Acumatica
The Cloud ERP

5 Ways Acumatica Simplifies Item Management for Wholesale Distributors

A Solution Brief for Growing Distributors

STREAMLINE ITEM CREATION, KITTING, PACKAGING, AND PERISHABLE GOODS MANAGEMENT WITH TRACEABILITY

Many wholesale distributors carry like products with only slight variations in size, style, or other attributes. These small variants result in hundreds or thousands of combinations of unique items. Managing extensive product portfolios of like items is tricky. It is difficult to tell products apart during order entry, picking, or other activities. It is equally challenging to manage costs, pricing, and other details with so many similar products.

Acumatica **matrix items** simplify item creation using combinations of attributes and values. They also streamline the sales and purchasing processes for product families with flexible options for order entry. Acumatica Distribution Edition includes kitting, lot and serial control, flexible units of measure, and expiration dates for additional management of **complex and variable items.**

This Solution Brief summarizes how these features simplify item creation, long-term item management, purchasing, and sales processes.



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1. MATRIX ITEMS

Manage Items Using Attributes

Acumatica matrix items automate and streamline item creation, sales, and purchasing processes for product families using item attributes and values. Matrix items start with a master SKU or template. Each attribute has options that define the characteristics of the unique inventory item. Following are common attributes and options:

- Size or Dimension
- Color or Style
- Material or Grade
- Manufacturer or Model Year
- Product Composition
- Packaging

Templates expedite item creation providing default values for order fulfillment, purchasing, stocking, and general ledger settings. You can mask part numbers using attribute values, a fixed number of characters for each item segment, and separators such as dashes. This process creates **"smart part numbers"** that are unique, meaningful, and easy to find. You can remove unavailable combinations before item creation. For example, a distributor may only carry extra-small shirts in black and extra-large in blue and red. Use matrix and table views of related products for purchasing and sales order entry.

Attribute Value	Extra Small	Small	Medium	Large	Extra Large
Black	■	■	■	■	☐
Blue	☐	■	■	■	■
Red	☐	■	■	■	■



2. KITTING & DISASSEMBLY

Create Kits with Advanced Disassembly Features

Wholesale distributors in most industries manage kits of components assembled, stocked, and sold together. Distributors often **preassemble kits** to stock for order fulfillment. In other cases, they sell the kit and pick the components during the fulfillment process. Distributors often include non-stock items in kits to accommodate labor, instructions, or manuals.

Many distributors break kits down into their base components. For example, an electronics distributor may buy computers. They break the computers down into their components and sell them individually.

The disassembly process may result in the **loss or damage of kit components.** For example, a part may be clipped to another part in the kit. Removing the part may damage the clip resulting in the loss of the second part.

"Acumatica's inventory application is a game changer. We've lowered inventory costs, and we couldn't have done that without Acumatica. Now Best Vinyl knows what and when to order stock, which has saved millions."

- AARON GABRIELSON, CTO, REDMOND

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3. SERIAL AND LOT TRACEABILITY

Manage Recalls & Quality Control with Traceability

Serialized inventory is critical for managing recalls and manufacturer warranties to oversee product replacement or service. Lot tracking improves compliance with industry and customer quality requirements. Acumatica captures serial and lot numbers during the receipt of goods process or sales order entry to identify which serial numbers were included in the customer order. In some cases, serial and lot tracking is required to identify components assembled in kits.



4. UNIT OF MEASURE (UOM)

Variable Units of Measure with User-Defined Conversions

Distributors often struggle with unit of measure conversion. They may purchase in one unit of measure, stock in another unit of measure, and sell in yet another unit of measure. For example, a beverage distributor may buy inventory by the case, stock by individual unit, and sell in six-packs or twelve-packs. Distributors may buy larger packages of goods and break them down for resale. For example, an agricultural products distributor may buy pesticides in 20-gallon drums. They repackage the contents from the 20-gallon drum to create 20 units of 16-oz bottles for resale. Unit of measure management is useful for kitting and disassembly. For example, a distributor may use kitting to create larger containers of products for bulk orders. Conversely, they may disassemble larger packages into smaller quantities to create unique SKUs or to fulfill demand when they are out of stock for smaller packages to avoid costly backorders or rush orders from vendors.



5. EXPIRATION DATES

Expiration Dates with FEFO Picking and Stock Rotation

Distributors of perishable goods manage inventory using expiration dates with lot or serial numbers. Expiration date tracking can be used for order fulfillment to pick items that are closest to their expiration date. This process is known as first-expired, first-out (FEFO). It limits risk and exposure for distributors of perishable inventory improving turns, lowering costs, and increasing profitability. Expiration dates are useful for physical inventory to find inventory nearing the expiration date, which may need to be tested for quality. Expiration dates improve stock rotation to move older stock to the front of shelves for picking.



