

# Supply Chain Management

SCM (Supply Chain Management) SCM is the process of planning, implementing, and controlling the operations of the supply chain as efficiently as possible. Supply Chain Management spans all movement and storage of raw materials, work-in-process inventory, and finished goods from point-of-origin to point-of-consumption.

Adempiere manages product catalogues, which allow you to define products and services with materials accounts and substitutes. These lists can be updated or imported from supplier price list. The system allows you to have multiple price lists for sales and shopping as well. As a result, Adempiere allows you to control discounts and credits from suppliers. Price lists are controlled by periods, which means that you will be able to have special offers and prices by seasons. Warehouse Management The system provides advanced warehouse management system with the following characteristics:

Warehouse Supplier reception  
Inventory Movement Physical Inventory Production Dispatch to Client Valuation Cost Available to promise Replacement (Demand) It can handle several physical stores and each one of them is redefined in multiple logical warehouses. It also manages the receipt, quality control, testing, storage and dispatch. To control storage, you can define the location within the store depending on the aisle, drawer and level, this information is defined by the user.

Additionally multiple units of measure can be used, allowing entries upon boxing and making units sales. You can specify dispatch priorities of merchandise to ensure that dispatches are done accordingly to a predetermined sequence such as expiration date, oldest product, etc.

It can handle priorities for users in dispatches or reception. In stock product monitoring between different locations or stores can be configured to generate documents required for a proper management of inventory of not finished products.

Control of Materials Creating a delivery document can be done directly from a purchase order, receipt or supplier invoice. The program handles dispatches requests of unavailable products to customers because it checks against the providers requests; this is called availability to promise. Other features that can be handled are: Lots Monitoring / Management Series and serial numbers List by number of supplier and any other characteristic (product attributes) BOM Product Usage Quantities of negative inventory BOM (Bill of Materials)

A BOM is a new product that was manufactured, assembled or derived from other products or parts. A list of materials may contain one or more products, services or even other BOM. There is no limit to the number of items or levels that may contain a BOM. The only limitation is that a BOM does not allow "circular reference", which means that it cannot have references to its parts.

There are two kinds of BOM: Storage: Stored: If a BOM is labeled as stored, it is treated as if it was a normal product in terms of availability. To create it, it is necessary to "assemble it" (or disassemble it) through "Production". Product availability represents the quantity left in stock instead of what you could produce. If the established price is 0.00, then it is calculated in a dynamic way. The price is the sum of all the individual parts and services, and in this case it is required that the BOM and all its components are on the price list. Normally only BOM's information is printed out, but sometimes invoices, deliveries and lists details and quantities in stock can also be printed.

Not stored: generally, they are used for convenience in data entry. When an order or invoice is processed, the lines of products involved are generated. The available amount in a not-stored BOM represents what might be available, and is dynamically calculated based on each piece. For this type of BOM, the price is always the sum of prices of individual items that compose the BOM.

Pricing of products and services

To manage the pricing of products and services, Adempiere uses the following methods:

Standard pricing.  
Current Cost or price of the latest purchase. Average.