

Order Point Calculations Report

The Order Point Calculations Report and Warehouse Order Point Calculations report allow for Users to calculate an Order Point based on Sales History and populate the Calculated Order Point into one of the Order Point Fields in the product record. In this training, the material to be covered includes: Where to find the reports, Using the Order Point Calculations reports, Differences between the two reports, Creating Templates for the Reports, Fields shown after running the report and Automatically running the Order Point Calculations reports and Populating the Order Points into the product record.

Differences between the Order Point Calculations Report

Throughout this training document when referring to the Order Point Calculations Reports, this is in reference to both the Order Point Calculations report and the Order Point Calculations - Warehouse report. Both of these reports use the same logic and have the same functionality with one exception. The Order Point Calculations – Warehouse report allows users to select multiple locations to consider their sales history and the Order Point Calculations report reviews one location at a time. As the name suggests the Order Point Calculations – Warehouse report is used for a Warehouse location or Distribution Center to Calculate the Order Point that should be ordered for all locations as a whole. For example the Order Point Calculations report calculates that in each of three locations an order point of 1 should be populated in each location. When Calculating an Order Point with the ' Order Point Calculations – Warehouse' report using the same parameters as the Order Point Calculations report and selecting all three locations it is determined that an order point of 3 needs to be in the Warehouse location to satisfy the demand of each location.

Where to Find the Reports

The Order Point Calculations Reports can be found under the Data Tools > Reports. Once in the Reports module in the Sales Section users will find both the Order Point Calculations report and the Order Point Calculations – Warehouse report. To open the report click the name of the report that you intend to run and Users will be taken to the report creation page.

| | |
|---|--|
| Order Point Calculations | Calculate order points (Min/Max/Point) based on Sales History. |
| Order Point Calculations - Warehouse | Calculate Warehouse order points (Min/Max/Point) based on Sales History. |

Using the Order Point Calculations Reports

Once inside the report Users have multiple options to select in order to generate a suggested order point based on the sales history of their products. Similar to the Creation of a Forecast Simple purchase order the two main required criteria to specify in the Order point Calculations report is the Select Time for Fuse5 to review the Sales History of the products and Days Inventory to stock the product for. Keep this in mind in learning to use the Order Point Calculations report some of the other options that I will review are not used by all Users and are optional fields to further tweak the Order Point Calculations to the users requirements. Next we will review the settings in the Order Point

Calculations Reports.

Select Time, SH Start Date, SH End Date – this is the first piece of information to enter and one of the most important. Select Time allows users to select the time frame that they want to consider when calculating an order point. In the drop down users have the ability to choose Last 6 Months, Last 12 Months or Custom. If the user chooses Last 6 Months or Last 12 Months the SH Start Date and the SH End Date will automatically populate based on the time criteria selected. Fuse5 has found that these are the two most common time frames to look at when calculating order points.

| Select Time | SH Start Date | SH End Date |
|-----------------|----------------------------|----------------------------|
| Last 6 Months ▾ | 06-08-2016 (mm-dd-yyyy) | 12-08-2016 (mm-dd-yyyy) |

If neither Select Time applies to the time period the Users desires to look, the User can Select another time frame by selecting the Custom option in the Select Time Drop down. Once the User selects custom they will notice a Orange Calendar button next to the SH Start Date and SH End Date. The User can then use the Calendars to select the desired Start and End Date for Fuse5 to consider Sales History when Calculating the Order Point.

| Select Time | SH Start Date | SH End Date |
|-------------|----------------------------|----------------------------|
| Custom ▾ | 12-08-2016 (mm-dd-yyyy) | 12-08-2016 (mm-dd-yyyy) |

Location – as stated above location selection is the difference between the two order point calculations reports. Below is how to select the proper locations for each report

Order Point Calculations – Location selection is a drop down in this report. Users are able to select one Location at a time to run the Order Point Calculations report.



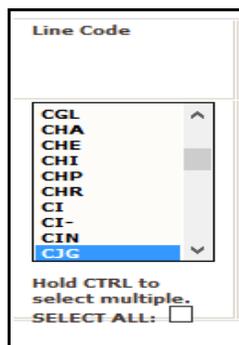
Order Point Calculations – Warehouse

Location– Users can select multiple locations to consider the sales history in when running this report. This is done by holding the CTRL key on the Users computer and clicking the mouse on the locations. Users can also select all the locations by clicking the Select All Button. All locations can be selected including the location that is the Warehouse or Distribution Center. This is necessary for when products are sold out of the Warehouse or Distribution Center and it is desired that these sales are considered in the Order Point Calculation.



