



# Understanding the **MGR Reports**

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# Chapter 1 Introduction

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## Month-end Reports

Report for a completed month, based on activity totals calculated by the last run of Month End Close (MNE).

MNE totals the month's transaction data, stores these activity totals, updates inventory information (PART-NO. file), and clears transaction files to prepare for the next month.

The MGR reports print the inventory information, activity totals, and other figures based on this month-end data. You can print these reports as many times and in as many ways as you want during the month, because the month-end report information is stored until the next time you run MNE.

## Month-to-date Reports

Report for a partial month, based on activity recorded **since** the last run of MNE. The month-to-date MGR prints data as if you ran MNE on the date of the report. That is, the month-to-date MGR is like a “dry run” of the month-end report. It tells you what the effects of MNE will be, but does not perform any of the updates (such as changing the special status codes (SS) of part numbers, deleting invalid part numbers, and so forth.) The figures shown on this MGR are not stored; report information is recalculated each time the month-to-date reports are requested.

## The MGR Reports

MGR offers 11 separate reports, in two types: overview and detail.

For both the overview and detail MGR reports, use this booklet to identify what the numbers mean, how they were derived, guidelines for interpreting the figures, and how to follow up on issues raised by the reports.

### Overview reports

The first two MGR reports, the **Monthly Summary Report** and the **Annual Activity and Benchmark Trend Report**, present numerical overviews or “snapshots” of your inventory’s condition. Use these as a starting point.

### Detail reports

The remaining nine MGR reports present specific part number, source, or transaction information. Use these to follow up on potential problems.

## Report setups

Use the MGR setup screen to request reports that provide an overview of your inventory or that pinpoint details.

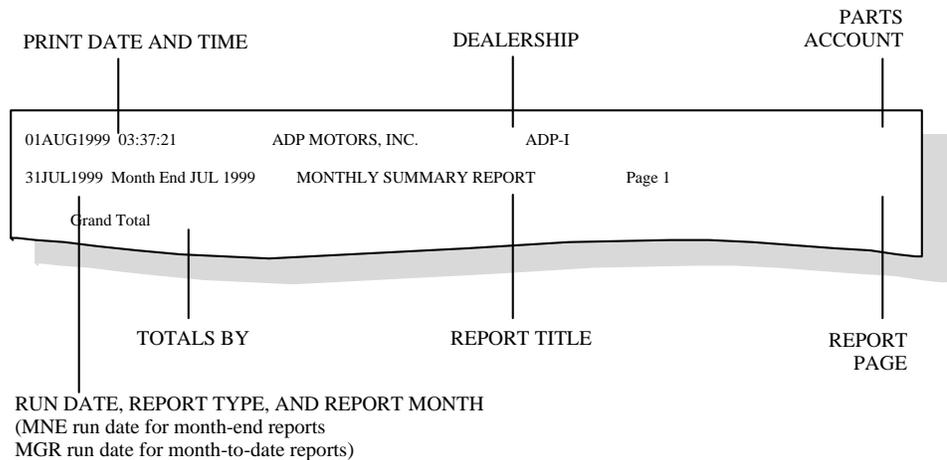
Use setups to...

- Request reports for the last completed month (month-end MGR) or for the current month (month-to-date MGR)
- Print one or more of 11 separate MGR reports at any time
- Include one, some, or all sources
- Show source and sort source details, or grand totals only
- Sort report information the way you want to see it
- Send the reports to any printer
- Print multiple copies of the reports

For details about running MGR, see the Daily and Monthly Processing section in the *Parts Guide*.

## MGR report headings

The headings at the top of each MGR report page reflect the specific setup you choose to print the reports.



## Follow-up reports

This booklet recommends other Parts reports for information about the specific part numbers behind MGR figures. These reports are the standard Order Entry (OR menu), Inventory (RR menu), or the ADP-supplied ENGLISH reports.

Run the ENGLISH reports, as suggested throughout this booklet, using Stack Generated Reports (SGR). You can also design an ENGLISH report of your own, using Report Generator (RPG), to pinpoint other information that you may need. For more information about ENGLISH, see ESP in the *Utility Functions Guide*.

Figures on the MGR overview reports **do not** include invalid part numbers. The follow-up reports do. Be sure to identify the invalid part numbers (listed in the Invalid Parts MGR report) and subtract their data from the suggested OR, RR, and ENGLISH reports before comparing those reports to the MGR overview figures.

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*Caution: Unless otherwise noted, these guidelines apply to interpreting the **Grand Totals** reports when you set up MGR to run for **all sources** in your inventory. Figures for individual sources and sort sources will vary, depending on your dealership's source setups and procedures.*

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*Caution: Use the recommended ENGLISH reports to investigate figures on the month-end MGR reports, but not on the month-to-date reports.*

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*Because the month-to-date MGR prints data as it will be after running MNE, it will not match ENGLISH reports of the part number file. This is because ENGLISH reports part number information as it is at the moment that you run the report.*

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# Chapter 2 Overview Reports

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The first two MGR reports, the **Monthly Summary Report** and the **Annual Activity and Benchmark Trend Report**, present numerical overviews or “snapshots” of your inventory’s condition.

## Monthly Summary Report – Page 1

The **Monthly Summary Report** is a two-page report that provides information about the status of your parts inventory after running Month End Close (MNE), and the inventory performance during the past month.

Page	Shows
1	A snapshot of the inventory balance, part numbers on file, no-movement parts, and outstanding orders after processing completed during MNE.  In the case of a month-to-date MGR, it shows the status that will be after the next MNE.
2	Transactions, adjustments, and appreciation that took place during the month closed by running MNE (or up to the time of running a month-to-date MGR).

For most categories of the Monthly Summary Report, the information is calculated by Number of Parts, Parts Pieces, and Parts Cost.

- Nbr (number) of parts – The number of different part numbers in that category.
- Parts Pieces – The actual on-hand quantity for parts in that category.
- Parts Cost – The inventory value based on cost; that is, the on-hand quantity multiplied by the part cost and divided by the price unit (O.H. x COST ÷ P-U) for parts in that category.

Percentages are also given for most categories. The percentage is calculated using the following formula:

$$\text{Percent} = (\text{Category Amount} \div \text{Total}) \times 100$$

Percentages shown for each category total (not indented on the report) are calculated by comparing them to the total Inventory Balance. Percentages for sub-categories (indented) are calculated by comparing them to the category total.

Page 1 of the MGR Monthly Summary Report provides you with an overview of the status of your parts inventory **after** MNE processing. In the case of a month-to-date MGR, it shows the status that **would be** if MNE were run at that time.

---

*Caution: Run the recommended follow-up reports **after** MNE so that you can compare them accurately with the figures on page 1 of the Monthly Summary Report.*

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Monthly Summary Report – Page 1

05JUN1999 20:20:52	ADP MOTORS INC	ADP-I				Page 1	
01JUN1999 Month end MAY 1999	MONTHLY SUMMARY REPORT						
Source: 999 VO	Source 999 Description 1234(30)						
Grand Total	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	
	-----	-----	-----	-----	-----	-----	
<b>Inventory Balance</b>	14,480		54,805		813,275.07		
Active Parts	5,086	35.13	31,082	56.71	594,152.35	73.05	
NS Parts	7,918	54.68	384	.07	24,296.54	2.98	
MO Parts	414	2.85	21,437	39.11	98,466.22	12.10	
AP Parts	718	4.95	1,445	2.63	81,245.51	9.99	
DP Parts	39	.26	438	.79	13,713.87	1.68	
SP Parts	13	.08	19	.03	1,397.58	.17	
DEL Part	292	2.01					
Parts with no costs	10	.06	15	.02			
<b>Parts with Negative On-Hand</b>							
<b>Core/Exchange</b>	97	.67	6,259	11.42	87345.62		
<b>Memos on File</b>	851						
<b>Parts Added</b>	743	5.13	161	.29	8,507.23	1.04	
Active Parts	3	.40	8	4.96	430.00	5.05	
NS Parts	515	69.31	123	76.39	6,666.91	78.36	
MO Parts	12	1.61	27	16.77	1,375.42	16.16	
AP Parts	1	.13					
DP Parts	23	3.09	1	.62	4.4	.05	
SP Parts	189	25.43	2	1.24	30.50	.35	
<b>Parts &amp; Memos Deleted</b>	340						
<b>Inventory Movement – Sales</b>	7,083	48.91	49,870	90.99	622,375.51	76.52	
0 to 3 Months	2,344	16.18	2,008	3.66	77,492.07	9.52	
4 to 6 Months	3,234	22.33	1,876	3.42	60,682.61	7.46	
7 to 12 Months	1,035	7.14	631	1.15	32,865.55	4.04	
Over 12 Months	784	5.41	420	.76	19,859.53	2.44	
New Parts No Sales							
<b>Inventory Movement - Receipts</b>	6,513	44.97	45,370	82.78	590,351.94	72.58	
0 to 3 Months	2,757	19.04	3,700	6.75	100,058.68	12.30	
4 to 6 Months	3,798	26.22	3,326	6.06	76,492.94	9.40	
7 to 12 Months	1,273	8.79	2,403	4.38	46,369.11	5.70	
Over 12 Months	139	.95	6	.01	2.40	0.00	
New Parts No Receipts							
<b>Outstanding Orders</b>	409	2.8	2,908		63,559.34		
Stockorders	333	81.41	2,643	90.88	53,397.63	84.01	
Supplemental Orders							
Customer Orders	26	6.35	30	1.03	3,107.33	4.88	
Backorders	52	12.71	235	8.08	7,054.38	11.09	
Stockorder Backorders	29	7.09	198	6.80	4,713.26	7.41	
Supplemental Backorders							
Customer Backorders	25	6.11	37	1.27	2,341.12	3.68	
<b>Outstanding Forced Orders</b>	2	.01	35		1,445.00		

## Inventory Balance

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT
Inventory Balance	14,480		54,805		813,275.07	
Active Parts	5,086	35.12	31,082	56.71	594,152.35	73.05
NS Parts	7,918	54.68	384	0.70	24,296.54	2.98
MO Parts	414	2.85	21,437	39.11	98,466.22	12.10
AP Parts	718	4.95	1,445	2.63	81,248.51	9.99
DP Parts	39	0.26	438	0.79	13,713.87	1.68
SP Parts	13	0.08	19	0.03	1,397.58	0.17
DEL Parts	292	2.01				
Parts With No Cost	10	0.06	15	0.02		

The Inventory Balance section shows inventory totals for all parts on your ADP Parts system. This section:

- Shows the inventory as a whole, and then breaks it down for each special status code (SS) in the part number file (PART-NO.)
- Compares figures for each special status code to the Inventory Balance to calculate percentages.
- Includes parts with no cost in the number of parts and pieces figures for each special status code, and also reports these parts separately.
- Includes parts with negative on-hand quantities in part number counts but uses zero on-hand quantity for parts pieces and parts cost calculations. Parts with negative on-hand quantities are also reported separately in the next section.
- Does **not** include memos and invalid part numbers in its figures.

### What to Check

Active (SS = blank) and NS parts should make up the bulk of your inventory. These are the parts you are either stocking and selling, or testing to see if you should begin stocking them.

#### Active parts (SS = blank)

- Parts Pieces and Cost should be highest for this SS, because these are the parts you are stocking and selling most often.
- **However**, be sure to pay attention to the Cost figure for active parts to control your inventory investment.

#### NS parts

- Some industry experts recommend that at least 20% of the total number of parts should be NS; some recommend as high as 30% or more.
- However, NS Parts Pieces and Cost should be very low. Since these parts have not yet qualified for stocking, the on-hand quantity should be low. The only pieces on hand should be parts special ordered for a customer, or new model parts kits that you have decided to stock, but do not want to order automatically on a stockorder.

- High Cost figures for the NS special status code indicate a high level of risk if these parts become obsolete.

#### **AP and DEL parts**

- These parts should be relatively low percentages of the inventory, because only a small number of parts should meet the phase-out (set to AP) criteria each month and eventually be set to delete (DEL) status.
- AP Parts Pieces and Cost should also be low. High number of pieces (on-hand quantity) for these parts indicates danger of obsolescence.
- DEL Parts Pieces and Cost should be zero.

#### **Other**

- MO, DP, and SP part figures will vary, depending on how your dealership uses these special status codes.
- If the number of MO parts is high, you may not be taking full advantage of the automatic stockorder feature.
- Parts With No Cost Number of Parts should be near zero. Most parts should have a cost assigned or inventory value will be understated, and many reports will be inaccurate.

