile the voucher in AP.
- In inventory, it may be easier to track, move, and cycle count inventory in eaches—allowing the counters to count the number of 2x6 foot bars, 3x5 foot bars and record these, with the appropriate lb variances being recorded as well when differences are found.

Key point: The user can consume in production or distribute and sell in the customer's expected unit of measure and have documentation that aligns with the customer's expectations.



An Example

Dual Units of Measure Maintained for Each Transaction





Deeply Embedded in Your ERP

Advanced UOM offers deep capabilities across the entire Epicor Kinetic system:

- Quoting
- Quantity Adjustments
- Cycle Counting
- MRP
- Purchasing
- Receiving
- Material Queue
- Part Tracker
- Inventory Transfer
- Material Issue
- Job Receipt to Inventory
- Salvage Receipt to Inventory
- Available to Promise
- Engineering
- PCID
- Order Fulfillment
- Epicor Mobile Wireless Warehouse
- Customer Shipment Entry

MRP Planning with Attributes

- Assign specific attributes for semi-finished or finished engineered goods, like when applying value-added services.
- Leverage materials with attributes for a bill of material (BOM) for engineered products .
- Accurately automate production based on demand and forecasts in MRP, ensuring material requirements with attributes are procured to meet the need.

Attribute Sets

- Easily set up and maintain sets of attributes across types of inventories to ease implementation and ongoing management of inventory dimensions.
- Automatically or manually assign attribute sets to products in Quote Entry, Sales Order Entry, Purchase Order Entry, and Receipt Entry.

Replenishment by Attribute

- Specify replenishment goals at the bin level for each attribute to help ensure the on-hand availability of inventory.
- Build purchase suggestions in MRP to help ensure the procurement of needed inventory.

Dual Units of Measure

- Transact throughout the ERP in two units of measure at the same time. Inventory Stock Status will demonstrate inventory availability by attribute in both units of measure, like feet and pounds.

Cycle Count

- Easily perform cycle counts by counting in whole units by attribute.



5 Key Benefits of Advanced UOM

1. Reduce carrying costs with greater visibility of on-hand inventory
2. Improve quality tracking and forecasting accuracy at the attribute level
3. Increase customer responsiveness by finding the right inventory faster
4. Maximize strategic inventory planning for production activities
5. Minimize setup and ongoing maintenance of ERP to speed time to value

*To see how Advanced UOM works,
contact Epicor now.*

<https://www.epicor.com/en-us/company/demo/kinetic/>



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