

# Handling Vendor UOM Changes With Make-Buys

## Situation: Buy Units of Measure Won't Match Your Selling Units

Each quarter, especially in the first quarter, major wholesalers typically change their units of measure (UOM) to reflect purchasing trends. As a result, the selling units that you use as a dealer may not match your vendors' new buying units for each of the affected items.

Vendors provide these UOM changes, sometimes for hundreds of items, in the quarterly O/PUS® Update. For news on the latest quarter's UOM changes, please contact your vendor.

With the Make-Buys program, you have the flexibility to address these UOM changes in several ways:

- Don't use Make-Buys if you want to keep your original selling UOM for these items. For example, you may have a contract or bid with a large customer that commits you to a list of items with specific units of measure.
- Use Make-Buys on all stock classes if you want to make your selling UOM match the vendor's new buy UOM for all affected items. For instance, perhaps you wish to avoid breaking up a carton to fill an order for a smaller quantity than your vendor sells.
- Use Make-Buys on selected stock classes if you want to do some combination. For the stock class(es) of items you specify, Make-Buys matches the selling UOM to the vendor's new buy UOM. Any other stock classes of items will keep your original selling unit of measure.

You may have used the (+I-Y) Make-Buys tool to match your inventory records' selling UOM to your vendors' new buy UOM, limited as needed to the stock class(es) of your choice. While it automatically recalculated all your costs, prices, contracts, inventory quantities, shipping weights, and inventory history totals, it was time consuming. It required you to be present after your O/PUS load to launch Make-Buys, then be present to launch SIMPLE again.

## Solution: Fully Automate UOM Adjustments

As of December 2006, the SIMPLE Wizard now has a MAKE-BUYS option under Global Inventory Parameters. **Using this option will allow you to start the SIMPLE wizard, then walk away and let the program perform all the required steps – unattended!**

This tech note covers the following topics:

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### How to Use the Make-Buys Option in the SIMPLE Wizard

#### *Preparing Your System for the Make-Buys Process.*

To ensure accurate adjustments in the shortest possible time, complete these steps:

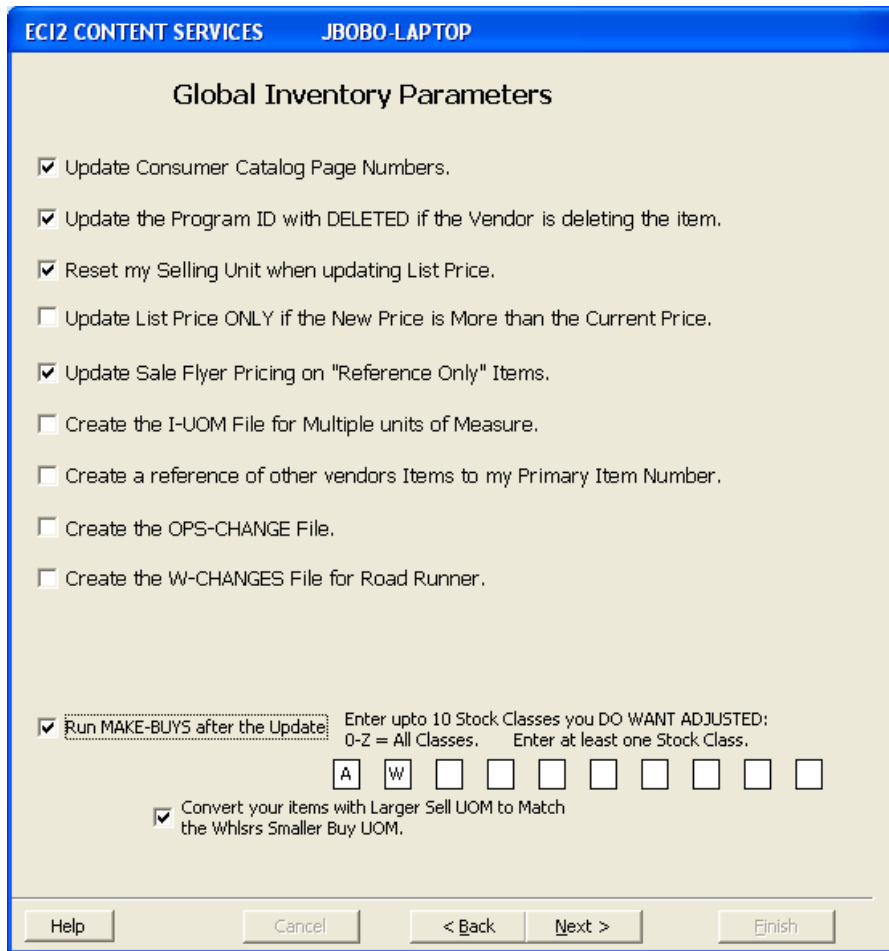
1. Review your vendors' lists of UOM changes to determine the extent to which your inventory is affected. Contact your vendors for their lists.
2. Determine which items you want to convert by stock class. The Make-Buys option requires you to specify at least one stock class to convert. You can assign up to 10 unique stock classes to the items you wish Make-Buys to convert, or specify a From-To range of stock classes, using the fourth through tenth spaces to identify individual stock classes outside the specified range. For instructions on setting up stock classes, see "Setting Stock Classes or Departments by Purchasing Vendor" or the Stock Classes tutorial on the DDMS support site.
3. Delete any contracts that you no longer need. The Make-Buys program converts selling quantities in your CONTRACTS file. Your CONTRACTS file may contain numerous instances of an item. The larger your file, the longer the Make-Buys program will take. For instructions on removing contracts, see "Using Instant Contract Eraser" on the DDMS support site.
4. Complete purchasing and flushing processes. This will ensure that all quantities are current.
5. Complete any other pre-O/PUS-load procedures.
6. Make a complete backup of your DDMS files.

