

# Sage 500 ERP

## Inventory Replenishment

### Streamline Inventory Management Through Demand Forecasting and Automated Procurement

The Inventory Replenishment module for Sage 500 ERP (formerly Sage ERP MAS 500) provides two powerful, unique competitive advantages to your organization. First, forecasting can help accurately predict what customers will buy, reducing inventory carrying costs of unwanted goods while ensuring customers that you can carry the items they demand. Second, automated procurement produces system-generated purchase orders and transfer orders to reduce labor costs and improve accuracy. Unparalleled cost calculations can minimize transaction and overhead costs by creating optimal orders for each vendor.

Knowing what to stock or build to meet your customers' demands is one of the most critical decisions you can make in your business. Too much stock can result in lower margins, high inventory carrying costs, and excess damage as stock remains in-house too long. However, shortages can be even worse, as customers who can't get an item in a reasonable time may call your competitors. Fortunately, the forecasting capabilities in Sage 500 ERP can help you meet this demand-planning challenge by providing flexible calculations that can be adjusted by warehouse, customer, season, product group, or every individual item. This provides maximum flexibility and—more importantly for your customers and your bottom line—accurate inventory planning.

When a forecast is firmed, the Inventory Replenishment module creates purchase orders, reducing human involvement and the related costs. Replenishment can also be used to move stock between warehouse locations automatically, a valuable feature for centralized hub-and-spoke distributors. Suggested orders are created for items that are required in the immediate future.

However, Inventory Replenishment goes far beyond other automated procurement systems. Before a purchase order or transfer order is created, it also takes into account lead times, the overhead costs of placing purchase orders to minimize costly low-volume orders, and whether it makes economic sense to purchase other products from the vendor at the same time. You have the added flexibility to select a different vendor who can offer the best delivery and costs depending on market conditions and allowing for vendor-driven promotions.

Sage 500 ERP customers can use the Inventory Replenishment system or the Material Requirements Planning system to process replenishment orders. In short, Inventory Replenishment offers the strongest supply chain-centric forecasting and automated procurement tools available today.



### BENEFITS

- Accurately forecast demand for inventory items and adjust calculations by warehouse, customer, season, product group, or individual item.
- Maximize revenue and customer satisfaction by minimizing the chance of stock outs.
- Reduce inventory carrying costs by accurately stocking warehouses.
- Improve accuracy and reduce labor costs with automated procurement that generates purchase orders and transfer orders based on forecasts and user-defined inputs.
- Optimize procurement by automatically taking into account vendor lead times, overhead costs, and economic benefits of purchasing other products from the vendor at the same time.
- Tailor replenishment calculations to match your unique business practices.

### SAGE 500 ERP SOLUTIONS

- Financials and Project Accounting
- Manufacturing and Distribution
- CRM and E-Business
- Human Resources and Payroll
- Customization and Integration
- Business Intelligence

Approve	Purch Prod Line	Vendor	Below DP	Below Min	Below Max	With BO	Target Reqmnt
<input type="checkbox"/>	Modems	LeadEdge	1	0	0	0	0.0000
<input type="checkbox"/>	Monitors	MicroAcc	0	0	4	0	500.0000

  

Item	Description	Stock UOM	Curr On Hand	Curr Committed	Curr Availa
NF115	15" Monitor	Each	1920.0000	1911.0000	20
NF117	17" Monitor	Each	3176.0000	3111.0000	65
NF134	19" Monitor	Each	2765.0000	2701.0000	74
HP19	Hewlett-Packard 19" Color	Each	1021.0000	988.0000	33

