

RECOMMENDED INTER BRANCH TRANSFERS (IBT)



The MiniPOS Recommended IBT facility will recommend and create stock inter-branch transfers for One-to-One, One-to-Many or Many-to-Many branches.

INTRODUCTION

The recommended IBT facility enables the system to calculate stock transfer quantities between branches and can be configured to handle Warehouse distribution of stock to one or more branches. Alternatively stock can be distributed between branches based on current stock levels and the Min and Max stock levels set for each branch.

Branch Weighting

For a recommended distribution process to calculate transfer quantities between branches correctly, it must take into account the 'needs' (stock required) for each branch. This 'need' can be as simple as replenishing stock to the Max level set for each product. Alternatively, you may only wish to replenishing stock if the stock level at a branch is at or below Min (Reorder) level. If the Min / Max levels for each product are set differently at each branch, maybe due to one branch being smaller than another or a branch has a higher turnover of stock than another, then the stock needs for each branch will be different. The difference in branch needs is termed in MiniPOS as 'Branch Weighting'. This weighting is used to calculate the stock transfer quantity to each branch based on the available stock for distribution.

If you are recommending transfers from only one branch, say a warehouse, and there is sufficient stock to fulfil all branches needs, each branch will simply have it's stock level increased to it's Max level setting. When there is insufficient stock at the warehouse to supply all the needs of each branch, the available stock at the Warehouse will be distributed pro rata to each branch dependent on their relevant weighting.

Branch weighting plays a greater role when you wish to distribute stock between all branches. In this case the recommended transfer process will calculate the needs of every branch and therefore any excess stock available for transfer.



It is important to consider carefully the use and values of the Min (Reorder) and Max levels for each product at each branch. These levels should be set before the Recommended Distribution function is used. The Min (Reorder) and Max levels are initially intended for use with the MiniPOS Purchasing Module where recommended PO's can be raised based on these figures. Of course the same figures are valid for IBT's

The following are examples of ways in which Recommended IBT's can be used:

Warehouse to Branches

In this scenario, one branch (the Head Office or warehouse) is selected as the sending branch (The 'From Branch'). You can choose whether to take account of the Warehouse stock level when calculating the quantity to transfer of each item.

There are 3 options for taking account of the 'From Branch' stock levels:

1. **Do Not Use Stock Levels** - This option will ignore any stock level at the Warehouse and create a recommended transfer quantity for each product to increase the 'Receiving Branches' stock level to Max, even if there is insufficient stock at the Warehouse. This option is used when either stock levels for the Warehouse are not being maintained by the system or you wish to print IBT picking lists ahead of stock deliveries to the Warehouse.
2. **Use Stock Levels** - This option will only recommend transfer quantities to 'Receiving Branches' based on available stock at the Warehouse. If there is sufficient stock available, the transfer quantities will increase the Receiving Branches stock level to Max. If the Warehouse does not have sufficient stock to supply the demands of all branches, then the available stock will be distributed, 'pro rata' to the Receiving Branches based on their weighted need as defined by their individual Stock Level and Max level figures.
3. **Use From Branch 'Weighted' Level** - This option can only be used when the 'Use Stock Levels' option is selected. It allows the recommended transfer process to calculate the Warehouse stock needs, based on stock level and Max level for each product, and compare it's stock needs with Receiving Branches stock needs. This 'Weighting' of the From Branch, enables the system to calculate available stock for transfer, taking into account the From Branches needs and distribute this excess pro rata to the Receiving Branches.

Branches to Branches

Used when you wish to distribute or balance stock across all branches. Selecting all branches to be included in the recommended transfer process will create IBT's for stock to be moved between branches based on weighting.

This use is ideal for those stock lines that are forward ordered and are unlikely to be replenished from the supplier. As sales effect the various branch stock levels, the recommended distribution will balance stock accordingly. Remember that the branch weighting is determined using the Max level for each stock item at each branch and does not take account of sales trends. It is for you to adjust the Max levels to 'fine tune' the distribution process.