#### **What to Do**

- **Want a list of parts with each special status code, showing sources?** Run Report Special Status (RSS) after MNE.
- **Want to compare inventory figures on the two reports?** Notice that RSS includes memo parts in the AP special status category, whereas the MGR report does not include memos in the AP inventory balances. To compare inventory figures, ignore the AP parts shown on RSS that have “MEMO” in the O.H. (on-hand quantity) column.
- **Cost of active parts too large?** Consider changing the special status of some higher cost parts to Manual Order (MO), so that you can more closely monitor when they are ordered.
- **The Monthly Summary grand totals report shows areas of concern?** Run the report by **source**. Review the source reports to identify any source setups that should be adjusted.
  - **Active, NS, AP, DEL balances too high or too low?** Review the source’s phase-out (set to AP status) and phase-in (qualify for stocking status) criteria in MSAP to determine if they should be adjusted.
  - **Too many NS parts?** Follow up on customer special orders. If parts are for new models, consider assigning them the MO special status code.
  - **Too many AP or DP parts?** Consider running Excess Stock Calculation (EXS) for these sources.

- **Need to find the source or sources that have the parts with no assigned costs?** Run Report No Cost (RNC) for all sources after MNE
- **Are there many parts with no cost?** Make sure you are running parts master updates regularly (Parts Master Update; PMU) for sources containing those parts.
  - Also, check the parts master update criteria (PMU, Field maps) for those sources to make sure that Cost is set to be updated.
  - Use Parts Maintenance (PM) to assign a cost to parts identified on RNC.
  - Check the prompts set up for adding new parts to your computer system (MSNP). Consider adding COST to the new part prompts if it is not already included.
  - Set up RNC in the job stack so that the list of parts doesn't grow too large in the future.

## Parts with Negative On-Hand

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT
Parts With Negative On-Hand	:	:	:	:	:	:

The Parts with Negative On-Hand section shows figures **only** if your dealership uses the negative on-hand feature. This section:

- Shows the number of parts with on-hand quantity less than zero (O.H. < 0).
- Compares the parts with negative on-hand figure to the Inventory Balance to calculate percentage.
- Does **not** include percentages for Parts Pieces or Cost.

### What to Check

Figures should be very low. Having a negative on-hand quantity should be a temporary condition, to allow you to sell parts before the receipts have been posted

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*Caution: Negative on-hand quantities can interfere with the stockorder process, causing new order quantities to exceed the Best Stocking Level (BSL).*

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### What to Do

**Too many negative on-hand quantities?** Run Report Negative Onhand (RNO) after MNE for a list of parts included in the figures. Post all receipts to correct on-hand quantities to reflect the actual state of the inventory

- In the future, post all receipts **before** MNE so that the month-end MGR can more accurately reflect the state of your inventory.
- Consider turning on the Emergency IO (In-and-Out) feature in OSOP to reduce the need for the on-hand quantity to go negative.

## Core/Exchange

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT
Core/Exchange	97	0.67	6,259	11.42	87345.62	

### Note: This is NOT Core tracking.

The Core/Exchange shows parts with a core cost on file (an amount in the EXCHG price field) and with stock on hand (O.H. > 0). Theoretically, this is the “clean” core inventory value.

This section compares the parts with core cost figures to the Inventory Balance, and calculates percentages.

---

*Caution: Some manufacturers’ parts master use the EXCHG field for other purposes. If this is the case for **any** manufacturers whose parts masters your dealership uses, or if you sometimes manually update this field with other information, these figures DO NOT represent your clean core inventory.*

---

### What to Check

Figures may be high or low, depending on how many coreable parts you carry in your inventory.

If the Parts Cost figure is high, use extra caution to monitor core aging to avoid missing the manufacturer’s return deadline

### What to Do

**Coreable parts a significant portion of your inventory?** Consider turning on core tracking to track both clean and dirty cores. See the Core Management section in the Parts Guide.

### Want to track clean core inventory using MGR? Check all of these:

- Review the Part Master Update specification sheet for the manufacturers whose part masters you use. Request this sheet from your ADP support representative. Make sure that the EXCHG field is used for core cost.
- Check the parts master update criteria (PMU, Field maps):
  - If the manufacturer’s parts master provides core value in the Exchange field, set the field map to update the EXCHG field.
  - If the manufacturer’s parts master provides core value in a field *other* than Exchange, set the field map to use the *other* parts master field to update the EXCHG field on your system.
- If you allow counter people to add new parts to the system, consider **not** including EXCHG in the new part prompts (set up in MSNP), to avoid entry of incorrect information.
- Make sure that those who are authorized to use PM do not update the EXCHG field with anything other than core value.

## Memos on File

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT
Memos On File	851	.				

The Memos on File section shows parts that are on file as part number change (PNC) memos. This section shows only a Number of Parts figure.

### What to Check

**High number of memo parts?** The number of memos on file can be fairly high compared to the inventory as a whole without problem. A high number here means you can identify and sell the current parts more easily.

**Low number of memo parts?** It may be difficult to sell the correct parts when part number changes have been made.

### What to Do

- Run Report Part Change (RPC) to list both the memo parts (“RB” in the Replaced By column) and the current parts (“WAS” in the Replaced By column), along with their sources.
- If you run RPC **after** MNE, it shows the state of the part number file after MNE has deleted the expired memos.
- **Too few memos in a particular source?** Check the part master update criteria, available from your ADP support representative, for the manufacturer associated with that source.
  - If a part master is available and it contains PNC information, consider setting up the parts master update criteria for that source to update PNCs (PMU, Field maps).
  - If the parts master does not contain PNC information, you can manually update PNCs and create memos using the Part Number Change (PN) function.
  - Make sure that the number of months to retain memos is set to the maximum (99) for that source (MSAP).

## Parts Added

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT
Parts Added	743	5.13	161	0.29	8,507.23	1.04
Active Parts	3	0.40	8	4.96	430.00	5.05
NS Parts	515	69.31	123	76.39	6,666.91	78.36
MO Parts	12	1.61	27	16.77	1,375.42	16.16
AP Parts	1	0.13				
DP Parts	23	3.09	1	0.62	4.40	0.05
SP Parts	189	25.43	2	1.24	30.50	0.35

The Parts Added section shows new parts added during the month. It:

- Shows parts added to the inventory as a whole, and then breaks it down by special status code (SS) in the part number (PART-NO.) file.
- Compares figures for each individual special status code to the Parts Added totals to calculate percentages.

### What to Check

NS parts should be a high percentage of the parts added. Industry experts recommend using NS when adding most parts, so that you can test demand for the parts before making them active.

Figures for other special status codes should be near zero, although some dealerships may also add a few parts with special status codes of SP or MO in certain circumstances.

### What to Do

**Too many parts added with special status codes other than NS?** Run Report New Parts (RNP) and specify the month covered by this MGR. This report lists the parts included in these figures. Consider changing the special status codes for these parts, using Part Maintenance (PM).

Also, consider setting up your Parts account as follows:

- Set the new part prompts (MSNP) to not include special status (SS) or on-hand quantity (O.H.).
- Set the default special status for all sources to NS (MSSO) so that all parts will be added as NS.

---

*Caution: If the default special status for a source is "NONE," parts added to that source will be added as **active** parts (SS = blank) and Stockorder (STK) will order at least one of those parts.*

---

Use only Adjust and Receipt (RA) – not PS or DS – to update the on-hand quantity if you are actually adding to the inventory in the bins.

---

*Caution: Use Post Sales (PS) or Display Sell (DS) to make plus or minus adjustments to on-hand quantity **only** if it does not match the actual bin count.*

---

## Parts & Memos Deleted

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT
Parts & Memos Deleted	340	.				

The Parts & Memos Deleted section shows the number of parts and part number change (PNC) memos deleted by MNE if you are running MGR to report month-end figures. (If you are running MGR to report month-to-date figures, this report section shows the number of parts and PNC memos that **will be** deleted the next time MNE is run.)

### MNE deletes:

- All parts that have a special status code (SS) of DEL.
- Expired PNC memo parts (those on your computer system longer than the number of months set up in MSAP).

### What to Check

If the number of parts and PNCs added each month is consistent, then this figure should also be fairly consistent from month to month. This is because MNE deletes parts and memos based on the criteria set up on your system.

**If the number of parts and PNCs added varies greatly from month to month, then this figure will also vary.**

### What to Do

Refer to the Parts Deleted and Memos Deleted reports, MGR detail reports 3 and 7, for lists of the parts included in this figure and their sources.

#### Too many or too few parts deleted from one source?

- Check the source's phase-out (set to AP) criteria (MSAP) to determine if it should be adjusted.
- Run Report New Parts (RNP) regularly to see if an unusually high or unusually low number of parts are added during a period. If so, this might account for later fluctuations in the MGR figures.
- Check your procedures; parts may have been set to DP or SP special status and deleted after the on-hand quantity went to zero.

**Too many or too few memos deleted from one source?** Check the source's memo retention criteria (MSAP) to determine if it should be adjusted.

## Inventory Movement – Sales

## Inventory Movement - Receipts

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT
Inventory Movement - Sales	.	.	.	.	.	.
0 to 3 Months	7,083	48.91	49,870	90.99	622,375.51	76.52
4 to 6 Months	2,344	16.18	2,008	3.66	77,492.07	9.52
7 to 12 Months	3,234	22.33	1,876	3.42	60,682.61	7.46
Over 12 Months	1,035	7.14	631	1.15	32,865.55	4.04
New Parts No Sales	784	5.41	420	0.76	19,859.33	2.44
Inventory Movement - Receipts						
0 to 3 Months	6,513	44.97	45,370	82.78	590,351.94	72.58
4 to 6 Months	2,757	19.04	3,700	6.75	100,058.68	12.30
7 to 12 Months	3,798	26.22	3,326	6.06	76,492.94	9.40
Over 12 Months	1,273	8.79	2,403	4.38	46,369.11	5.70
New Parts No Receipts	139	0.95	6	0.01	2.40	0.00

The Inventory Movement – Sales and Receipts section shows sales and receipt trends, grouping parts by how recently sales and receipts have been posted to them. This section:

- Shows sales activity based on months no sale (MNS).
- Shows receipt activity based on months no receipt (MNR).
- Unlike other report sections, compares **each** category to the inventory balance to calculate percentages.
- Allows you to identify sales and receipt trends. See the Annual Activity and Benchmark Trend MGR report, section 4, for more information about the sales trend.
- Shows New Parts No Sales and New Parts No Receipts figures, reflecting parts added within the last 365 days. These parts have **never** had sales or receipts since they were added. These are listed separately and are not included in any time-period figures.

### What to Check

- Figures for the 0 to 3 Months sales and receipts categories should make up moderate to high percentages of the total in all columns. These figures represent parts that have sold at least once or had at least one receipt at any time during the past three months.
- Receipts should be nearly the same as sales in the 0 to 3 months categories. Otherwise, you risk running out of stock for the most active parts. Most of these parts should be active (SS = blank).
- As the inventory age increases (more months with no sales), the likelihood of future sales decreases and the risk of obsolescence increases. Therefore, percentages should be progressively lower in the 4 to 6, 7 to 12, and Over 12 Months categories for both sales and receipts.

Receipts should be less than sales in the 4 to 6, 7 to 12, and Over 12 Months categories. Otherwise, you risk overstocking these parts.

- Over 12 Months figures should be very low. Industry experts state that if a part has not sold within 12 months, it is likely that it will **never** sell. Some experts state that it will never sell if it has only **nine** months with no sales!

Typically, dealerships try to keep the Over 12 Months figures down to less than 10%.

- New Parts No Sales and New Parts No Receipts Number of Parts figures may or may not concern you, because they include parts just added as well as those added up to a year ago.

Parts Pieces and Cost for these parts should be zero, because they have **never** had sales or receipts.

## What to Do

**Need to identify specific parts in each category?** Set up a new ENGLISH report using Report Generator (RPG). Include the following output fields: Source, and Months No Sale or Months No Receipt.

**Too many parts in an inventory age category for a particular source?** Consider adjusting the days supply setup for that source (MSDS)

**Sales are high but receipts are low?** Consider increasing the days supply setup for this source

**Sales are low but receipts are high?** Consider decreasing the days supply setup.

**Too many parts in the 0 to 3 months sales or receipts category, with special status codes other than blank?** Consider manually phasing-in these parts using the Part Maintenance (PM) Change option. Press **F1** at the Special Status field and select Active Part (SS = blank).