Warehouse Location – select the location that the User would like to populate the order point into once it is calculated. This is generally the location that is the Warehouse or Distribution center.

Linecode – Select the linecodes for the products that the User would like to run the Order Point Calculations report for. Users can choose multiple Linecodes from the list by clicking CTRL key on the keyboard and using the mouse to click on the desired Linecodes. Users can also Select All Linecodes by clicking in the box for 'Select All' Box.



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Subline – After a User selects the desired linecodes, the corresponding Sublines will appear in the Subline Column on the report. This is not a necessary option but if its is desired to calculate an order point for just specific Sublines Users can click CTRL on their keyboard and select the specific Sublines to run the report for. Clicking the option will run the report for just the products on the linecodes selected that have an empty Subline in their product record.

Primary Supplier - Clicking the box for primary supplier, users have any option to select a primary supplier from the drop down. Fuse5 will display the Vendor Abbreviation for the Vendor in the drop down. This is the same Vendor Abbreviation that sets the Primary Supplier in the Product Record. If the users specifies the Primary Supplier in the Order Point Calculations report then only the Products that have an order point calculated for them will have the associated Primary Supplier. This references the main Vendor that you use to supply this Product.

Vendor Default Lead Time – Clicking this option will factor the Vendor 'Default Lead Time' into the order point calculation for the part. Fuse5 will add the Vendor Default Lead Time to the Days Inventory component of this calculation based on the Vendor selected in Primary Supplier. Primary Supplier is specified in the Product Record and the Default Lead Time time set in the Vendor record. For Example if the Average Daily Demand is 0.50 and the Days Inventory choose is 30, Fuse5 would suggest to set your order point at 15 ($0.50 * 30 =$ Suggested Order Point 15) when the Default Lead Time is selected and the Default Lead Time is 15 then Fuse5 would suggest [ADD $0.50 * 45$ (30 Days Inventory + 15 Days Default Lead Time) = 22.5 which rounds to a Suggested order point of 23.

Days Inventory - This is the number of days that Fuse5 will consider when calculating an Order Point. This is typically the amount of days that you want your order point to represent when stocking. For Example if the user wants their order point to represent 30 days of stock for a product use 30 days. This value is multiplied by the Average Daily Demand to calculate an Order Point and is one of the most important factors. As Days Inventory is increased so does the Suggested Order Point.

Note: Looking at the same time period and increasing the Daily Demand can result in properly setting a Part Min, Part Max and Part Order Point. For example if the normal amount of days that is typically ordered for the selected parts is 30, the order point calculations can be run looking at the chosen time frame using 30 days inventory and populated into the Part Order Point. Looking at the same time frame and increasing the Days Inventory to 60 will result in a larger Order Point and then can be populated in the Part Max. Using the same logic and using a lesser then normal days inventory, let's say 15 then running the report for the same time period would result in a Order Point less than Part Order Point and then can be populated in the Part Min.

Rank Based - When this option is selected Users have the ability to use a different Days Inventory Value for each Sales Rank individually as opposed to using one Days Inventory for the Linecodes selected. Sales Ranks are set in the product record and can be calculated automatically and populated within Fuse5. If the Location Sales Rank is blank, the days inventory associated with the Sales Rank A will be used. Users can select to use the Local or Global sales rank by clicking the associated radio

button. Local sales rank will pull the 'Sales Rank' field in the product record which is associated with a ranking based on that specific locations sales. Global Sales Rank uses 'Global Sales Rank' in the product record which is associated with ranking based on All locations sales combined.

Round Up Factor – In Fuse5 when using calculating an Order Point Fuse5 will round up from an order point of 0 to 1 when the Average Daily Demand (ADD) times the Days Inventory equals the option selected or higher. For example if the ADD is 0.005 and the Days Inventory is 30 Fuse5 will calculate $0.005 * 30 = 0.15$. If the Round up factor is 0.20 then Fuse5 will suggest an Order Point of 0. If the Round Up Factor in this case is 0.1 then Fuse5 will suggest to order 1 because 0.15 is greater then the round up Factor. 0.20 is the Default round up factor that is used when calculating Forecasting Purchase Orders.