Branches to 1 Branch

This use is ideal if a new branch opens. After setting the Min / Max levels for that branch, you can move stock on a pro rata bases from all or selected branches. The same rules and considerations apply as detailed for the other options above.

SETTING MIN (REORDER) AND MAX LEVELS FOR EACH PRODUCT

In order to operate Recommended IBT's the Reorder Level (MIN) and Maximum stock levels must be set for each product at every branch. These levels are set on the Stock Module / Details / Purchasing Tab or by using the Stock Module / Bulk Maintain / Item Edit Function. Remember that to set the levels for different branches you must change the Branch Name on the Form Title Bar as follows:

Method 1 - Stock Module / Details / Purchasing Tab:

1. Click on Branch Change Icon.
2. Select a branch from list.
3. Set Min / Max levels

Method 2 - Stock Module / Bulk Maintenance / Item edit:

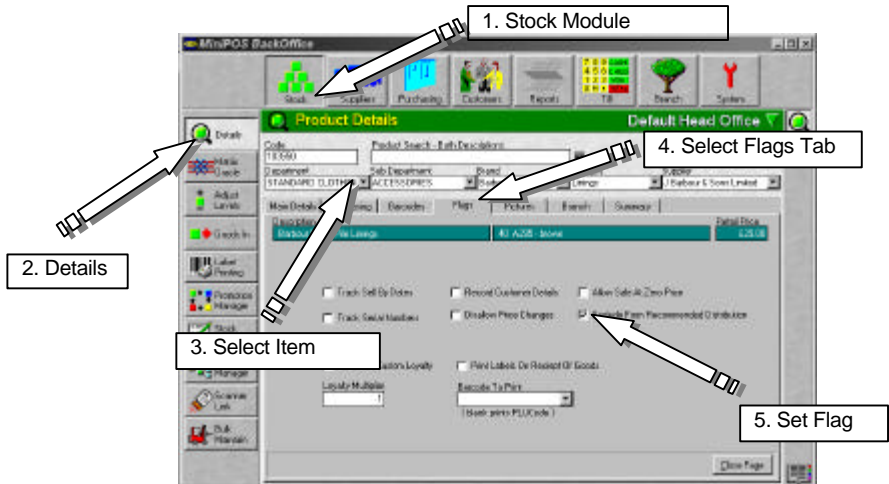
Set Min / Max levels

Stock Code	Description	Extra Description	Min Lvl	Max Lvl
103477	Babou Feedlot	34 Sage - 6158	2	30
103478	Babou Feedlot	42 Sage - 6158	2	30
103479	Babou Feedlot	44 Sage - 6158	2	30
103480	Babou Feedlot	46 Sage - 6158	0	30
103481	Babou Feedlot	38 May - 6158	0	30

SELECTING WHICH PRODUCTS TO EXCLUDE FROM RECOMMENDED IBT'S.

You may not wish to include all your products in the Recommended Distribution process. You can exclude products from the recommended IBT process by setting the **Exclude From Recommended Distribution** flag for each item. This flag is set on the Stock Module / Details / Flags Tab or by using the Stock Module / Bulk Maintenance function as follows:

Individual Product Flag Setting:



Setting The Exclude Flag For A Range of Products:

There are two methods for setting the Exclude Flag for a range of items:

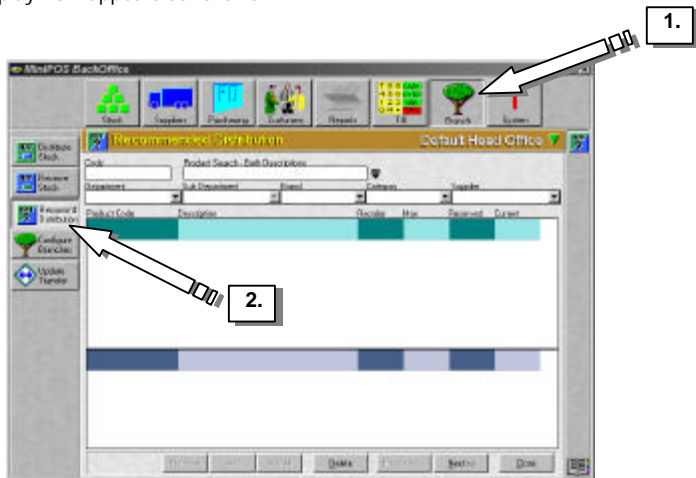
1. Use the Bulk Maintenance facility in the Stock Module to select a range of items and apply the flag setting to. See Bulk Maintenance in the Stock Control Manual.
2. The Structure Manager function in the Stock Module, includes a default '**Exclude From Recommended Distribution**' flag setting for each Department, Sub-Department, Brand and Category defined. This setting will set the flag by default when new products are created. There is a '**Set Stock**' button that will apply the flag setting to existing products under each Department, Sub-Department, Brand and Category.