**Need to identify specific problem parts?** Run the pre-defined ENGLISH reports listed below, using Stack Generated Reports (SGR), to identify problem parts

- **Excess stock** – Run Excess Stock Less Than 12 Months Old.
- **Customer orders not picked up** – Run Non-Stock (NS) Parts 2 Months Old, and Non-Stock (NS) Parts Not Sold.
- **Parts to consider for early phase-in** – Run Non-Stock (NS) Parts with YRSL GT 2.
- **Parts that may have just become obsolete (new obsolescence)** – Run Stock 9 Months Old.
- **Old, obsolete stock (old obsolescence)** – Run Stock More Than 12 Months Old.

## Outstanding Orders

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT
Outstanding Orders	409	2.8	2,908		63,559.34	
Stockorders	333	81.41	2,643	90.88	53,397.63	84.01
Supplemental Orders						
Customer Orders	26	6.35	30	1.03	3,107.33	4.88
Backorders	52	12.71	235	8.08	7,054.38	11.09
Stockorder Backorders	29	7.09	198	6.80	4,713.26	7.41
Supplemntl Backorders						
Customer Backorders	25	6.11	37	1.27	2,341.12	3.68
Outstanding Forced Orders	2	0.01	35		1,445.00	

The Outstanding Orders section show all orders not yet received, except for Arrived (A) or Forced (F) orders. This section:

- Compares the Number of Parts for all outstanding orders to the Inventory Balance to calculate percentages.
- Shows figures for order categories, which include one or more different order types as shown in the following table:

Order Category	Order Type(s)
Stockorders	N, blank, U, and T
Supplemental Orders	S
Customer Orders	C
Stockorder Backorders	B
Supplement(a)l Backorders	X
Customer Backorders	K

- Compares each order category to all outstanding orders, to calculate percentages.

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*Caution: Percentage figures for the various order categories may total more than 100%. This is because some parts may have more than one kind of order on file at one time.*

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- Lists outstanding forced orders separately. These figures represent forced orders (type F) that have been created but not yet rolled into a stockorder. Again, the Number of Parts is compared to Inventory Balance to calculate the percentage.

### What to Check

Outstanding Orders Number of Parts percentage might approach the percentage of active parts shown in the Inventory Balance. Since you are constantly selling and ordering these parts, you will always have a certain number of outstanding orders.

**What percentage should Stockorders have?** Stockorders should have high Number of Parts, Pieces, and Cost percentages, because you should order most parts on a stockorder to get the best prices and return credit.

**High percentages of Supplemental Orders?** They might have high percentages, depending on how your dealership uses this order type. If supplemental orders earn the same benefits as a stockorder, a high percentage of them may be acceptable.

**Small Customer Orders percentages?** These should have small percentages. Your dealership pays a premium for orders of this type, unless they are included with the stockorder.

**Small Backorders (all types) percentages?** These should have small percentages. Generally, backorders represent active parts with a demand that you and your supplier may not be able to meet, or customer orders with a client or vehicle waiting.

**Small Outstanding Forced Orders percentages?** These should have small percentages. A high percentage might mean that you are not running Stockorder (STK) frequently for the sources that contain these orders.

### What to Do

- Run Report Orders (ROR) to list parts with specific order types.
- Identify any source with many backorders. Follow up with the vendor for this source to eliminate bottlenecks, if possible.
- Identify whether a particular source has many forced orders. Run STK for this source.
- Review the special status codes of the parts on the ROR. If most of them are active parts (SS = blank), all is well. If not, consider additional follow-up, including the steps listed below.
  - **Stockorder percentages low?** Analyze the other order categories to determine if some of those parts should have been ordered by STK.
  - **Backorders high?** Examine the categories B, X, and K to analyze backorders thoroughly. These categories are compared to **all** orders, not to all other backorders, to calculate percentages.
  - **Many force-ordered parts with special status code of non-stock (SS = NS)?** Review the phase-in (qualify for stocking status) criteria for their sources (MSAP). If you think parts in these sources should qualify for stocking more easily, decrease the number of months with sales required to qualify.
  - **Many outstanding customer orders?** Run Report Customer Orders (RCO) to list parts with C-type orders and show the associated customer, if any.

Run Report All Special Order Requests (RAS) using a selection criteria of order type equal to B, X, or K to list the special orders included in backorder figures. Follow up with the customer or Service Advisor about these orders, if necessary.

- Run the ENGLISH report Lost Sales/Emergency Purchases/ Customer Orders, using Stack Generated Reports (SGR), to identify parts with both customer orders and lost sales or emergency purchases. Consider action to stock these parts at higher levels.

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## Monthly Summary Report – Page 2

Page 2 of the MGR Monthly Summary Report is shown on the following page. Page 2 focuses on transactions, adjustments, and appreciation that took place during the month closed by running MNE (or up to the time of running a month-to-date MGR).

As on page 1, the information is calculated by Number of Parts, Parts Pieces, and Parts Cost.

- Nbr (number) of parts – The number of different part numbers in that category.
- Parts Pieces – The actual on-hand quantity for parts in that category.
- Parts Cost – The inventory value based on cost; that is, the on-hand quantity multiplied by the part cost and divided by the price unit  $[(O.H. \times COST) \div P-U]$  for parts in that category.

Page 2 includes an additional column for the Trans (transaction) Count, to show the number of individual transactions recorded in each category.

Also as on page 1, page 2 shows category totals (not indented) and indented sub-category totals. However, for Number of Parts, notice that a part is counted only once in a category total, even though it may be included in more than one sub-category.

Also notice that parts on delete (DEL) status during the month are included in the figures on this page, since transactions may have been posted to these parts during the past month. By contrast, page 1 gives you a snapshot of the inventory **after** MNE has run and removed any DEL parts from the system.

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*Caution: The follow-up reports recommended on the next several pages must be run **before** MNE so that you can compare them accurately with the figures on page 2 of the Monthly Summary Report. This is because the MGR figures on page 2 are based on the month's transactions, which are cleared when you run MNE. These reports can be run after MNE.*

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Monthly Summary Report – Page 2

05JUN1999 20:20:52		ADP MOTORS INC			ADP-I	
01JUN1999 Month end MAY 1999		MONTHLY SUMMARY REPORT			Page 2	
Grand Total	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	TRANS COUNT
<b>Gross Sales</b>	3,495	24.13	36,047		513,962.67	13,283
Regular	3,495	100.00	36,047	100.00	513,962.67	13,283
No History	5,086	35.13	31,082	56.71	594,152.35	
Drop Ship	7,918	54.68	384	.07	24,296.54	
Wholesale	414	2.85	21,437	39.11	98,466.22	
Wholesale No History	718	4.95	1,445	2.63	81,245.51	
Wholesale Drop Ship	39	.26	438	.79	13,713.87	
Warranty	13	.08	19	.03	1,397.58	
Warranty No History	292	2.01				
Warranty Drop Ship	10	.06	15	.02		
<b>Lost Sales</b>	49	0.33	56		3,142.15	49
<b>Return Sales</b>	463	3.19	2,805		42,348.00	675
Regular	463	100	2,805	100.00	42,348.00	675
No History						
Defective						
Wholesale						
Wholesale No History						
Wholesale Defective						
Warranty						
Warranty No History						
Warranty Defective						
<b>Receipts</b>	2,789	19.26	25,322		494,245.25	3,641
Stockorders	1,469	52.67	13,317	52.59	293,065.15	1,792
Supplemental Orders						
Customer Orders	421	15.09	573	2.26	46,817.36	456
Emergency Purchases	828	29.68	1,263	4.98	72,031.99	969
Other Receipts	330	11.83	10,169	40.15	82,330.75	424
Overages						
<b>Net Adjustments</b>	110	.75	298		15,823.89	117
Plus	1	.90	2	.67	118.00	2
Minus	109	99.0	296	99.32	-15,941.89	115
<b>Factory Returns</b>	4	.03	21		64.61	4
<b>Net Appreciation</b>	37	.25	325	.59	795.25	42
Positive	27	72.97	304	93.53	1,172.33	32
Negative	10	27.02	21	6.46	-377.08	10
<b>Parts Updated With Cost</b>	2	.01	1		62.5	2
<b>Parts with Comments</b>	30	2.8	2,908		63,559.34	
<b>Misc. &amp; Sublet Items</b>			1		5.35	1
Gross Sales						
Lost Sales						
Return Sales						
<b>Parts Not on File, But Sold</b>			203		6,724.92	98
Gross Sales			304		39,010.86	98
Lost Sales						
Return Sales						

## Gross Sales

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Gross Sales	3,495	24.13	36,047		513,962.67		13,283
Regular	3,495	100.00	36,047	100.00	513,962.67	100.00	13,283
No History							
Drop Ship							
Wholesale							
Wholesale No History							
Wholesale Drop Ship							
Warranty							
Warranty No History							
Warranty Drop Ship							

The Gross Sales section shows total gross sales posted for the month for all parts on your Part account, and then breaks them down by the type of sale (posting code). This section compares figures for the each type of sale to the Gross Sales totals to calculate percentages.

*Caution: If all sales are posted using Function I, PRO, or ROA, only the Regular, No History, and Drop Ship categories will contain figures. Other posting codes must be entered using Post Sales (PS) or Display Sell & Locate Parts (DS).*

*Percentage figures for the various types of sales may total more than 100%. This is because some parts may have had more than one type of sale during the month.*

### What to Check

- Gross Sales Number of parts percentage should approach the percentage of active parts, shown in the Inventory Balances, section . You would expect a high percentage of your active parts to have sales each month.
- Regular, Wholesale, and Warranty percentages should be the highest. The mix of these three categories depends on the types of business done by your dealership
- Drop Ship, Wholesale Drop Ship, and Warranty Drop Ship will probably be low percentages of total gross sales, unless your dealership makes many drop shipment sales.
- No History, Wholesale No History, and Warranty No History should be very low percentages of total gross sales. No history sales should be exceptions; demand for these parts is not recorded.

### What to Do

**Which parts are in this report category?** To identify the specific parts included in this report category, other than no history sales, run Report Sales (RSA) **before** MNE.

**No history sales too high?** Identify the parts involved by reviewing the transaction reports (RTR) for the month. Investigate reasons that these were posted as no history sales.

## Lost Sales

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Lost Sales	49	0.33	56		3,142.15		49

The Lost Sales section shows all lost sales posted during the month. It compares the lost sales Number of Parts figure to the Inventory Balance to calculate the percentage.

### What to Check

The Number of parts in this section should be a low percentage of total gross sales. However, you wouldn't want to have zero lost sales, either. That would mean either that lost sales are not being recorded, or that you stock every part that every customer ever asked for!

The Pieces and Cost figures show the size of the lost sales; that is, how many parts pieces were requested and what is the dollar value (based on cost) of the unfilled demand. The magnitude of these figures indicates the size of your sales opportunities that were lost.

The Transaction count should be about the same as the Number of Parts in this category. If the transaction count is higher, some numbers have multiple "hits" for lost sales and need special attention.

Most lost sales should be for non-stock parts (SS = NS).

### What to Do

- To identify the parts for the lost sales list in this section, run Report Lost and Emergency (RLE) right **before** MNE and look for parts with a Lost quantity. The report also shows the parts' sources.
- **Lost sales too high?** Consider adjusting the phase-in (qualify for stocking status) criteria for sources with many lost sales so that parts are automatically ordered more quickly (MSAP), thus preventing lost sales for these parts.
- If RLE shows many active parts (SS = blank) in a particular source with lost sales, review the days supply criteria for this source (MSDS). Consider increasing the days supply setup.
- **Lost sales too low?** Make sure that lost sales are being recorded.
  - Do you have the automatic prompts for lost sales turned on (OSOP), so that lost sales can be recorded easily?
  - Do your counter people know your dealership policy for entering lost sales and know how to enter them?
  - Also, if your lost sales figure is very low, consider adjusting the phase-out (set to AP status) criteria for certain sources (MSAP). Low lost sales figures for those sources may lead to excess stock in the long run.