INDUSTRY USE CASES

Item Management for Distributors

Matrix items and complex, variable products pose problems for distributors across industry segments. Many distributors do not realize they have problems, and few realize there are applications like Acumatica that can help.

AUTOMOTIVE PRODUCTS



Matrix items are useful for item creation. Attributes help identify warranties and manufactured dates. Model years and component manufacturers are identified by serial numbers.

CONSUMER GOODS



Non-durable goods distributors rely on lot traceability, expiration dates, and attributes. Hard goods distributors track products by serial number and commonly use matrix items.

FURNITURE & HOME GOODS



Furniture and wood products come in assorted styles, fabrics, wood species, and finishes. Home goods come in assorted sizes, styles, and colors. All these variants are ideal for matrix items.

GROCERY & ALCOHOL



Groceries and alcoholic beverages are available in assorted flavors with various packaging making them a perfect fit for Acumatica's flexible unit of measure conversions and matrix items. Lot tracking, expiration dates and field service deliveries are also common.

LUMBER & BUILDING SUPPLIES



Lumber and wood come in varied species with different product grades. Dimensional inventory results in thousands of combinations of products.

PAPER & PUBLICATIONS



Matrix items quickly create unique items by size, weight, color, or material. Lots or attributes help identify publication dates and book formats. Create kits for sale to retailers.

TECHNOLOGY PRODUCTS



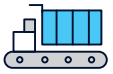
Technology products have many variations such as the manufacturer, model number, and model year. Matrix items create smart part numbers to identify items for sales and purchasing. Serial tracking provides traceability for warranties.

CHEMICALS, COSMETICS, & COATINGS



Lot traceability is a major need for chemical, cosmetic, plastic, and coating distributors. Perishable products are tracked by expiration date and attribute to identify chemical composition.

EQUIPMENT & MACHINERY



Equipment and machinery distributors rely on matrix items to manage equipment variations. Serial tracking is essential for equipment and replacement parts. Field service streamlines remote installations.

FASHION, APPAREL, & JEWELRY



Most fashion products are available in assorted styles, sizes, and colors making matrix items a must-have for this industry. Jewelry distributors manage unique styles and sizes.

HARDWARE, PLUMBING, & HVAC



A fastener distributor can create tens of thousands of items using attributes such as material, length, thread type, thread direction, and head type. Attributes are used to identify the manufacturer, make, model, and model year of HVAC and plumbing equipment. Serial tracking and field service are must-haves for this industry.

METALS & MINERALS



Matrix items and lot tracking streamline the process of creating and managing inventory based on grade, size, and chemical composition.

PETROLEUM PRODUCTS



Matrix items, lot tracking, and expiration dates are helpful for item management. Field service facilitates route management for deliveries.

TOY, HOBBY, & SPORTING GOODS



Toys such as dolls and games are available in varied sizes, versions, and colors. Other hobby products are serialized for warranties. Matrix items are perfect for managing size variants for uniforms and other sporting goods equipment.

Robust Item Management with the Comprehensive Acumatica Distribution Edition

Distributors struggle to manage items and product families effectively without a modern ERP application. It is difficult to **differentiate between items** that have slight variations causing errors in purchasing and sales. It is equally challenging to manage extensive product families with different units of measure, attributes, and serial or lot tracking with expiration dates.

Acumatica makes variable item management easy with matrix items, kitting and disassembly, lot and serial traceability, flexible unit of measure conversions, and expiration dates.

Acumatica Distribution Edition helps distributors reduce shipping and carrying costs, minimize write-offs for spoilage or obsolescence, and increase sales with integrated commerce. This provides a distinct **competitive advantage** with lower prices, higher profits, and on-time shipments. It includes everything distributors need to grow their business while creating an exceptional customer experience.

The future-proof Acumatica cloud platform is designed for modern technologies, rapid integrations, scalability, and ease of use. Acumatica provides the best business management solution for wholesale distributors.



"Acumatica is also very good for maintaining replenishment levels. New reorder levels are uploaded automatically, and we are reviewing them more frequently than ever before. There's much less devaluation of stock because we're adjusting buying profiles in real-time, so we don't get stuck with items leftover, eliminating waste."

– JO YOUNG, MANAGING DIRECTOR, ADDITIVE-X

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Acumatica
The Cloud ERP

Acumatica Cloud ERP is a comprehensive business management solution that was born in the cloud and built for more connected, collaborative ways of working. Designed explicitly to enable small and mid-market companies to thrive in today's digital economy, Acumatica's flexible solution, customer-friendly business practices, and industry-specific functionality help growing businesses adapt to fast-moving markets and take control of their future.

For more information on Acumatica, visit www.acumatica.com or follow us on LinkedIn.