SELECTING WHICH PRODUCTS TO INCLUDE IN REC IBT'S

The various methods above set a flag that will normally exclude products from the Recommended Distribution Process. All products that do not have the flag set will be available for Recommended Distribution, you can however, select which of the available products to include each time the Recommended Distribution process is run. The standard MiniPOS *Stock Browser and Action List* is used to select the range of products for the Recommended Distribution process. The following section will detail the operation of this process.

USING THE RECOMMENDED IBT FACILITY

1. Click on the **Branch Module Button** at the top of the display.
2. Click on the **Recomm'd Distribution Button** from the displayed facilities on the left. The display now appears as follows:



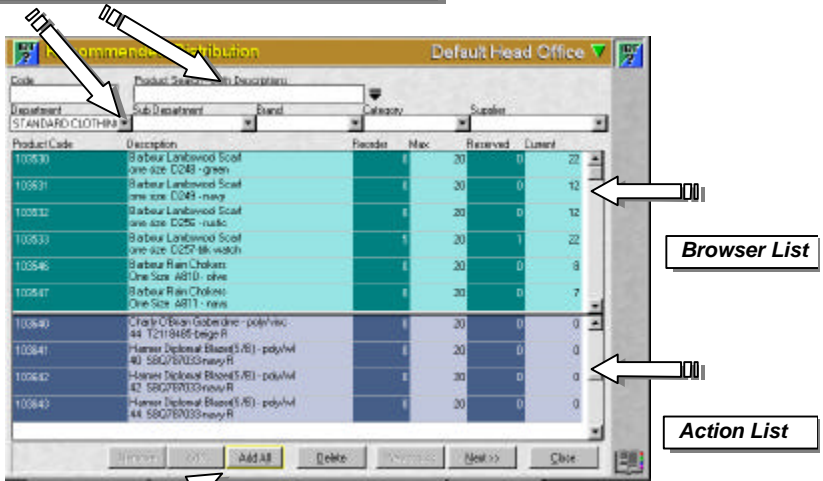
3. Use The **Department, Sub-Department, Brand, Category and Supplier Filters** to display a range of products in the top *Browser List*. If you wish to view all products, simply click on the **Department Drop-Down Button** and then click in the blank **Department Field**.

In addition you can enter text into the **Product Search Field** followed by pressing the **Space Bar** on the keyboard, this will list products with descriptions that match the text in the search field.

REMEMBER PRODUCTS THAT HAVE THE 'EXCLUDE FROM RECOMMENDED DISTRIBUTION' FLAG TICKED WILL NOT SHOW IN THE BROWSER LIST!