## Return Sales

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Return Sales	463	3.19	2,805		42,348.00		675
Regular	463	100.00	2,805	100.00	42,348.00	100.00	675
No History							
Defective							
Wholesale							
Wholesale No History							
Wholesale Defective							
Warranty							
Warranty No History							
Warranty Defective							

The Return Sales section shows return sales posted for the month for all parts on your Parts account, and then breaks them down by the type of return. This section compares individual types of returns to the Return Sales totals to calculate percentages.

*Caution: If all return sales are posted using Function I, PRO, or ROA, only the Regular, No History, and Defective categories will contain figures. Other posting codes must be entered using Post Sales (PS) or Display Sell & Locate Parts (DS).*

*Percentage figures for the various types of return sales may total more than 100%. This is because some parts may have had more than one type of return during the month.*

### What to Check

**How low are Return Sales percentages?** Return Sales number of parts, percentage, and pieces should be quite low compared to the Gross Sales percentage. You would expect a low percentage of parts to be returned each month

**How high should Regular, Warranty and Wholesale percentages be?** Regular, Warranty, and Wholesale percentages should be the highest. The mix of these three categories depends on the types of business done by your dealership. Most sales are of these types, so you would expect most returns to be as well.

**What about Defective percentages?** Defective, Wholesale Defective, and Warranty Defective should be low percentages of total return sales. You would expect a low percentage of parts to be defective.

**What about the others?** No History, Wholesale No History, and Warranty No History should be very low percentages of total return sales. No history returns should be exceptions. Reduced demand for these parts is not recorded for no history returns.

### **What to Do**

- **Return sales too high?** Review the transaction reports (RTR) for the month to identify the parts and sources involved.
- **Many defective returns?** If many defective returns are from the same source, consider following up with the vendor for that source to identify and eliminate the causes of the defective parts.
- **How are returns being entered?** Review practices of your counter people. Return sales figures can be inflated by entering many reductions in Quantity Ordered or Sold, or by voiding many invoices.

## Receipts

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Receipts	2,789	19.26	25,322		494,245.25		3,641
Stockorders	1,469	52.67	13,317	52.59	293,065.15	59.29	1,792
Supplemental Orders							
Customer Orders	421	15.09	573	2.26	46,817.36	9.47	456
Emergency Purchases	828	29.68	1,263	4.98	72,031.99	14.57	969
Other Receipts	330	11.83	10,169	40.15	82,330.75	16.65	424
Overages							

The Receipts section shows gross receipts posted for the month for all parts on your Parts account, and then breaks them down by the type of receipt. This section compares individual types of receipts to the Receipts totals to calculate percentages.

*Caution: Percentage figures for the various types of receipts may total more than 100 %. This is because some parts may have had more than one type of receipt during the month.*

Receipt Category	Order Type(s)
Stockorders	N, blank, U, T, and B
Supplemental Orders	S and X
Customer Orders	C and K
Emergency Purchases	None. Receipts with E code
Other Receipts	None. Receipts with O code
Overages	Any. Amounts received in Adjust and Receipt (RA) over the order quantity. Included in the total receipt figures, and also in the figures by receipt type.

### What to Check

The Receipts Number of parts percentage might approach the percentage of active parts, shown in the Inventory Balance section of this report. These are the parts you are constantly selling and ordering. Therefore, you should have a large number of receipts for these parts.

- The percentages of the different kinds of receipts depends on your dealership's ordering practices and policies.
- Stockorder receipts should be high percentages, because most orders should be on stockorders for best prices, return credit, and so forth.
- Supplemental receipts might also be high percentages, depending on how your dealership uses this order type.
- Customer Order receipts should be fairly small percentages, because the number of this order type should be small. Your dealership pays a premium for orders of this type, unless they are included on the stockorder.

- Emergency purchase and other receipts should be very small percentages. The receipts were never ordered using your ADP Parts system. Generally, this indicates that your dealership paid a very high price for them.
- Overages should be low numbers and percentages. These figures reflect receipts that were greater than the quantity ordered. These may be orders where the vendor sent more pieces than you requested.
- For Emergency purchases and Other receipts, the Transaction count should be about the same as the Number of parts in the same category. If the transaction count is higher it means that some numbers have multiple emergency purchases or other receipts and may need special attention

## What to Do

**Receipts too low?** Check the Outstanding Orders on this report. You may need to follow-up on any outstanding orders.

**How to find parts with receipts?** To identify specific parts with receipts, review the transaction reports (RTR) for the month

**Emergency purchases too high?** Run Report Lost and Emergency (RLE) before the next MNE and look for parts with an Emergency (Emer) quantity.

- The highest percentage of emergency purchases should be for NS parts. If your figure is higher than desired, consider adjusting the phase-in (qualify for stocking) criteria for sources with many emergency purchases so that these parts begin being automatically ordered more quickly (MSAP).
- If RLE shows many active parts (SS = blank) in a particular source with emergency purchases, review the days supply criteria for this source (MSDS). Consider increasing the days supply setup.

**Where are the overages?** Identify overages for individual parts by printing RTR and looking at receipt transactions (CODE = R). Compare the transaction quantity (QTY) with the order quantity (ORDER STAT).

**Overages too high?** Follow up with vendors to eliminate the problem.

**Overages too low?** Make sure that any overages you do receive are posted properly, using Adjust and Receipt (RA).

## Net Adjustments

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Net Adjustments	110	0.75	298		15,823.89		117
Plus	1	0.90	2	0.67	118.00		2
Minus	109	99.0	296	99.32	-15,941.89		115

The Net Adjustments section shows plus and minus adjustments made to your inventory count (on-hand quantities) during the month, using Post Sales (PS) or Display Sell (DS).

Consider these guidelines for this section of the Monthly Summary when your report includes **grand totals** and **all** sources. (Figures for individual sources have different meanings, depending on dealership source setups and uses.)

### What to Check

- The Number of parts, Pieces, and Cost figures should all be low. If figures are high it means that sales or receipts are not being posted accurately, making your on-hand counts inaccurate and requiring many adjustments.
- The Transaction count should be about the same as the number of parts in the category. If the transaction count is higher it means that some numbers have had multiple adjustments and need special attention.

### What to Do

**Too many adjustments?** For a list of parts included in these figures, run Report Plus and Minus (RPM), using the month-to-date option, **before** MNE.

- Look into counter people's and clerks' practices that might lead to inaccurate bin counts.

**Too many minus adjustments?** This may mean that you are using adjustments to get rid of excess stock. Consider instead running Excess Stock Calculation (EXS) to process excess stock returns.

## Factory Returns

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Factory Returns	4	0.03	21	64.61	4		

The Factory Returns section shows factory returns – excess stock returned to the manufacturer – posted during the month using Excess Stock Calculation (EXS), Clear Return (function 4).

### What to Check

**Occasional high figures for Number of parts, Pieces, Cost, and Transaction count?** These are not necessarily bad. They may mean that you have avoided a potential problem, because parts with excess stock run a high risk of becoming obsolete and non-returnable.

**High figures every month?** This may indicate that you have a chronic problem that needs special attention.

**Low figures?** You may have excess stock on hand that you have not identified.

### What to Do

- For a list of parts with excess stock, run Report Excess Stock (RES) **before** you run EXS.
- To return parts to the manufacturer, complete the Excess Stock Calculation (EXS) process. See EXS in the Updating Parts Data section of the *Parts Guide*.

## Net Appreciation

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Net Appreciation	37	0.25	325	0.59	795.25		42
Positive	27	72.97	304	93.53	1,172.33		32
Negative	10	27.02	21	6.46	-377.08		10

The Net Appreciation section shows negative and positive appreciation calculated during the month. These figures are based on changes to COST in the part number (PART-NO.) file and the on-hand quantity (O.H.) at the time of the change.

This section does **not** include parts that previously had **no** cost information and then had cost information added. Such parts are included in the next section, Parts Updated With Cost.

### What to Check

Consider these guidelines for this section of the Monthly Summary when your report includes **grand totals** and **all** sources. (Figures for individual sources have different meanings, depending on dealership source setups and uses.)

**High figures for Number of parts, Pieces, Cost, and Transaction count?** These are not necessarily bad. Vendors constantly change the cost of parts. However, if the figures are high you may want to check into it to make sure that the situation is normal.

**Low figures?** These may mean that you have parts for which adjustments are needed, but which you have not identified. Make sure that you are keeping up with vendors' price changes.

### What to Do

**Too much appreciation or depreciation?** For a list of parts included in this category, run Report Adjustments (RAD) **before** MNE.

Identify sources where many adjustments were made. Make sure that you regularly run Parts Master Update (PMU) for these sources, if a parts master is available.

## Parts Updated With Cost

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Parts Updated With Cost	2	0.01	1		62.50		2

The Parts Updated With Cost section shows parts updated with Cost during the month, which previously had no Cost information.

This section reflects updates made manually using Part Maintenance (PM) or automatically using Parts Master Update (PMU), if you use parts masters.

### What to Check

Occasional high figures for Number of parts, Pieces, Cost, and Transaction count are not necessarily bad. They may mean that you have corrected a problem, because parts with no cost cause your inventory value to be under-reported.

High figures every month may indicate that you may have a chronic problem that needs special attention

### What to Do

See “What to Do” (“adjustments”) for Inventory Balance of this report, for information about identifying and correcting parts with no cost.

## Parts with Comments

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Parts With Comments	30						

The Parts with Comments section shows the number of parts with something in the COMMENT field in the part number (PART-NO.) file.

### What to Check

Consider these guidelines for this section of the Monthly Summary when your report includes **grand totals** and **all** sources. (Figures for individual sources have different meanings, depending on dealership source setups and uses.)

- The desirable number of parts with comments depends on how your dealership uses this field.
- Comments allow you to track special information about individual parts, such as related parts, special applications, and so forth.

### What to Do:

- For a list of the parts included here along with the associated comments, run Report Comments (RCM) **before** MNE. MNE may delete some parts with comments if they meet the deletion criteria.
- Review parts with comments periodically to make sure the information is up-to-date.
- Update part number comments using Part Maintenance (PM).

## Misc. & Sublet Items

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Misc & Sublet Items							
Gross Sales			1		5.35		1
Lost Sales							
Return Sales							

The Misc. & Sublet Items section reflects sales posted using “MISC” or “SUBLET” as the part number in Function I, PRO, or ROA.

### What to Check

- If your Parts account is interfaced to a Service account, Parts pieces, Cost, and Transaction count figures should be low. Instead, these sales should be posted using the MLS window in PRO, to create a separate accounting entry.
- If not interfaced to Service, figures will vary depending on dealership practices and policies.

### What to Do

**Too many Misc and Sublet sales?** Review practices and policies to determine if all such sales are appropriate

## Parts Not on File, But Sold

	NBR OF PARTS	PERCENT	PARTS PIECES	PERCENT	PARTS COST	PERCENT	TRANS COUNT
Parts Not On File, But Sold							
Gross Sales			203		6,724.92		132
Lost Sales							
Return Sales			304		39,010.86		98

The Parts Not on File, But Sold section figures represent all parts that were sold during the month without being added to the part number (PART-NO.) file.

### What to Check

- The number of Parts pieces should be low. Most parts sold should be added to the part number file, with few exceptions.
- One exception might be in the case of parts sold to your used car inventory. If the vehicles are of a different manufacturer than your main lines, you may choose not to track sales of such parts.
- If figures are high, sales are being made without adding the parts to the file. In this case, the Parts system cannot track demand or phase-in parts when warranted by demand.
- The Parts Cost figure should be low, because pieces should be low.
- A high cost figure indicates a high potential for lost sales dollars. If you are not tracking demand, you will not stock the parts your customers need, leading to lost sales.

### What to Do

**Too many sales of parts not on file?** Review practices and policies to make sure that all parts sold are added to the part number file, with few exceptions as noted above

# Annual Activity and Benchmark Trends Report

The **Annual Activity and Benchmark Trend Report** is a three-page report that provides a summary of inventory performance and trends.

Page	Shows
1	Figures for last completed month (month-end MGR) or the current month (month-to-date MGR). Comparable year-to-date (YTD) and last-12-months totals and averages.
2 – 3	Information for the same 12 months as page one, with a column for each month.

Use these pages to compare the month just closed or – if using a month-to-date MGR, the current month – to the same month last year, to analyze trends, or to identify significant changes you want to investigate.

The Monthly Summary Report gives you a “snapshot” of your inventory for one month. The Annual Activity and Benchmark Trend Report compares this month’s snapshot to figures from previous months.