Include Reorder No – By default when using the Order Point Calculations report, similar to Purchasing Logic, Fuse5 will not calculate an order point for a part that has a reorder status set in the product record of No. If users would like to calculate order points for both Reorder Yes and Reorder No products then Click this box when creating Order Points.

Note: This option can be used to pick up Products that are gaining demand that are set to reorder No but are selling. Examples of sales history increasing when a product is set to reorder No include doing Buyouts at the Point of Sales or Counterpeople recording Lost Sales that count to sales history.

Factor Low Demand Rules – Allows users to apply the Low Demand Rules that they have set up to the Suggested Order Points in the Order Point Calculations report. Low demand rules are automatically applied when doing a Forecast Simple or Forecast Simple W/ Order Points PO Type and are used to increase demand of a product so the product will order on the aforementioned PO Types. Low Demand Rules are generally used for slow moving products that Users would like to stock and on new products lines that do not have enough sales history to be suggested to order. More information on Low Demand Rules can be found in the Low Demand Rules document.

Round O2X by Per Car Quantity - When this option is selected, the calculated Order Points will be rounded up to a multiple of the Per Car Quantity in the associated Product record(s). For example if the Order Point Calculations report suggests an order point of 3, but the Per Car Qty is 2, then the Order Point Calculations report would suggest 4 when this setting is selected.

Consider Alternates - When using the Order Point Calculations report, you have the option to include the Sales History of Alternate Parts in the calculations for Average Daily Demand and Suggested Order Point. When selecting this option there are multiple options to refine the types of Alternates that are considered based on their Product settings.

Restrict Grade - When Restrict Grade = On (with any option in drop-down) and focus product has Grade = null, then all other Grade = null alternates should be considered (Consider Null Grade Only variable does not matter either way in this case because focus product is null grade.).

Consider Null Grade - When using the Consider Alternates option in conjunction with the

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'Restrict Grade' option, Fuse5 will not normally include Alternate Parts with no Grade (unless the focus Product itself also has no Grade). Choosing the Consider Null Grade option will include Alternate Parts that have no Grade.

Only Consider Reorder No Alternates - When using the Order Point Calculations report with Consider Alternates you have the option to restrict the consideration of Alternate Parts to only those Alternate Parts that are Reorder = No.

Only Consider 0 O2X Alternates - When using the Order Point Calculations report with Consider Alternates you have the option to restrict the consideration of Alternate Parts to only those Alternate Parts that have a all O2X values (Part Min, Part Max & Part Order Point) = 0.

Update Order Points Now – This options allows users to update the Product Field Part Max, Part Min or Part Order Point with the Suggested Order Point Field in the Report. Clicking this option does not update the Order Point immediately, but does given additional options. Once this option is selected Users will notice radio buttons next to Part Min, Part Max and Part Order Point. Click the Radio button next to the product field that you would like to Update. Once the order point is selected and all edits to the Suggested Order Point are completed to Populate the Suggested Order Point Column in the Product Record click the Update Now button.

Fields Shown On the Report

Location – This is the location that the Order Point was calculated for. This will match the Setting selection for 'Location' that is selected above.

Linecode – Is the linecode of the product that the order point is being calculated for.

Product # - Is the Product Number of the product that the order point is being calculated for.

ADD – Average Daily Demand is the number of sales divided by the number of days in the time period that was selected to review the sales history. For Example if a Six month Time frame was selected, 182 days, and the product was sold 8 times then the ADD would be $8 / 182 = 0.044$. Remember this number is then multiplied by the Days Inventory to calculate the Suggested Order Point.

Suggested Order Point – This field is calculated by Multiplying the ADD and the Days Inventory to derive at the Suggested Order Point. This field can also be affected by other options that are chosen such as the Factor Low Demand Rules, Round O2X by Per Car Quantity, Round Up Factor or the Consider Alternates. This field is the value that will populate in the Product Order point field when choosing the option to Update Order Points Now. This field can be alternated by clicking in the field and typing in the desired Order Point.

