

Stock Procurement

Jim2® Business Engine

To assist sites in maintaining 'Just In Time' stock control, Jim2 Business Engine includes Stock Procurement functionality. This allows you to manage your stock levels based on **history, usage** and **fixed minimum quantity** levels.

Stock Procurement works by first calculating which stock needs reordering, then allows you to automatically create the purchase orders and stock transfers needed to meet those requirements. And yes, Jim2 Stock Procurement will take into account excess stock levels available in other locations that could be 'transferred' rather than purchased.

Not only that, Jim2 is so intelligent, Jim2 will tell you how much stock you have remaining and how long that will last, as well as advise you when you have more stock than you want to hold for that period so that you can arrange to sell it off.

Stock Procurement calculates how many of which products need ordering, based on various factors including:

- Minimum quantity on hand by location.
- The number of 'days' worth of stock required.
- Re-order quantity.
- Stock availability in other locations (able to be transferred, rather than ordered).
- Average sold per day for previous 'x' days, or during the same period last year.
- X% increase on previous stock level.
- Vendor lead time.

Jim2 Stock Procurement will identify the stock that requires reorder or transfer based on your calculation choices, and presents a 'recommendation' ORDER/ TXFR QTY based on:

- Quantity on hand.
- Quantity allocated on Jobs.
- Quantity already on purchase order (on status of ordered).
- Quantity available at other (bulk) locations that could be transferred inwards.

The screenshot shows the 'Stock Procurement' window. It includes sections for 'Procurement' (with dropdowns for Order and Transfer, For Location, PO Ship Location, and Show All Stock), 'Transfer From' (All Locations, Bulk location), 'Calculation Options' (Procure in Base Units, Transfers (From) in averages, Exclude stock in Packages, Exclude stock required for Packages, Exclude stock in Manufact. in sold calc., Exclude stock required for Manufacturing, Only if Vendor is Rank 1), and 'Vendor' (Vendor, Existing PO, Stock Code, Groups). Below this is the 'Stock' section with Stock Code, GL Group, and Attributes. The 'Stock List' table shows columns for Stock Code, Description, Unit, Qty On Hand, Qty On Jobs, Qty On Purchase, Days On Hand, Avg Monthly Sales, Avg Monthly Transfers, Days Supply, Min Qty Low, and Order. The table lists items like Epson T007 Black Cartridge, Epson T008 870/890 Color Cart, Epson T009 Colour Ink Cart, and NBX Group 1 Phone License. At the bottom, there are buttons for 'Select All', 'Unselect All', 'Run', 'Cancel', 'Order', and 'Order Value (\$)' which is 7696.15.

Based on the variables you set, Jim2 will automatically calculate what you should order to fulfil all current orders and maintain your stock levels – in real time. You are also unable to order from inactive vendors.

Fact Sheet

The purpose of a stock's min low/high value is to provide a sliding window for ordering stock using Stock Procurement. For example where min low is 5 and min high is 10. Once the stock on hand (SOH) quantity drops to 5 or below, Stock Procurement will ensure that enough will be purchased to bring the SOH up to at least the min high quantity of 10.

Re-order Calculations

For each stock location you can set:

- **Min Qty** – The minimum number of units to be kept in stock, and/ or
- **Days Supply** – The number of days worth of stock you wish to keep on hand.

When calculating the suggested movement of stock, Jim2 Stock

Line	Branch	Location	Min Qty Low	Min Qty High	Limit Qty	Reorder Qty	Days Supply	Zone	Primary Bin 1	Max Qty Bin
1		NSW								
2		QLD								
3		QUAR								

Procurement considers the requirements based on the greater of the two values.

Procurement
 Min Qty per Location method: Calculated
 Daily Avg Sold per day based on: last 30 days
 Add extra: 5 % to calculated Qty
 Re-order Qty: 10.00

The **daily average sold per day** can be based on:

- **Last # days** – nominate how many days previous selling transactions you would like used (eg. 30).
- **Current month last year** – The current month in the previous year (recommended for seasonal goods).

Procurement
 Min Qty per Location method: Calculated
 Daily Avg Sold per day based on: current month last year
 Add extra: 5 % to calculated Qty
 Re-order Qty: 10.00

An **additional percentage** can be added to increase the calculated level, allowing adjustment for growth.

The **Re-order Quantity** is the minimum amount that will be ordered if an order is to be placed. This ensures that you can take advantage of quantity price breaks offered from your suppliers.

'**Lead Time in Days**' can be recorded for each vendor who supplies this product. Jim2 will consider lead time with respect to Days Supply, and increase the required stock to allow for the shipment to arrive from your specified vendor.

Stock Procurement includes several new parameters. Some existing parameters that were at a 'Stock' level can now also be at a Stock's 'Location Level'.