Use the Annual Activity and Benchmark Trend Report to track the long-term performance of your inventory. Figures for individual months may or may not concern you, but the trends shown on this report can indicate an on-going situation that needs attention. They might also indicate an improvement in a former problem area.

The following section provides guidelines for interpreting the **Annual Activity and Benchmark Trend Report**. As in the Monthly Summary Report section, apply these guidelines when your report includes **grand totals** and **all** sources. (Figures for individual sources have different meanings, depending on dealership source setups and uses.)

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*Caution: With the exception of the Number of parts and Pieces, and performance ratios, figures on this report are dollar amounts based on cost.*

---

## Annual Activity and Benchmark Trends Report

05JUN1999 20:20:52	ADP MOTORS INC	ADP-I			
01JUN1999 Month end MAY 1999	ANNUAL ACTIVITY AND BENCHMARK TREND REPORT				
Source: 999 VO	Source 999 Description 1234(30)				
Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE LAST AVERAGE	12 MONTHS LAST TOTAL	12 MONTHS AVERAGE
Number of Parts	14,480	70,228	14,046	166,494	13,875
Parts Pieces	54,805	300,004	60,001	707,711	58,976
Parts Cost	813,275.07	4,056,178.25	811,235.65	9,538,068.36	794,839.03
Parts with Negative OH	0.00	0.00	0.00	0.00	0.00
Core/Exchange	87,345.62	590,782.06	84,397.44	1,109,908.15	92,492.35
Gross Sales	513,962.67	2,276,116.09	455,223.22	5,780,596.50	481,716.38
Net Sales	471,614.67	2,104,387.06	420,877.41	5,321,288.74	443,440.73
Lost Sales	3,142.15	17,327.90	3,465.58	56,192.44	4,682.70
Outstanding Orders	63,559.34	379,655.46	75,931.09	1,092,030.63	91,002.55
Total Receipts	494,245.25	2,165,396.03	433,079.21	5,777,852.51	481,487.71
Customer Orders	46,817.36	196,286.87	39,257.37	495,606.38	41,300.53
Emergency Purchases	72,031.99	382,344.60	76,468.92	1,198,478.05	99,873.17
Net Adjustments	15,823.89	-97,300.07	-19,460.01	-282,019.07	-23,501.59
Net Appreciation	795.25	-3,557.60	-711.52	-8,577.21	-714.77
NS Parts					
Number of Parts	7,918	35,962	7,192	82,893	6,908
Parts Pieces	384	1,905	381	5,582	465
Parts Cost	24,296.54	108,482.17	21,696.43	309,405.62	25,783.80
Gross Sales	77,149.41	389,402.30	77,880.46	1,128,190.78	94,015.90
Net Sales	67,977.34	353,505.89	70,701.18	1,025,039.02	85,419.92
Lost Sales	2,801.36	14,783.01	2,956.60	45,420.85	3,785.07
Outstanding Orders	4,509.79	32,843.91	568.78	71,714.66	5,976.22
Receipts	83,254.09	418,042.92	83,608.58	1,209,991.90	100,832.66
Inventory Movement - Sales					
0 to 3 Months	622,375.51	3,076,868.08	615,373.62	7,193,219.93	599,434.99
4 to 6 Months	77,492.07	404,524.66	80,904.93	869,864.03	72,488.67
7 to 12 Months	60,682.61	317,583.88	63,516.78	723,305.41	60,275.45
Over 12 Months	32,865.55	133,469.70	26,693.94	397,318.89	33,109.91
New Parts No Sales	19,859.33	123,731.93	24,746.39	354,360.10	29,530.01
Non-Productive Parts					
Excess Stock MNS < 12	2311,653.41	1,267,060.86	253,412.17	2,987,787.27	248,982.27
Stock MNS > 11	33,359.06	156,760.08	31,352.02	462,344.98	38,528.75
NS Parts Not Sold	6,409.18	29,716.43	5,943.29	83,940.75	6,995.06
New Obsolescence					
Stock 9 Months	9,062.58	57,847.22	11,569.44	127,782.83	10,648.57
NS Parts 2 Months	2,947.55	14,454.60	2,890.92	47,587.40	3,965.62
Early Phase In					
NS Parts With YRSL > 2	35.44	1,760.07	352.01	14,033.67	1,169.47
True Turn	5.21		4.51		4.56
Purchase to Stock Ratio					
By Number of Parts	55.21		54.68		52.63
By Piece	92.74		93.80		93.23
By Cost	75.95		73.27		70.67
Sales Closing Ratio					
By Number of Parts	98.40		98.28		98.18
By Piece	99.83		99.80		99.80
by Cost	99.33		99.18		98.95
Demand filled from Stock Ratio					
By Number of Parts	57.87		59.60		56.08
By Piece	94.31		94.37		93.22
By Cost	74.30		71.91		67.45
NS Parts Sales Efficiency	92.66		93.14		93.23

## Inventory Totals

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
Number of Parts	14,480	70,228	14,046	166,494	13,875
Parts Pieces	54,805	300,004	60,001	707,711	58,976
Parts Cost	813,275.07	4,056,178.25	811,235.65	9,538,068.36	794,839.03
Parts With Negative OH	0.00	0.00	0.00	0.00	0.00
Core/Exchange	87,345.62	590,782.06	84,397.44	1,109,908.15	92,492.35

The Inventory totals section repeats certain figures from the Monthly Summary Report for comparison to other figures on this page. This allows you to view year-to-date and past 12 months figures at a glance, to make it easier to see inventory trends.

- Repeats Inventory Balance **totals** from the Monthly Summary Report for Number of Parts, Pieces, and Cost.
- Repeats Cost total for Parts With Negative O.H. (on-hand quantity), and Core/Exchange Cost total of the Monthly Summary Report

### What to Check

For “What to Check” information about this section of the Annual Activity and Benchmark Trends Report, refer to the Monthly Summary Report earlier in this chapter.

### What to Do

For “What to Do” information about this section of the Annual Activity and Benchmark Trends Report, refer to the Monthly Summary Report earlier in this chapter.

## Sales, Orders, Receipts, and Adjustments

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
Gross Sales	513,962.67	2,276,116.09	455,223.22	5,780,596.50	481,716.38
Net Sales	471,614.67	2,104,387.06	420,877.41	5,321,288.74	443,440.73
Lost Sales	3,142.15	17,327.90	3,465.58	56,192.44	4,682.70
Outstanding Orders	63,559.34	379,655.46	75,931.09	1,092,030.63	91,002.55
Total Receipts	494,245.25	2,165,396.03	433,079.21	5,777,852.51	481,487.71
Customer Orders	46,817.36	196,286.87	39,257.37	495,606.38	41,300.53
Emergency Purchases	72,031.99	382,344.60	76,468.92	1,198,478.05	99,873.17
Net Adjustments	15,823.89	-97,300.07	-19,460.01	-282,019.07	-23,501.59
Net Appreciation	795.25	-3,557.60	-711.52	-8,577.21	-714.77

The Sales, Orders, Receipts, and Adjustments section repeats certain figures from the Monthly Summary Report for comparison to other figures on this page. This allows you to view year-to-date and past 12 months figures at a glance, to make it easier to see inventory trends.

- Gross Sales figures repeat cost total for all types of sales from the Monthly Summary Report.
- Net Sales figures are the cost of all gross sales minus the cost of all return sales from the Monthly Summary Report.
- Lost Sales figures repeat the total cost of lost sales from the Monthly Summary Report.
- Outstanding Orders figures repeat the total cost of all outstanding orders from the Monthly Summary Report.
- Receipts figures repeat the total cost of all receipts, plus totals for customer order and emergency receipts, from the Monthly Summary Report.
- Net Adjustments figures repeat the total net cost of all plus and minus adjustments from the Monthly Summary Report
- Net Appreciation figures repeat the total net change in value for all parts with changes made to Cost, from the Monthly Summary Report.

### What to Check

For “What to Check” information about this section of the Annual Activity and Benchmark Trends Report, see the Monthly Summary Report

### What to Do

For “What to Do” information about this section of the Annual Activity and Benchmark Trends Report, see the Monthly Summary Report.

## NS Parts

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
NS Parts					
Number of Parts	7,918	35,962	7,192	82,893	6,908
Parts Pieces	384	1,905	381	5,582	465
Parts Cost	24,296.54	108,482.17	21,696.43	309,405.62	25,783.80
Gross Sales	77,149.41	389,402.30	77,880.46	1,128,190.78	94,015.90
Net Sales	67,977.34	353,505.89	70,701.18	1,025,039.02	85,419.92
Lost Sales	2,801.36	14,783.01	2,956.60	45,420.85	3,785.07
Outstanding Orders	4,509.79	32,843.91	,568.78	71,714.66	5,976.22
Receipts	83,254.09	418,042.92	83,608.58	1,209,991.90	100,832.66

The NS Parts section shows detailed information for NS parts (SS = NS), including sales, orders, receipts, and inventory dollar figures based on cost. This allows you to view year-to-date and past 12 months figures at a glance, to make it easier to see trends for NS parts in your inventory. This section:

- Repeats the Number of parts, Pieces, and Cost from Inventory Balance totals for NS parts on the Monthly Summary Report, section .
- Shows NS parts Gross Sales, Net Sales, Lost Sales, Outstanding Orders, and Receipts. This information is pulled from the Monthly Summary Report, which show this information for the inventory as a whole.

### What to Check

For “What to Check” information about this section of the Annual Activity and Benchmark Trends Report, refer to the Monthly Summary Report earlier in this chapter.

### What to Do

For “What to Do” information about this section of the Annual Activity and Benchmark Trends Report, refer to the Monthly Summary Report earlier in this chapter

## Inventory Movement – Sales

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
Inventory Movement - Sales					
0 to 3 Months	622,375.51	3,076,868.08	615,373.62	7,193,219.93	599,434.99
4 to 6 Months	77,492.07	404,524.66	80,904.93	869,864.03	72,488.67
7 to 12 Months	60,682.61	317,583.88	63,516.78	723,305.41	60,275.45
Over 12 Months	32,865.55	133,469.70	26,693.94	397,318.89	33,109.91
New Parts No Sales	19,859.33	123,731.93	24,746.39	354,360.10	29,530.01

The Inventory Movement – Sales section repeats the Inventory Movement – Sales total Cost figures from the Monthly Summary Report, section —, for comparison to other figures on this page. This allows you to view year-to-date and past 12 months figures at a glance, to make it easier to see inventory sales trends

### What to Check

For “What to Check” information about this section of the Annual Activity and Benchmark Trends Report, refer to the Monthly Summary Report earlier in this chapter.

### What to Do

For “What to Do” information about this section of the Annual Activity and Benchmark Trends Report, refer to the Monthly Summary Report, earlier in this chapter

## Non-Productive Parts

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
Non-Productive Parts					
Excess Stock MNS < 12	231,653.41	1,267,060.86	253,412.17	2,987,787.27	248,982.27
Stock MNS > 11	33,359.06	156,760.08	31,352.02	462,344.98	38,528.75
NS Parts Not Sold	6,409.18	29,716.43	5,943.29	83,940.75	6,995.06

The Non-Productive Parts section shows the cost of all parts in your inventory that are non-productive, as defined by industry standards.

- **Excess Stock MNS < 12** shows the cost of parts that have sold within the last year that have on-hand plus on-order quantities greater than the best stocking level (BSL) for the part:
  - MNS < 12 and O.H. + O.O. > BSL
- **Stock MNS > 11** shows the cost of parts that you might have in stock and which have not sold in a year or more.
- SS = blank, MO, AP, or DP and MNS > 11
- **NS Parts Not Sold** shows the cost of non-stock parts with stock on hand that is not moving.
- SS = NS and O.H. > 0 and MNR > 0).
- This approximates the value of parts that were ordered for customers but were not sold the same month.

### What to Check

Generally, you should keep the on-hand quantity for these parts to a minimum, so watch these numbers closely.

### What to Do

If these guidelines show that you should follow up in these areas, consider these steps

- Print a list of the parts included in these figures using Stack Generated Reports (SGR). Run these reports **after** MNE to match the current month's figures shown on the MGR.
- Excess Stock MNS < 12 category, run *Excess Stock Less Than 12 Months Old*.
- Stock MNS > 11 category, run *Stock More Than 12 Months Old*.
- NS Parts Not Sold category, run *Non-stock (NS) Parts Not Sold*.
- **Too many non-productive parts?** Consider running Excess Stock Calculation (EXS) for sources that contain these parts.
- **Too many NS Parts not sold?** Review dealership procedures for customer orders to make sure orders are picked up in a timely manner.