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Part Min – Displays the Current Part Min in the Product Record.

Part Max- Displays the Current Part Max in the Product Record.

Part Order Point - Displays the Current Part Order Point in the Product Record.

Reorder - Displays the Reorder Status of Product from the Product record.

Sales Rank - Displays the Sales Rank from the product record. This Sales Rank represents the products ranking just for the current location.

Global Sales Rank - Displays the Global Sales Rank from the product record. This Sales Rank represents the Sales Ranking considering the sales at All locations together.

Creating Templates and Automatically Running the Order Point Calculations Report

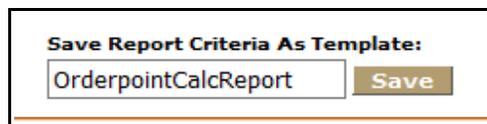
Fuse5 has the ability for Order Point Calculations report to run and automatically update the order points in the product record. The Order Point value that is updated and how the report runs is based on templates that are created in the Order Point Calculations report. The next section will walk Users through how to create Templates and set the templates to Automatically update the Order Points in the product record.

Creating a Template

Creating a Template is essentially selecting the criteria that the user would like to use when running the report. Fuse5 allows users to save these selections and to schedule a specific times for running the report and can also select an email address to have the report sent to.

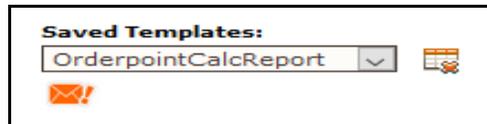
Step 1: In creating a template is selecting the criteria that the User would like to have the report run using. This includes all the fields on the screen from Select Time to Consider alternates. This also includes the option for Update Order Points Now. When this option is selected when the Template runs to generate the order point, Fuse5 will update the order point based on the criteria selected and email the user if an email address was provided.

Step 2: In the Save report Criteria As Template Field add in the Name the User desires to call the template and click the Save button.



Save Report Criteria As Template:
OrderpointCalcReport Save

Step 3: Once the Template has been Saved users can now access the report under the Saved Templates drop down. Select the name of the Template that was just created from the drop down.



Step 4: After the Template is selected from the Saved Templates drop down users will notice two buttons. A grid button with an X and an Envelope with an exclamation point. The grid with the X will delete the template. The envelope with the exclamation point allows users to set when the template will run. Click this button.

Step 5: Here is where Users can set when the templates will run in the 'Add Alerts' pop up. Below is an explanation of each field.

Alert Name - Add an Alert Name in the box at the top. This is a required field and will be the name that is shown on the email when it is sent as a way to identify which template ran. The best practice is to name the alert after what is being updated. For Example All Linecodes 15 would represent all linecodes being updated on the 15th of the month.

Select Template - Allows users to switch between templates that are created to view the alerts that are set up for each.

Generate Report On – Allows users to select a specific date that they would like the report to run. This is not a reoccurring time frame but rather a run and done setting. This can be used in conjunction with the other time frames below.

Every - Allows users to select day or days of the week that they would like the report to run on. For example if the user selects Monday, Wednesday, and Friday then the report will run on Monday, Wednesday and Friday. This selection will run in addition to the other time frame selections noted by the And/Or and is a reoccurring time frame.

Time - Users can specify what time they would like the Order Point Calculations report to run. 00 Represents 12:00 AM and 23 represents 11:00 AM. This selection will run in addition to the other time frame selections noted by the And/Or. For example a template can be set to run Every Tuesday at 3, meaning that the report will run every Tuesday at 3:00 AM.

Note: Time is important when updating Users Order Points and then creating Purchase Order Templates to run that are based on that same Order Point. In order for the Purchase Order Template to run and use the Updated template based on the Order Point Calculations template, the Order Point Calculations report must run before the Purchase Order Template.