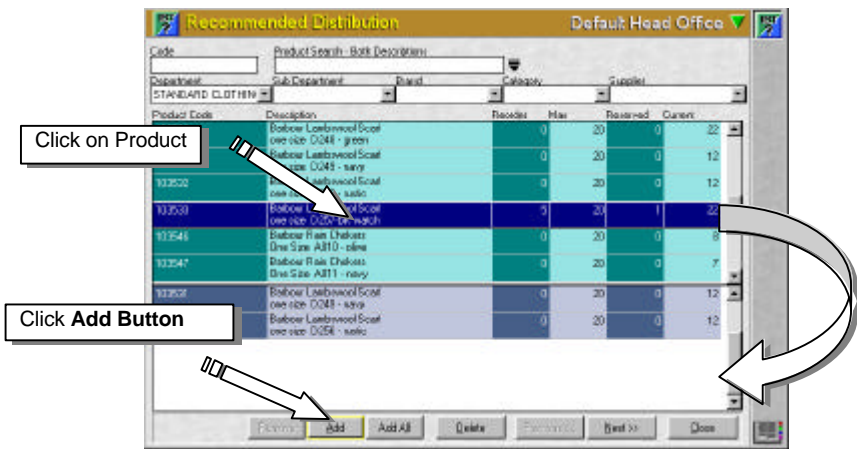
4. You can now add the products in the top *Browser List* to the bottom *Action List* by clicking on the **Add All Button** at the bottom of the form. The display will appear similar to the following:

1. Select Filters or Product Search to list products



2. Click Add All Button to add all products to Action List.

- 5. If you wish to add only specific products from the *Browser List* to the *Action List*, click on the product in the *Browser List* to highlight it and then click on the **Add Button** at the bottom of the form:



Alternatively you can 'double click' on a product to automatically add it to the *Action List*.

6. When you have created an *Action List* for this Recommended Distribution click on the **Next Button** at the bottom of the form. The display will change to the *Branch Selector Form* similar to the following:

The branches that appear on the *Branch Selector Form* will depend on the branches configured by the Head Office system.

7. Select the branches that are to be used to transfer stock FROM by clicking the **Include** boxes against each required branch in the **Branches From List**. To deselect (Un-tick) a branch, simply click again in the **Include** box.
8. If you are creating a Recommended IBT from a Warehouse or single branch, only the **Include Box** next to that branch should be ticked, the other boxes should be clear.
9. Against the branches you have included in item 7 above, click in the **Use Stock Lvl** box if you want the Recommended IBT to only create stock transfer quantities up to the available stock level at the From Branch.

If the **Use Stock Lvl** box is un-ticked, the Recommended IBT process will create stock transfer quantities to the total required by the receiving branches irrespective of available stock at the from Branch.

10. If you ticked the **Use Stock Lvl** box in item 9 above, (the following does apply if the box is un-ticked), you can now choose to use the From Branches **weighting** to calculate the available stock for the Recommended IBT.

If the **Weighed** box is ticked, the Recommended IBT will take into account the stock level and Max level for each item at the From Branch and compare this 'Weighted' figure against the weighted figure of the Receiving Branches. The available stock at the From Branch is calculated and the Recommended IBT process creates stock transfer quantities up to this level. This option would be used where you wanted to keep a reserve amount of stock at the From Branch. Obviously it is very important that the relevant Min / Max stock levels are maintained for all branches correctly.

- Next, select the branches that are to be included as receiving branches in the **To Branches List**, by clicking in the relevant **Include Box** for each branch. To deselect (Un-tick) a branch, simply click again in the **Include box**.



If you are creating a Recommended IBT from a single branch, such as a Warehouse, you should ensure that this From Branch is NOT included in the 'Branches To' list. Whilst MiniPOS will not create an IBT From and To the same branch, the available quantity at the From branch (Warehouse) will be affected!

- Against the branches you have selected in item 11 above, click in the **Use Reorder Level** box if you want the Recommended IBT to check the Min (Reorder) level of each item at that branch and only create a transfer if the stock level is at or below this level.

If you do not tick the **Use Reorder Level** box, the recommended IBT will always create stock transfer quantities to bring the branches stock level up to the Max level set for each product, subject of course to available stock at the From branch. This option (un-ticked) would be used to replenish stock levels on an ongoing basis as sales are made at the branch. **Be aware that this would create IBT's for items that may have only sold by a quantity of 1.**

- When all of the settings have been made for this recommended IBT, click on the **Next Button** at the bottom of the form. The display will now appear similar to the following:

Product Code	Description	From	Stock	Reorder	Max	To	Stock	Parade	Max	Quantity
103477	Baboua Beasout 34 Sage - A150	HEAD	10	0	20	BR01	0	1	3	1
103481	Baboua Beasout 38 Nage - A155	HEAD	10	0	20	BR02	0	2	5	2
103517	Baboua Beasout 38 Sage - A150	HEAD	10	0	20	BR02	0	1	1	1
103482	Baboua Beasout 40 Nage - A155									
103487	Baboua Beasout 40 Platic - A190									
103518	Baboua Beasout 40 Sage - A150									
103483	Baboua Beasout 42 Nage - A155									
103488	Baboua Beasout 42 Platic - A190									

From	Stock	Reorder	Max	To	Stock	Parade	Max	Quantity
HEAD	10	0	20	BR01	0	1	3	1
HEAD	10	0	20	BR02	0	2	5	2
HEAD	10	0	20	BR02	0	1	1	1

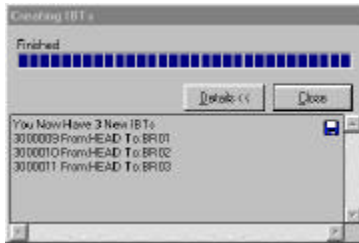
- The display lists all the products that have been recommended for Inter Branch Transfer based on the parameters set. The first product in the list is highlighted and the Recommended Stock Transfer Quantities for this item are listed in the bottom section.
- To view the recommended transfers for the other products in the list, either click on a product in the list to highlight it or use the **Up** or **Down Arrow Keys** on the keyboard. As products are selected the recommended transfer quantities are automatically displayed in the bottom section.

16. The recommended stock transfer quantity for each branch can be adjusted by clicking in the **Quantity Field** against a branch and changing the value as required.
17. When you are satisfied with the recommended quantities, click on the **Send Button** at the bottom of the form. A pop-up will appear asking if you wish to proceed:



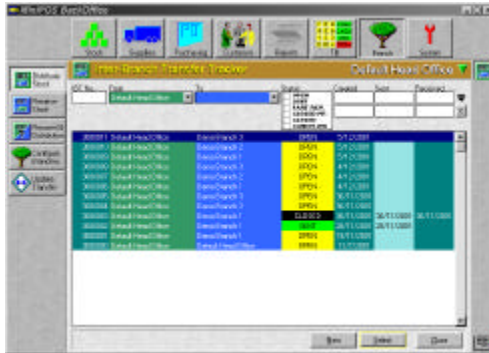
Click on the **Yes Button** if you wish to create IBT's now.

18. The recommended transfers will be turned into individual IBT's for each branch. When the individual IBT's have been created a pop-up will appear similar to the following:



19. Click on the **Close Button** to proceed.
The recommended distribution list will clear and the Recommended Distribution Forms will close automatically.

20. To view the IBT's created by the Recommended Distribution process, click on the **Distribute Stock Button**. The most recently created IBT's will show at the top of the IBT list. To view the individual IBT, double click on the IBT entry in the list and the IBT details form will display:



EXAMPLES

There are a number of ways in which the Recommended Distribution process can be configured as described in the Sections above. The following are examples of recommended stock transfer quantities for a single product for a business that operates a Warehouse and 3 branches.

Warehouse to Branches (1 From Branch to 1 or More Branches)

- 1. Replenish Branch Stock to Max - Check Warehouse Stock - Ignore Branch Rorder (Min) Level - Do Not Allow Over Stock.**

Branch	From Branch Settings			To Branch Settings			Stock Level Details			Rec IBT
Name	Include	Use Stock Level	Weighted	Include	Use Reord Lvl	Allow Over Stk	Current Stock Level	Reorder (Min) Lvl	Max Level	Transfer Qty In
WHSE	?	?					20	0	0	
BR1				?			0	1	3	3
BR2				?			1	2	5	4
BR3				?			0	1	3	3

This example shows that the receiving branches have their stock levels increased to their respective Max Level setting. The Recommended Distribution process checks the Warehouse stock level and creates IBT's to replenish each branch stock level to Max. As the current stock level at the Warehouse (the From branch) has sufficient stock to supply all the needs of each branch, the total quantity required is transferred. In this example the Recommended Distribution process does not check the Reorder (Min) level for each branch it simply calculates the difference between current stock level and Max.