## New Obsolescence

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
New Obsolescence					
Stock 9 Months	9,062.58	57,847.22	11,569.44	127,782.83	10,648.57
NS Parts 2 Months	2,947.55	14,454.60	2,890.92	47,587.40	3,965.62

The New Obsolescence section shows the cost of parts in your inventory that have just become obsolete this month, as defined by industry standards.

- **Stock 9 Months** shows the cost of parts in stock that have not sold for **exactly** 9 months.

SS = blank, MO, AP, or DP *and* MNS = 9 *and* O.H. > 0

- **NS Parts 2 Months** shows the cost of non-stock parts with stock on hand that have just entered a second month of sitting on the shelf. This **approximates** the value of parts that were ordered for customers but have not sold for up to two months.

SS = NS *and* MNR = 1 *and* O.H. > 0

### What to Check

Generally, you should keep the on-hand quantity for these parts to a minimum, so watch these numbers closely.

### What to Do

- Print a list of the parts included in these figures using Stack Generated Reports (SGR). Run these reports **after** MNE to match the current month's figures shown on the MGR.
  - Stock 9 Months category, run *Stock 9 Months Old*.
  - NS Parts 2 Months category, run *Non-stock (NS) Parts 2 Months Old*
- **Too many parts on the Stock 9 Months Old report?** Run MSAP and review the automatic phase-out (set to AP) criteria for the sources that contain these parts. Consider setting the phase-out criteria to match this definition of obsolescence.
- **Too many parts on the Non-stock (NS) Parts 2 Months Old report?** Check to see if these are customer orders.
  - Run Report Customer Orders (RCO) to list parts with C-type orders, and show the associated customer, if any.

## Early Phase In

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
Early Phase In NS Parts With YRSL > 2	35.44	1,760.07	352.01	14,033.67	1,169.47

The Early Phase In section shows the cost of non-stock (NS) parts that have a high sales activity level, defined as more than 2 sales in the past 12 months.

SS = NS and YRSL >2

### What to Check

Generally, the parts included in these figures should be considered for early, manual phase-in, before the system would do so automatically.

### What to Do

- Print a list of the parts included in these figures using Stack Generated Reports (SGR). Run this report **after** MNE to match the current month's figures shown on the MGR

Run *Non-stock (NS) Parts with YRSL Greater Than 2*.

- Review the parts shown on this report. Decide whether you want to phase them in manually using the Parts Maintenance (PM) Change option, or wait for the system to do so automatically.

## True Turn

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
True Turn	5.21		4.51		4.56

The True Turn section provides some critical performance information about how your parts inventory is performing. Compare these figures to standards defined by your manufacturer, or other industry experts.

- These figures show the average number of times that you sell the value of your inventory per year. Referred to as the number of times you can “turn” your inventory.
- Sometimes called “stocked inventory turns,” because it reflects sales from stock rather than sales that required customer orders or emergency purchases.
- The formulas used to calculate True Turn are:
  - True Turn = Estimated Annual Sales from Stock ÷ Inventory Balance
  - Estimated Annual Sales from Stock = Monthly Sales from Stock x 12
  - Monthly Sales from Stock = Net Sales – (Emergency Purchases + Customer Order Receipts)
- **Current month** column shows an estimated annual true turn rate based on the current month's sales pattern. Calculated by multiplying the current month's sales from stock by 12 months and dividing by the inventory value.
- **Year-to-Date Average** column shows an estimated annual true turn rate based on the year-to-date sales pattern. Calculated using the sales and inventory values for the months-to-date in the current year.
- **Last 12 Month Average** column is the actual annual true turn rate based on the last-12-months sales pattern. Calculated using the sales and inventory values for the last 12 months.

### What to Check

True Turn ratios should be in the range of 3 or more. The desirable range varies from manufacturer to manufacturer, and depends on many other factors.

### What to Do

**True turn figures too low?** Run the Annual Activity and Benchmark Trends report by source. Identify any slow-moving source that may be pulling the overall ratio down. A likely cause of low true turn ratios is stocking many non-productive parts.

## Sales and Receipts Ratios

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
Purchase to Stock Ratio					
By Number of Parts	55.21		54.68		52.63
By Piece	92.74		93.80		93.23
By Cost	75.95		73.27		70.67
Sales Closing Ratio					
By Number of Parts	98.40		98.28		98.18
By Piece	99.83		99.80		99.80
By Cost	99.33		99.18		98.95
Demand Filled from Stock Ratio					
By Number of Parts	57.87		59.60		56.08
By Piece	94.31		94.37		93.22
By Cost	74.30		71.91		67.45

These three sections contain vital statistics about the sales and receipts for your parts inventory.

- **Purchase to Stock Ratio** figures show percentages of purchases made for inventory compared to total purchases, based on receipts.
  - Also known as “order performance” or “scheduled order performance.”
  - Use to evaluate the dealership’s ability to maximize its use of regular orders to meet anticipated demand. Regular orders are often lower-cost than emergency purchases and one-at-a time customer orders.

$$\text{Purchase to Stock Ratio} = (\text{Receipts for Stock} \div \text{Total Receipts}) \times 100$$

$$\text{Receipts for Stock} = \text{Total Rcpts} - (\text{Emerg Prchs} + \text{Cust Order Rcpts})$$

- **Sales Closing Ratio** figures show the percentage of customer requests that result in sales, rather than lost sales.
  - Use to measure the level of service for your Parts department.

$$\text{Sales Closing Ratio} = (\text{Net Sales} \div \text{Total Demand}) \times 100$$

$$\text{Total Demand} = \text{Net Sales} + \text{Lost Sales}$$

- **Demand Filled from Stock Ratio** figures show the percentage of demand that results in sales from stock; sales that do not include special customer orders or emergency purchases.
  - Also known as “stocking performance.”
  - Use to measure how well your inventory is helping you meet customer demand; fulfilling requests immediately, which leads to higher CSI.

$$\text{Demand Filled from Stock Ratio} = (\text{Sales from Stock} \div \text{Tot Demand}) \times 100$$

$$\text{Sales from Stock} = \text{Net Sales} - (\text{Emerg Prchs} + \text{Cust Order Rcpts})$$

$$\text{Total Demand} = \text{Net Sales} + \text{Lost Sales}$$

## What to Check

**Purchase to Stock Ratios** should be fairly high percentages. However, you wouldn't want this number to be 100%, because that would mean that you never special order or emergency purchases for customers. Such a policy would eventually lead to a low CSI rating.

**Sales Closing Ratios** should be fairly high percentages. High percentages mean that you make every reasonable effort to fulfill customers' requests for parts.

**Demand Filled from Stock Ratio should be fairly high percentages.** This is kind of the "flip-side of the coin" for lost sales. As you would not want lost sales to be zero, you would not want the demand filled from stock ratio to be 100%. In both cases, this would mean stocking every part that every customer ever asked for. Such an inventory would be extremely expensive (if not impossible!)

## What to Do

**Purchase to Stock Ratio, Sales Closing Ratio, or Demand Filled from Stock Ratio figures too low?**

- It may be because of part numbers that should be phased-in early.
- It may also be due to incorrect inventory balances. Refer to the Monthly Summary Report for details.
- It may be due to too many lost sales or emergency purchases. Review Report Lost and Emergency (RLE) periodically.
- If a particular source contains many stocked part numbers (SS = blank, MO, AP, or DP) that have lost sales, review the days supply criteria for that source (MSDS).
- Also, if a particular source contains many stocked parts that have lost sales, consider adjusting the minimum or maximum order criteria, or the cost break factors (MSMO).
- If RLE shows many NS part numbers, use Stack Generated Reports (SGR) to print the Non-stock (NS) Parts with YRSL Greater Than 2 report. Run these reports **after** MNE to match the current month's figures shown on the MGR. This report lists parts included in the current month's figures that may contribute to the low figures.

Review these parts. Decide whether you want to phase them in manually using the Parts Maintenance (PM) Change option, or wait for the system to do so automatically.

## NS Parts Sales Efficiency

Grand Total	MAY 1999	YEAR-TO-DATE TOTAL	YEAR-TO-DATE AVERAGE	LAST 12 MONTHS TOTAL	LAST 12 MONTHS AVERAGE
NS Parts Sales Efficiency	92.66		93.14		93.23

The NS Parts Sales Efficiency section contains additional vital statistics about your parts inventory.

- These figures show the percentage of non-stock (NS) parts having receipts, and that have been sold.

$$\text{NS Parts Sales Efficiency} = (\text{NS Gross Sales} / \text{NS Receipts}) \times 100$$

- These figures reflect how non-stock parts are managed. In general, a NS part on hand represents a customer order that has not been picked up; you want to sell it the same month you receipt it.

### What to Check

NS Parts Sales Efficiency percentages should be close to 100%. Ideally, you would not order any NS part unless you had a definite buyer for it.

### What to Do

**NS Parts Sales Efficiency figures too low?** You may have many non-productive part numbers. Refer to the Non-Productive Parts section of this report, earlier in this section of the booklet.

## Chapter 3 *Detail Reports*

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The remaining nine MGR reports present details to back up the performance indicators reported by the overview reports. Use these to follow up on particular issues.

Remember that the MGR detail reports, like the monthly and annual summary reports, can be used in two different ways: (Note: The detail reports are described in this booklet assuming you are using option 1.)

1. As month-end reports, to report data based on the last run of Month End Close (MNE).
2. As month-to-date reports, to report data recorded since the last run of MNE. That is, using this option they show what the effects of MNE **will be** the next time it is run.

## Parts Deleted Report

05JUN1999 20:26:27		ADP MOTORS INC										ADP-I
01JUN1999 Month End MAY 1999		PARTS DELETED REPORT										Page 1
SO	PART NUMBER	DESCRIPTION	BIN	CLASS	ENTRYDATE	MNS	MNR	APPRE.	PLUS	MINUS	LOST	COMMENT
188	000-017-15-74	PIN	CUST	A	12APR1995	0	0					
144	000-090-19-50	F/PUMP	3001	A	18AUG1993	0	17					
188	116-150-08-1 2	TC/SHAFT	CUST	A	21MAY1990	2	18					
188	102-200-15-15	T/STAT	CUST	A	05JAN1994	0	0					
144	126-320-07-30	F/SHOCK	3077	A	24MAR1988	0	0					
144	201-320-11-31	R/SHOCK	3078	A	23SEP1992	0	8					
144	111-320-03-99	SPRG/LEG	3079	A	26OCT1993	0	10					
188	124-332-12-20	STR/ARM	CUST	A	20NOV1991	2	12					
188	201-350-05-37	KIT	CUST	A	11NOV1993	0	0					
144	123-490-14-19	EXH/PIPE	1021	A	11MAR1994	0	11					
188	129-540-42-48	CLUSTER	CUST	A	11JAN1994	0	11					
188	124-542-75-06	SPEEDO	CUST	A	19APR1995	0	0					
144	003-542-25-16	TACH	3010	A	13MAR1986	0	12					

The Parts Deleted Report lists any parts removed from the system by MNE this month. This includes any part number with DEL status at the time MNE is run. To see the sales history for any parts on this report, see last month's Parts to Be Deleted Next Month Report.

## Parts to Be Deleted Next Month Report

05JUN1999 20:59:38		ADP MOTORS INC										ADP-I								
01JUN1999 Month End MAY 1999		PARTS TO BE DELETED NEXT MONTH REPORT										Page 1								
SO	PART NUMBER	DESCRIPTION	BIN	CLASS	ENTRY DATE	MNS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	O.O.	
111	617-094-08-80	GROMMET	3002	A	03JUN1993															
						1														
							2													
144	119-130-01-57	AC/LINE	2050	A	24JUN1993										1					
						1														
							1													
188	116-131-08-41	BRKT	CUST	A	15MAY1995															
188	117-131-15-41	BRKT	CUST	A	15MAY1995															
100	616-201-00-80	GSKT	2010	A	22DEC1992															
						1														
188	189-203-03-82	HOSE	CUST	A	11MAY1995															
						1														

The Parts to Be Deleted Next Month Report lists any parts that were changed to delete (DEL) status by MNE. These parts are being phased out. They have on-hand and on-order quantities equal to zero, and have met other deletion criteria based on their previous special status code.

