



Distribution & Supply Chain Module

Inventory Replenishment

Fitrix ERP Distribution & Supply Chain Module

“Our Fitrix system has been a competitive differentiator for us, helping us be more competitive in the market by leveraging our IT systems to make us more effective and efficient.”

IT Manager
Large Southern CA
Transportation &
Storage Company

Effective Replenishment strategies are central to economical inventory control. Inventory costs account for a substantial portion of a company’s cash outlay. Inventory costs include not only the initial purchase of inventory, but storage and management costs as well. Successful inventory management requires that a minimum level of inventory be maintained that guarantees excellent customer service and satisfaction.

Fitrix Inventory Replenishment module, with its powerful tracking, calculating, and analyzing capabilities, increases your ability to manage inventory with an optimum service/investment balance. It not only provides standard replenishment system functionality, but also adds considerable flexibility to those standards. The innovative programming responds to the demands of inventory control management.

Inventory Replenishment

Base item replenishment on tracked usage and apply this usage to any one of the many industry standard replenishment formulas delivered with Fitrix.

Fitrix Inventory Replenishment

Features/Functions Highlights

Modular Integration – Direct integration with Fitrix Inventory Control, Order Entry, and Purchasing

Tailored Usage Tracking – usage is tracked whenever an item is sold or transferred to another distribution center. Sales outside the norm like a monthly special to reduce inventory can be excluded from the usage number so as not to inflate them. You define how often this usage should be captured and inserted into the usage tables and how many periods of usage you want to use to calculate your average usage

Replenishment Calculations – once you have run the Create Usage program to insert the most recent period's activity into the usage tables, you are now ready to run the Create Replenishment Calculations program. This calculation process takes the updated usage numbers and applies formulas to it you have previously defined that determine what your Suggested Order Quantity is. These formulas use predefined and user defined variables such as quantity already on hand, quantity on order, average lead time, next replenishment cycle date, safety factor, and carrying and replacement costs

Generate Buy Recommendations and Purchase Orders – this process takes the calculated Suggested Order Quantity and creates a buy recommendation to each of your vendors. You can then take these recommended quantities and automatically roll them up to meet any minimum purchase target level you may have with your vendor to receive monetary rewards such as discounts or prepaid shipping. The final step in the replenishment process is to then run the program that automatically creates a purchase order to each vendor

Exception Processing – The Expedite Report can be set up to run automatically on a nightly or weekly basis. This report helps identify items in between replenishment review dates that need to be ordered because the quantity on hand has fallen below the reorder point. The reorder point is the quantity you never want to fall below or you may experience stock outages

What If Screen – allows you to see the affect a large customer order or a new customer will have on your inventory in future periods based on average monthly usage and purchase orders coming in so that you can plan your purchases accordingly

| Line | T | Resultant | Computed Value | Override |
|------|---|----------------|----------------|----------|
| 2 | D | usage_rate | 244.75 | 244.75 |
| 3 | U | usage_in_month | 244.75 | 244.75 |
| 4 | D | ld_time_in_mon | 3.00 | 3.00 |
| 5 | D | sa | 367.13 | 367.13 |
| 6 | L | order_point | 1101.38 | 1101.38 |
| 7 | D | qty_on_hand | 89.00 | 89.00 |
| 7 | D | on_po | 0.00 | 0.00 |
| 7 | D | to_tran | 0.00 | 0.00 |
| 7 | D | on_order | 84.00 | 84.00 |
| 7 | D | from_tran | 0.00 | 0.00 |
| 8 | D | eoq | 176.29 | 176.29 |
| 10 | D | avail_qty | 5.00 | 5.00 |
| 10 | S | sugg_reorder | 1272.67 | 1272.67 |

Reports available include:

- Usage Summary
- Replenishment Calculations
- Buy Recommendations
- Create PO From Recommendations
- Expedite Report
- Warehouse Buy Comparison Report
- Warehouse Reallocation