#### *Setting the Make-Buys Option in the SIMPLE Wizard*

For detailed instructions on steps 7-10 and 16 below, see "Loading O/PUS Multi-Vendor Quarterly Updates" on the DDMS support site.

7. If you haven't already, download and install the latest quarterly OPUSInstall to update your PSNControl and SIMPLE software.
8. If you haven't already, download the latest quarterly OPdb Multi-Vendor Catalog Update file from the O/PUS PSN.
9. Make sure **TBL Server** is running. (These are dedicated procedures. Make sure no one else is using the system.)
10. With your Microsoft® Windows® **Start** Menu, launch **SIMPLE**.
11. Click **Global Parameters** and update the first page if needed.
12. Click **Next**.
13. In the second page of Global Parameters, find the checkbox option to **Run Make-Buys after the Update** toward the bottom of the list. When you select it, additional prompts appear.

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14. Enter at least one stock class of items you wish to reflect new vendor UOMs. You may enter a range of stock classes. Use the first space as the stock class specifying the From portion of the range, place a dash in the second space, and use the third space for the stock class specifying the To portion of the range. Stock classes entered in the fourth through tenth spaces will be in addition to those within the range specified. Examples:

```
[2] [Y] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] = updates the 2 and Y stock class
[Ø] [-] [Z] [ ] [ ] [ ] [ ] [ ] [ ] [ ] = updates ALL classes
[A] [-] [L] [ ] [ ] [ ] [ ] [ ] [ ] [ ] = updates classes A thru L
[A] [-] [L] [Ø] [P] [U] [S] [ ] [ ] [ ] = updates classes A thru L, and classes O, P, U, S
```

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**Note:** You must specify at least ONE stock class for the Make-Buys program. Leaving the stock ranges blank will NOT convert any items.

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15. If you wish, select the checkbox, “Convert your items with Larger Sell UOM to Match the Whlsrs Smaller Buy UOM.”

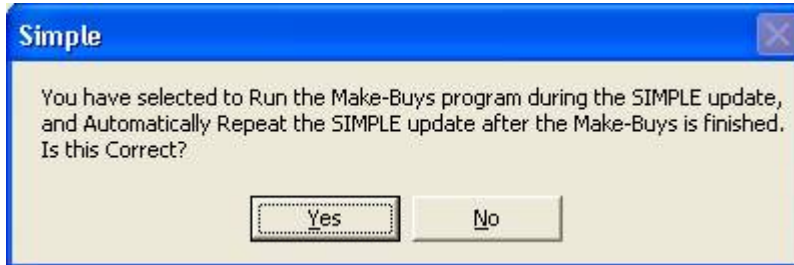
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**Note:** By default, the Make-Buys program adjusts your selling UOM to match your primary wholesaler’s buy unit when the buy UOM is larger than your selling UOM. In addition, you also may adjust your selling UOM when it is larger than the buy UOM by answering Y to “Convert your items with Larger Sell UOM to Match the Whlsrs Smaller Buy UOM.”