If the DEL status is not changed during the month, the next MNE will remove these parts from the system and list them on the Parts Deleted Report.

Check that you're comfortable with these parts being deleted from your system next month. If not, use Parts Maintenance (PM) Change option to change the special status code (SS) of the parts you want to keep.

## Invalid Parts Report

05JUN1999 20:59:38	ADP MOTORS INC	ADP-I																		
01JUN1999 Month End MAY 1999	INVALID PARTS REPORT																			Page 1
SO	PART NUMBER	DESCRIPTION BIN	CLASS	ENTRY DATE	MNS	MNR	PU	COST	O.H.	SS										
105	1318553C1C	CONCAVE/EX SH01A		13MAR1991	0	2		85.37		DEL NS										
640	176724C1	GUARD# U04H	A15	14DEC1990	4	90	1	12.11		35										
***** End of Report *****																				
Total Item Count: 2																				

The Invalid Parts Report lists parts that MNE cannot handle through normal processing due to incomplete or invalid part information. For example, a part is considered invalid if the source is not on file, if the entry date is missing, or if the special status code, price unit, or on-hand value is invalid. These parts will stay on this report until action is taken. When there are no invalid parts, the report displays the message “All parts are valid.”

To correct part number information:

- Missing source – Add the source in the Maintenance function (MSSO).
- Invalid part number information – Use the Change option in Part Maintenance (PM) to change entry date (ENTRY), special status code (SS), or price unit (P-U).
- On-hand quantity – Use the adjustment feature in Post Sales (PS).
- To move a part from a source that is missing to a valid source, first add the new source (MSSO). Next, change the part number’s source (PM, Change option).

## Active and NS Parts Changed to AP Report

05JUN1999 20:59:38	ADP MOTORS INC	ADP-I																		
01JUN1999 Month End MAY 1999	ACTIVE & NS PARTS CHANGED TO AP REPORT																			Page 1
SO	PART NUMBER	DESCRIPTION BIN	CLASS	ENTRY DATE	SS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	O.H.		
870	00740100	PULLEY AD01		27OCT1991	NS															1
900	000068	MILLER TIP AF01		22APR1991	NS															10
					2															
900	090-030	PLUG SE01AA		25OCT1994	NS															3

The Active and NS Parts Changed to AP Report lists active parts (blank special status) and non-stock (NS) parts that have low demand and that MNE identifies as meeting automatic phase-out (set to AP status) criteria. The Special Status (SS) column shows the status of the part before it was changed to AP.

If you feel that parts are being phased out too slowly or too quickly given the sales history presented, consider changing the automatic phase-out criteria, using MSAP.

When the on-hand and on-order quantities for AP parts drop to zero, the next MNE will change the part number to delete (DEL) status. Then, if the DEL status is not changed, the following MNE will remove the DEL status part from the system.

## Memos Deleted Report

05JUN1999 20:59:38	ADP MOTORS INC	ADP-I	
01JUN1999 Month End MAY 1999	MEMOS DELETED REPORT		Page 1
SO	PART NUMBER	DESCRIPTION BIN	CLASS ENTRY DATE RB PART NUMBER CHANGE
100	1284061C1	SPRING K06D	17FEB1992 RB 1284061C2
101	1302156C91	PACKAGE	18MAR1992 RB 184337C91
101	1318729C1	CAGE/LH# SWN	A15 17SEP1991 RB 1318729C2
101	181581C1	SHAFT # AW129	A15 21JUL1992 RB 181581C2
101	185411C1	GEAR SET-2 Q07B	A15 18MAY1992 RB 191677C1
101	193790C2	PIPE GROSS	24SEP1991 RB 193790C3
100	376909R1	RING	05APR1992 RB A7409
100	383219R1	O-RING	22MAR1992 RB G34000

The Memos Deleted Report lists memo parts (parts on file as part number change – PNC – memos) that MNE deleted because the end of the retention period was reached. The new part number referenced by the memo is listed in the Part Number Change column.

Check the Entry Date to see when the memo was created. If you want to change the memo retention period, use MSAP. Check the parts listed. If you want to keep a memo part number on the system, add it again using Part Number Change (PN) function A.

## Invalid Memos Deleted Report

05JUN1999 20:59:38	ADP MOTORS INC	ADP-I	
01JUN1999 Month End MAY 1999	INVALID MEMOS DELETED REPORT		Page 1
SO	PART NUMBER	DESCRIPTION BIN	CLASS ENTRY DATE RB PART NUMBER CHANGE
100	1-5553	STUD STOCK	A61 14JAN1993 RB
***** End of Report *****		Total Item Count: 1	

The Invalid Memos Deleted Report lists memo parts (parts on file as part number change – PNC – memos) that MNE deleted due to incomplete or invalid information. For example, a memo is considered invalid if the source is not on file, if the entry date is missing, or if the part number change or replacement number information is incomplete or invalid. When there are no invalid memos to delete, the report displays the message “No invalid memos.”

Check the parts listed. If you want to keep any of them on the system, enter them again using Part Number Change (PN) function A.

## AP and NS Parts Activated Report

05JUN1999 20:59:38		ADP MOTORS INC		ADP-I															
01JUN1999 Month End MAY 1999		AP & NS PARTS ACTIVATED REPORT				Page 1													
SO	PART NUMBER	DESCRIPTION	BIN	CLASS	ENTRY DATE	SS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	O.H.
105	186777C4C	CHROME VANE	AW141		02AUG1992	AP			1			1	10						
105	195415C1C	SUPPORT	AW119		07APR1993	AP			1			1	1						
101	1326656C1	BUSHING #	I06A		A15 07AUG1994	AP			30			20	161						

The AP and NS Parts Activated Report lists parts that were automatically activated by MNE or STK during the month. These parts were changed from automatic phase-out (AP) or non-stock (NS) to active (blank) during the month. Parts are activated when sales activity matches the phase-in (Qualify for Stocking Status) criteria. The special status (SS) column shows the status of the part before it was activated.

This report shows up to three years of sales history for each part number, depending on the setup in MSDA. If you feel that parts are being activated too slowly or too quickly given the sales history, you may want to change the phase-in criteria. To do this, use MSAP.

## Sources Without Parts Report

05JUN1999 20:59:38		ADP MOTORS INC		ADP-I		
01JUN1999 Month End MAY 1999		SOURCES WITHOUT PARTS REPORT				Page 1
SO	MFG PAD					
220	199 220					
952	199 952					
955	199 955					
***** End of Report *****		Total Item Count: 3				

The Sources Without Parts Report lists sources that you have set up on the system that do not have any parts in them. These sources will be reported each month until parts are added to them or until the sources are deleted using the Delete Sources (DES) function.

The Mfg column shows the numeric code for the manufacturer associated with the source. For a list of these codes, see the Manufacturer Codes section in the *Parts Guide*.

The Pad column shows the order pad number associated with the source.

# Invalid Transactions Deleted Report

05JUN1999 20:59:38		ADP MOTORS INC			ADP-I	
01JUN1999 Month End MAY 1999		INVALID TRANSACTIONS DELETED REPORT			Page 1	
SO	PART NUMBER	TRANS DATE	PORT FUNC	SEQ CODE	QTY	COST ORDER NBR ORDER DATE TYPE O.O.
232A	0811	14JUL1999	2 PR 1 R	5	8.26	14JUL1999 C 5
232A	0811	16JUL1999	2 PO 1 I	5	8.26	16JUL1999 C 0
787	564968R1	07JUL1999	2 PS 2 3	44.43		07JUL1999
787	629193R1	06JUL1999	2 PS 3 1	14.85		06JUL1999
232A	1302195C91	20JUL1999	2 PS 1 2	163.43		20JUL1999
***** End of Report *****		Total Item Count: 5				

The Invalid Transactions Deleted Report lists transaction records that MNE has deleted due to incomplete or invalid information. For example, a transaction is considered invalid if the source is missing or is not on file, if the part number is missing, or if the part number used for transactions is not on file (exception: sales transactions for parts not on file are valid.)

When there are no invalid transactions to delete, the report displays the message “All transactions are valid.”

## **Chapter 4 ENGLISH Reports**

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The ADP Parts system provides pre-defined ENGLISH reports to help you pinpoint parts included in summary figures on the MGR reports. Run these ENGLISH reports, as suggested throughout this booklet, using Stack Generated Reports (SGR).

### **Excess Stock Less Than 12 Months Old**

Lists stocking parts that have on-hand plus on-order quantities greater than the best stocking level for the part. The key criteria for this ENGLISH statement are:

$MNS < 12$  and  $O.H. + O.O. > BSL$

### **Lost Sales/Emergency Purchases/Customer Orders**

Similar to the standard Report Lost and Emergency (RLE). However, this report also includes parts with customer orders (C-type) on file

### **Non-Stock (NS) Parts 2 Months Old**

Lists non-stock parts with stock on hand that have just entered a second month of sitting on the shelf. The key criteria for this ENGLISH statement are:

$SS = NS$  and  $O.H. > 0$  and  $MNR = 1$

This list includes parts that were ordered for customers but have not sold for exactly one full month.

### **Non-Stock (NS) Parts Not Sold**

List non-stock parts with stock on hand that is not moving. The key criteria for this ENGLISH statement are:

$SS = NS$  and  $O.H. > 0$  and  $MNR > 0$

This list includes parts that were ordered for customers but were not sold the same month.

## Non-Stock (NS) Parts With YRSL GT 2

Non-stock parts that have a high sales activity level, defined as more than 2 sales in a year. The key criteria for this ENGLISH statement are:

$SS = NS \text{ and } YRSL > 2$

You may want to consider the parts on this report for early phase-in.

## Report Appreciation and Depreciation

Similar to the standard Report Appreciation Depreciation (RAD). Included here so that you can easily include it in a job stack setup with other ENGLISH reports.

## Report Plus and Minus Adjustments

Similar to the standard Report Plus and Minus (RPM). Included here so that you can easily include it in a job stack setup with other ENGLISH reports.

## Report Sales

Similar to the standard Report Sales (RSA). Included here so that you can easily include it in a job stack setup with other ENGLISH reports.

## Report Transactions

Similar to the standard Report Transaction (RTR). Included here so that you can easily include it in a job stack setup with other ENGLISH reports.

## Stock 9 Months Old

Lists parts which you might have in stock that have not sold for exactly 9 months. The key criteria for this ENGLISH statement are:

$SS = \text{blank, MO, AP, or DP and MNS} = 9$

Various industry experts recommend that you consider these parts obsolete.

## Stock More Than 12 Months Old

Lists parts which you might have in stock that have not sold in a year or more. The key criteria for this ENGLISH statement are:

$SS = \text{blank, MO, AP, or DP and MNS} > 11$

Various industry experts recommend that you definitely consider these parts obsolete.

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# Appendix A Troubleshooting

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This section provides troubleshooting ideas in addition to those offered earlier in this booklet.