Every __ Of the Month – Users can specify a specific day of the month that they would like the Order Point Calculations report to run. This is a reoccurring time frame. For example if

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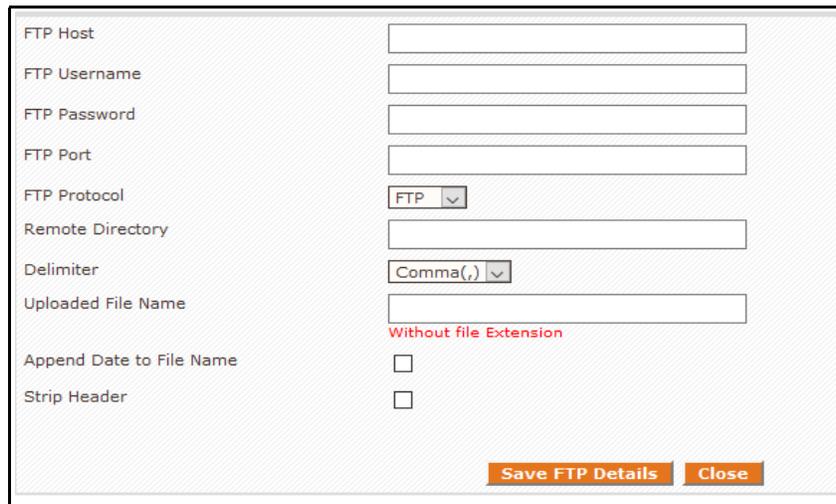
on the 15th of every month the Users desires the Order Point Calculations report to run then choose 15 from the drop down. This can be used in addition to the other time frame selections noted by the And/Or.

Note: If Users desire to have the report run on the last day of month, being that there are different amount of days in every month, the best option is to select 1 in this drop down in addition to 12 in the time selection. This will ensure no matter how many days there are in the month that Fuse5 will run the Order Point Calculations report at midnight of the last day of every month.

Attach – Allows users to select CSV or HTML document type to attach to the email when the report runs. The attachment will be the output of the report.

Alert Type – Allows users to select Email or FTP as the means for which they would like to receive the report. When Email is selected an email can be added to the section. 'Comma separated list of email addresses to send report to', then click the Save Email Addresses button to Save the Email Addresses. When FTP is selected then FTP information can be added to the FTP information under the Email Address information and click the Save FTP Details Button.

FTP Information Entry



The screenshot shows a form titled "FTP Information Entry" with the following fields and options:

- FTP Host: Text input field
- FTP Username: Text input field
- FTP Password: Text input field
- FTP Port: Text input field
- FTP Protocol: Dropdown menu with "FTP" selected
- Remote Directory: Text input field
- Delimiter: Dropdown menu with "Comma(,)" selected
- Uploaded File Name: Text input field with a red note below it: "Without file Extension"
- Append Date to File Name: Check box (unchecked)
- Strip Header: Check box (unchecked)

At the bottom right of the form are two buttons: "Save FTP Details" and "Close".

Email Address Adding information

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Comma separated list of email addresses to send report to.

Save Email Addresses
Close

Once all the selections are made in the Add Alerts pop up click the 'Add Alert' button.

Add Alerts
Fuse5

Add Email Alerts for Order Point Calculations ?

Alert Name:

Select Template: OrderpointCalcReport

Generate Report on: (mm-dd-yyyy)

Every: Monday Tuesday Wednesday Thursday
 Friday Saturday Sunday > And / Or <

Time: 04

Every: 15 of Each Month > And / Or <

Attach: CSV HTML

Alert type: FTP

Add Alert

List of Alerts for Order Point Calculations Report

| # | Alert Name | User | Schedule | Run Time | Alert Type | Action |
|---------|------------|------|----------|----------|------------|--------|
| No Data | | | | | | |

Comma separated list of email addresses to send report to.

Once this is done Users will see all the alerts in the “List of Alerts for Order Point Calculations Report.

Add Alert

List of Alerts for Order Point Calculations Report

Showing 1 - 5 of 5

| # | Alert Name | User | Schedule | Run Time | Alert Type | Action |
|---|----------------|-------|------------------|----------|------------|--|
| 1 | Training Alert | Chris | On 12-15-2016 | 04 | FTP | ✖ |
| 2 | Training Alert | Chris | Every Monday | 04 | FTP | ✖ |
| 3 | Training Alert | Chris | Every Wednesday | 04 | FTP | ✖ |
| 4 | Training Alert | Chris | Every Friday | 04 | FTP | ✖ |
| 5 | Training Alert | Chris | Monthly - Day 15 | 04 | FTP | ✖ |

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