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**16. IMPORTANT: Before you complete the SIMPLE wizard, be sure to set all other Global, Vendor-Specific and Index parameters, so that the complete O/PUS load will be done according to your wishes. For details, see Loading O/PUS Multi-Vendor Quarterly Updates on the DDMS support site.**

17. After you click **Finish**, the following prompt appears:



- Click **Yes** to continue
- Click No to return to the Make-Buys parameter option for an opportunity to make changes.

This completes the procedure, and you may continue with the SIMPLE update.

## How the SIMPLE Wizard Option Automates Make-Buys

The integrated Make-Buys feature will process the SIMPLE update in 2 phases:

- Phase 1 of SIMPLE processes the O/PUS multi-vendor catalog update to get new Vendor UOMs. However, to expedite the Make-Buys process, some tasks are reserved until Phase 2:
  - It will not yet update price plans specified in your vendor parameters.
  - It will not yet delete the I-CAT (Scanalog) file.
  - It will not yet rebuild Indexes.
- The MAKE-BUYS will **automatically** begin after the 1<sup>st</sup> phase has completed. For details on this process, see **What (+IY) Make-Buys Updates**. As soon as the MAKE-BUYS has completed, the 2<sup>nd</sup> phase will automatically begin.
- Phase 2 of SIMPLE processes the O/PUS update as usual, with these *exceptions*:
  - It skips the Last Cost field of the Wholesaler Record, as this was previously updated.
  - It does not delete the NEW-C-ITEM & DB2-C-ITEM files.
  - It now updates price plans specified in your vendor parameters.
  - It now deletes and then recreates the I-CAT (MultiVendor) file.
  - It now rebuilds all Indexes that have been requested.

After you set your SIMPLE parameters and launch the update, no further intervention is needed on your part.

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## What (+IY) Make-Buys Updates

A unit of measure change requires adjustments to the costs, prices, contracts, inventory quantities, shipping weights, and history for all your locations. The Make-Buys program updates all of the following records:

File	Description	Data Updated By (+IY) Make-Buys
I-MASTER	Inventory Master Record Per Item	Sell UOM Item weight
I-MFG	Direct Buy	Buy unit, carton size Cost, Last cost, list, and future cost
I-WHL	Primary Wholesaler	Buy unit, carton size Cost, Last cost, list, and future cost
I-PRICE	Pricing Record	Minimum quantity (must be blanked out) Cost, List
I-COLUMNS	Quantity Breaks	Quantity 1-5 Price 1-5
I-AUX	Inventory Usage Record	Minimum and maximum On-hand quantity Month-to-date sold Backordered Allocated On order Receipts
I-AUX	Inventory History – Yearly Totals	Year-to-date quantity LYTD quantity
I-HISTORY	Inventory History – Monthly History Record	Month 1-12 Sold Month 13-24 Sold
CONTRACTS	Inventory Contract Price, Customer Price & Quantity Breaks	Sell quantity Sell price Set contract cost

## Using the Make-Buys Exceptions Report

The Make-Buys program creates an exceptions report on your work unit.

The file uses a date- and time-stamped file naming convention MBMDDhhmm to indicate when Make-Buys was run. MB indicates Make-Buys, and the rest of the filename indicates the Month (MM such as 03 for March), Day (DD such as the 29th), hour (hh such as 13 on a 24-hour clock), and minute (such as 59). For example, if you ran Make Buys on March 29th at 1:59 pm, the exceptions report would be named MB03291342.

This exception report lists any items and their data fields that could not be divided equally. The UOM adjustments were made successfully on these items, but this file logs any remainder that you may wish to write off or otherwise account for. Let's say you formerly sold pencils by the each, had 13 on hand, and now sell by the dozen. The MAKE-BUYS exception report will show the adjusted on-hand amount of 1 (1 DZ) and a remainder of 1 (1 EA).