## **System on-hand count higher than actual bin count**

- Sales posting not kept current
- Sales being posted incorrectly
- Return sales posted incorrectly
- Plus or minus adjustments posted incorrectly
- Not posting all parts sold
- Receipt of a wrong or canceled order
- Duplicate receipt of an order
- Obsolescence return not posted
- Posting sales to the wrong part number
- Plus adjusting a part received so that it can be sold, then running Automatic Receipts for that order
- Not posting receipts correctly

## **System on-hand count lower than actual bin count**

- Sales posted incorrectly
- Return sales posted incorrectly
- Plus or minus adjustments posted incorrectly
- Receipt posting not current
- Duplicate posting of sales
- Posting sales to the wrong part number
- Not posting all receipts

## **Sales history higher than normal**

- Return sales posted incorrectly
- No-history sale code not used
- Using plus adjustments for return sales
- Posting lost sales when none occurred

**Sales history lower than normal**

- No-history code used incorrectly
- Sales posted in error as minus adjustments

**Pricing not correct**

- Incorrect prices entered during price changes or data changes, or while adding new parts
- Price unit (P-U) incorrect for some parts
- Escalators incorrect (source or price break)
- If using part master update, fields not set up to update in field map
- Sale price overridden by counterperson
- Inappropriate price codes for specific customers

**Stockorder larger than normal**

- Days supply set too high
- Pack or multiple quantities incorrect
- Extra buy-back level set too high
- Outstanding orders canceled in error
- Stockorder (new order) value higher due to incorrect pricing
- Manual reduction or cancellation of earlier stockorders
- Large number of lost sales posted
- Large number of force orders posted
- Large number of non-stocking parts qualified
- Seasonal order produced
- Stockorder in look-ahead (seasonal ordering)
- Per job (PJ) set too high for some parts
- Duplicate posting of sales
- Increase in sales

**Stockorder smaller than normal**

- Days supply set too low
- Receipt posting not current

- Sales posting not current
- Buildup of invalid backorders in file
- Change in BSL
- Previous stockorder canceled, but not posted
- High number of emergency purchases or other receipts
- Off-seasonal order produced
- Stockorder in look-ahead (seasonal ordering)
- Seasonal order on order, but not received
- Full bin (FB) set incorrectly for some parts
- Duplicate posting of receipts
- Sales posted in error as minus adjustments
- Increased factory backorders
- Duplication of outstanding orders decreases actual amount of suggested order
- Large number of return sales
- Decrease in sales
- Did not include special orders

**Inventory balance higher than normal**

- Increase in orders due to increase in sales
- Days supply set too high
- Duplication of stockorders
- Sales posting not current
- Duplication of receipts
- Dollar value of inventory higher due to changes in cost since the parts were originally purchased
- Pack or multiple quantities incorrect
- Price unit (P-U) incorrect for some parts
- Improper or non-use of NS (non-stocking) feature
- Decrease in sales
- Arrival of seasonal order
- Seasonal order criteria incorrect
- Per job (PJ) set too high for some parts

**Inventory balance lower than normal**

- Decrease in orders due to decrease in sales
- Days supply set too low
- Manual reduction of previous stockorders
- Posting too many emergency purchases, which avoids regular stockorder control
- Posting 'other' receipts, which avoids regular stockorder control
- Dollar value of inventory lower due to incorrect or missing pricing
- Duplicate posting of sales
- Increased factory backorders
- Factory delay in shipments of stockorders
- Receipt posting not current
- Not printing and sending all sources on stockorder
- Seasonal order criteria incorrect
- Seasonal order on order but not received
- Increase in sales

**Non-stock items less than 5% of total inventory**

- New parts added without an NS status

**Higher dollar value of non-stock parts**

- Actually stocking NS parts, instead of waiting for them to qualify for stocking
- NS parts are expensive

**Appreciation total higher or lower than normal**

- Incorrect prices input during price changes
- Escalators incorrect

**Backorder higher than normal**

- Increased factory backorders
- Improper receipt of backorders
- Backorders not receipted
- Low inventory levels

**Outstanding order higher than normal**

- Factory delay in shipment of stockorders
- Improper receipt of stockorders or backorders
- Receipt posting not current
- Low inventory levels

**Emergency purchases higher than normal**

- Inventory balance too low
- Large percentage of inventory obsolete
- New parts not added
- Non-stock criteria too strict
- Phase-out criteria too easily met
- Increased demand
- Days supply too low
- Extra buy too low
- Improper receipt of other purchases

**Lost sales higher than normal**

- Inventory balance too low
- Non-stock criteria too strict
- Phase-out criteria too easily met
- Increased demand
- Manual cancellation or reduction of stockorders
- Days supply too low
- Extra buy too low
- Posting lost sales when none occurred
- Stocking wrong parts



# Appendix B Glossary

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**Active Parts** – Parts with a blank special status code (SS). These are the parts considered for automatic ordering on the stockorder.

**Adjustments** – The plus and minus adjustments made to your inventory. Plus and minus adjustments are made in Post Sales (PS) or Display, Sell, and Locate Parts (DS) using posting codes P, M, or C.

**Appreciation** – Cost appreciation (positive change) or depreciation (negative change) posted during the month. Registers when the cost of a part number changes while there is an on-hand quantity for that part.

**Comments on File** – See Parts with Comments.

**Core/Exchange** – Figures representing parts that have a value in the EXCHG price field and a quantity on hand.

**Cost** – See Parts Cost.

**Demand** – See Total Demand.

**Demand Filled from Stock Ratio** – Percentage of total demand that was filled from dealership stock, without placing customer orders or emergency purchases. Also known as Stocking Performance. Demand Filled from Stock Ratio = (Sales from Stock ÷ Total Demand) x 100.

**Depreciation** – See Appreciation.

**Emergency purchase** – A receipt when no order line previously existed. Entered with an E code.

**ENGLISH Reports** – Reports provided that use ENGLISH statements to print report data and, therefore, can be modified to best meet your data needs. These reports are printed using the Stack Generated Reports (SGR) function from the menu or in the job stack. *NOTE: If you have a permanent setup for SGR, you may need to adjust it using JOB option P after loading a release that delivers new ENGLISH reports.*

**Excess Stock** – On-hand plus on-order quantity that exceeds the best stocking level (BSL) for stock (“blank,” MO, AP, or DP special status parts).

**Gross Sales** – The sum of all sales transactions posted.

**Inventory** – See Inventory Balance.

**Inventory Balance** – Figures for all parts on file on your ADP Parts system.

**Inventory Movement–Receipts** – Parts grouped by how recently receipts have been posted.

**Inventory Movement–Sales** – Parts grouped by how recently sales have been posted.

**Level of Service** – See Sales Closing Ratio.

**Lost Sales** – Demand for parts that was not filled through a regular sale, customer order, or emergency purchase. Must be recorded by Parts personnel in order to be tracked.

**Memos on file** – See Memo Parts.

**Memo Parts** – Parts on file as part number change (PNC) memos. Used to link one number to another so information can be accessed by either number.

**Net Adjustments** – Net effect of all plus and minus adjustments posted.

**Net Appreciation** – Net effect all appreciation and depreciation posted.

**Net Sales** – Gross sales minus return sales.

**New Parts** – Parts with an entry date less than 365 days from current date.

**NS (Non-stock) Parts Sales Efficiency** – Percentage of receipted NS parts that have been sold.

**Number of Parts** – The number of part numbers.

**Number of Parts Percent** – The percentage of the total part numbers that a category represents.

**Orders** – Outstanding orders; orders not receipted. Order types include:

- Stockorders (N, “blank,” U, and T order types)
- Supplemental Orders (S)
- Backorders
  - Stockorder Backorders (B)
  - Supplemental Backorders (X)
  - Customer Backorders (K)
- Force Orders (F)

**Order Performance** – See Purchase to Stock Ratio.

**Overages** – Over shipments. Receipt quantities posted using Adjust and Receipt (RA) that were greater than the on-order quantities.

**Parts Added** – The parts that have been added to the system in the last month.

**Parts Cost** – Total cost of the parts on hand.  $\text{Total Parts Cost} = (\text{Cost Per Part} \times \text{On-hand}) \div \text{Price Unit}$ .

**Parts Cost Percent** – The percentage of the total part cost that the category represents.

**Parts Pieces** – The part quantity. Units on hand.

**Parts Pieces Percent** – The percentage of total parts pieces that the category represents.

**Parts with Comments** – Parts that have comments attached to them in the Part Number (PART-NO.) file.

**Parts with No Cost** – Parts with no cost value on file.

**Percentage** – The amount (number of parts, parts pieces, and so forth) in one category as compared to the total, expressed as a percentage.  $\text{Percent} = (\text{Amount} \div \text{Total}) \times 100$ .

**Price Unit (P-U)** – Number of pieces covered by the cost (usually 1). P-U assigned to each number in the Part Number (PART-NO.) file.

**Purchase to Stock Ratio** – Purchases made for inventory (anticipated demand) compared to total purchases. Percent of receipts from stockorders, supplemental orders, and other purchases as compared to total receipts. Also known as Order Performance.

**Receipts** – Parts with receipts posted to them during the month. Receipts are listed by the following order types or receipting codes:

- Stockorders – Regular stockorders. Includes order types N, blank, U, T, and B.
- Supplemental Orders – Supplemental stockorders needed to fulfill demand. Includes order types S or X.
- Customer Orders – Orders placed for customer accounts. Includes order types C and K.
- Emergency Purchases – Parts receipted using receipt code E.
- Other Receipts – Parts receipted using the receipt code O.

**Receipts for stock** – All receipts except the receipts of customer orders and emergency purchases.

**Return Sales** – Returns (negative sales quantities) posted during the month, listed by category:

- Regular – Return of a regular sale; no return code used.
- No History (N) – Indicates that the return should not be subtracted from sales history figures.
- Defective (D) – Available in Function I, PRO, and ROA only.
- Wholesale (H) – In Function I, PRO, and ROA, registered when the sale qualifies for wholesale compensation (comp).
- Wholesale No History (NH) – In Function I, PRO, and ROA, registered when the sale qualifies for wholesale compensation (comp) and the N code is entered.
- Wholesale Defective (D) – Available in Function I, PRO, and ROA only. Registered when the sale qualifies for wholesale compensation (comp) and the D code is entered.
- Warranty (W) – Available in Post Sales (PS) and or Display, Sell, and Locate Parts (DS) only.
- Warranty No History (NW) – Available in Post Sales (PS) and or Display, Sell, and Locate Parts (DS) only.
- Warranty Defective – Not used.

**Sales** – Sales transactions posted during the month, listed by category:

- Regular – Regular sale; no code used.
- No History (N) – Indicates that the sale should not be included in sales history figures.
- Drop Ship (D) – Available in Function I, PRO, and ROA only.
- Wholesale (H) – In Function I, PRO, and ROA, registered when the sale qualifies for wholesale compensation (comp).
- Wholesale No History (NH) – In Function I, PRO, and ROA, registered when the sale qualifies for wholesale compensation (comp) and the N code is entered.
- Wholesale Drop Ship (D) – Available in Function I, PRO, and ROA only. Registered when the sale qualifies for wholesale compensation (comp) and the D code is entered.
- Warranty (W) – Available in Post Sales (PS) and or Display, Sell, and Locate Parts (DS) only.
- Warranty No History (NW) – Available in Post Sales (PS) and or Display, Sell, and Locate Parts (DS) only.
- Warranty Drop Ship – Not used.

**Sales Closing Ratio** – Customer requests that resulted in sales rather than lost sales. Calculated by dividing net sales by total demand. Also known as Level of Service.

**Sales from Stock** – Customer requests that result in sales from inventory. Calculated by taking net sales and subtracting the receipts for customer orders and emergency purchases.

**Special Status (SS)** – The special status code given to a part manually or by the system. SS assigned to each number in the Part Number (PART-NO.) file. The possible codes are:

- “blank” Active parts – Regularly stocked parts with a blank special status code (SS).
- NS Non-stock parts – Parts on the system that are not ordered automatically and do not typically have stock on-hand. They are on the system primarily to track demand. Most parts should be added as NS. These parts are being tested to see if they should become a regularly ordered item. Once they qualify for stocking, their SS is automatically changed to blank.
- MO Manual order parts – Parts that must be ordered manually even though the stockorder calculates a suggested order quantity. SS must be assigned and changed by the dealership. SS remains MO until changed.
- AP Automatic phase-out parts – Parts that did not meet the stocking criteria. The AP status code is assigned automatically. They remain on AP status until the on-hand and on-order quantities are zero. They then are automatically changed to DEL status.

- **DP** Dealer phase-out parts – Parts that you want to drop from the system. **SS** must be assigned by the dealership. The parts remain on **DP** status until the on-hand and on-order quantities are zero. They then are automatically changed to **DEL** status.
- **SP** Special purchase parts – Parts purchased for a special purpose, as defined by the dealership. **SS** must be assigned by the dealership. The parts remain on **SP** status until the on-hand and on-order quantities are zero. They then are automatically changed to **DEL** status.
- **DEL** Delete status parts – Parts set to be deleted from the Part Number (PART-NO.) file. These parts are important to watch because they are dropped from the system at the next month-end.

**Stock** – A general term used to refer to the group of parts made up of “blank,” **MO**, **AP**, and **DP** status parts. All parts other than those with **NS**, **SP**, or **DEL** special status. Also referred to as stocked inventory.

**Stocked Inventory** – See **Stock**.

**Stocking Performance** – See Demand Filled from Stock Ratio.

**Total Demand** – Net sales plus lost sales for the month. Also referred to as Demand.

**Total Receipts** – See Receipts.

**Trans Count** – The number of transactions posted in the current month for each category.

**Turns** – The average number of times per year that you sell the value of your inventory.



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