Rank	Vendor	Vendor Stock Code	Vendor RRP	Unit	Vendor List Price	Vendor Dec %	Vendor Last Cost	Currency	Exchange Rate	Extra Pmt	Extra Dollars	Estimated Cost (\$)
1	COMPLESS		0.00	BAG	49.30	0.00	49.3000	AUD	1.0000	0.00	0.00	49.3000

Min Qty Low/High

The 'Min Qty Low' and 'Min Qty High' procurement parameters provide a 'window' for purchasing and provide a way of batching orders rather than ordering the same Stock every day.

Say you wish to keep between 5 to 10 of a particular Stock in stock. When the stock level drops to 5 or below, then you wish to purchase enough Stock to bring the level up to 10.

Both parameters are optional, in which case they are not used and the procurement order quantity is calculated based purely on how many days' worth of stock you wish to maintain.

Limit Qty

The 'Limit Qty' provides a way of putting an absolute limit on how much Stock you wish to order. This is useful when average usage gets thrown out because of one off bulk sales, catalogue sales and promotions, and seasonal peaks etc.

The Limit Qty parameter is optional, in which there is no limit on how much stock can be ordered.

Reorder Qty

'Reorder Qty' can be now at a Stock or Stock Location level. If a location level reorder qty is specified it will be used, otherwise the Stock's default reorder qty will be used. Either way both parameters are optional.

Days Supply

'Days Supply' allows users to specify how many 'days' worth of this Stock they wish to Purchase or Transfer, based on average usage.

Exclude Attributes in Procurement

You are able to exclude stock attributes on certain Stock when using Stock Procurement. This is useful when you use stock attributes on 'Buy', like batch numbers or due dates, which are not helpful to Stock Procurement when ordering (eg. you just need to order them, you don't need to know what the batch number or what used by dates will be). Please see Stock section for more details.

Update Procurement Parameters directly from the Stock Procurement Screen

You can update and refine one or multiple stock's procurement parameters directly off the Stock Procurement screen. Any changes to parameters made will force the procurement calculations for that stock to be automatically recalculated.

Given all these Stock usage statistics available, this provides an incredibly powerful way to fine tune your stock levels.

To update the procurement parameters first select one, or many, Stock (Ctrl+A, or Ctrl Left Mouse Button), and then Right Click and select 'Change Procurement Details'. A screen will appear allowing you to update the parameters as required.

Note: It is not always necessary to use Stock Procurement to generate Purchases and Transfers. Use it to maintain and check Stock usage and purchasing requirements.

Purchase Orders and Stock Transfers

The following procurement options can also be selected:

- **Order and Transfer (default)/Transfer only/Order only:** The type of movements/documents that can be generated by the procurement session.
- **For Location:** Where the stock is required, for example if you wish to order stock for your Sydney office, you would select this location.
- **Ship Location:** Where the stock will be shipped to. Your business may receive all stock to a central warehouse before replenishing the outlying locations.
- **Bulk Location:** The first bulk location to consider for stock transfers. This bulk location will be considered followed by other available locations (in alphabetical order).
- **By Vendor:** Type in the Vendor Code to order from one vendor only.
- **Add to Existing PO:** At a line level, you can choose to add to an existing purchase order in Jim2, rather than create a new purchase order.
- **Exclude stock attributes on procurement** when that information is not required
- **Filter** by purchase and/or job date due
- **Exclude** package and kits in sales/transfer figures
- **Ignore** lead times and reorder quantity when doing transfers
- **Purchase/Transfer** in Sell units
- **Handle** new stock with limited sales history
- **Allow for** purchasing window using Min Qty Low/High
- **Display** average monthly sales and days in stock
- **Bulk update** procurement
- **Add to existing purchase order** allows you to easily add all stock returned in a procurement session to an existing purchase order.

The screenshot shows the 'Stock Procurement' window with several sections:

- Procurement:** Includes dropdowns for 'Order only', 'Transfer From', and 'Bulk location'. There are checkboxes for 'Procure in Base Units', 'Transfers (From) in averages', 'Exclude stock in Packages in solid calc.', 'Exclude stock required for Packages', 'Exclude stock in Manufact. in solid calc.', and 'Exclude stock required for Manufacturing'. There are also input fields for 'Purchase within' and 'Job within'.
- Vendor:** Includes fields for 'Vendor', 'Existing PO', 'Stock Code', and 'Groups'. There is a checkbox for 'Only if Vendor is Rank 1'.
- Stock:** Includes fields for 'Stock Code', 'GL Group', 'Attributes', and 'Description'.
- Stock List:** A table with columns: Stock Code, Description, Unit, Qty On Hand, Qty On Jobs / Transfer From, Qty On Purchase, Days On Hand, Avg Monthly Sales, Avg Monthly Transfers, Days Supply, Min Qty / Low, and Procure. The table contains four rows of data for different Epson cartridges and an NBX Group license.

See also: [Stock Control Fact Sheet](#)
[Workflow Fact Sheet](#)
[Jim2 Mobile and Happen Cloud Fact Sheet](#)