- 2. Replenish Branch Stock to Max - Check Warehouse Stock - Only Transfer If Current Stock Level Is At or Below Branch Rorder (Min) Level - Do Not Allow Over Stock.**

Branch	From Branch Settings			To Branch Settings			Stock Level Details			Rec IBT
Name	Include	Use Stock Level	Weighted	Include	Use Reord Lvl	Allow Over Stk	Current Stock Level	Reorder (Min) Lvl	Max Level	Transfer Qty In
WHSE	?	?					20	0	0	
BR1				?	?		0	1	3	3
BR2				?	?		2	2	5	3
BR3				?	?		2	1	3	0

This example is similar to example 1 above except that the Recommended Distribution process checks the Reorder (Min) Level for each branch and only if the branch current stock level is equal to or below the Reorder (Min) Level, will it recommend stock transfer quantities.

In this example, BR1 current stock level is below it's Reorder (Min) level and therefore the difference between current stock level and Max is recommended, i.e. quantity 3.

BR2 current stock level is equal to it's Reorder (Min) Level and again is therefore included in the recommended transfer. With a stock level of 2 and a Max Level of 5, a stock transfer quantity of 3 is recommended.

BR3 current stock level is greater than it's Reorder (Min) Level and therefore is ignored in this recommended IBT.

3. Replenish Branch Stock to Max - Check Warehouse Stock - Ignore Branch Order (Min) Level - Do Not Allow Over Stock.

Branch	From Branch Settings			To Branch Settings			Stock Level Details			Rec IBT
Name	Include	Use Stock Level	Weighted	Include	Use Reord Lvl	Allow Over Stk	Current Stock Level	Reorder (Min) Lvl	Max Level	Transfer Qty In
WHSE	?	?					7	0	0	
BR1				?			0	1	3	2
BR2				?			1	2	5	4
BR3				?			0	1	3	1

This example is identical to example 1 above, except that the current stock level at the Warehouse is insufficient to supply all the needs of each branch. As the Warehouse (From Branch) has the Use Stock Level option ticked, the total recommended stock transfer quantity can not exceed the current stock level of 7.

As with example 1, the needs of the branches are BR1 requires 3, BR2 requires 4 and BR3 requires 3, which adds up to a total requirement of 10. To calculate how much stock to transfer from the Warehouse, pro rata to each branch, the Recommended Distribution process must calculate the relevant branch weighting. This is calculated as follows:

Individual Branch Weighting = (Branch Max Level / Total of Branches Max Level). This can be abbreviated to (Branch Max / Total Max). This will yield a branch specific percentage figure relative to the other branches. By adding up the current stock levels at all branches, including the From Branch (Warehouse), the individual branch weighting percentage can be applied to this total figure to calculate the stock transfer quantities.

The branch calculations for example 3 would be as follows:

Branch	Stock Level Details		Weighting	Calc Qty	Rec IBT
Name	Current Stock Level	Max Level	As %	Exact Requirement	Rounded & Distributed
WHSE	7	0			
BR1	0	3	27%	2.16	2
BR2	1	5	45%	3.60	4
BR3	0	3	27%	2.16	1
Total:	8	11	99%		7

The Recommended Distribution process applies rounding to the calculations and allocates stock accordingly, hence BR3 only receives quantity 1 as compared to BR1 getting 2.

Multiple Branch Stock Distribution

There are a great many permutations and considerations with multiple branch stock distribution and too many to explore within the scope of this user manual. The following examples will attempt to explain the general rules of this process.

4. Do Not Use Warehouse - Distribute Stock Between Branches.

Branch	From Branch Settings			To Branch Settings			Stock Level Details			Rec IBT
Name	Include	Use Stock Level	Weighted	Include	Use Reord Lvl	Allow Over Stk	Current Stock Level	Reorder (Min) Lvl	Max Level	Transfer Qty In
WHSE										
BR1	?	?	?	?			2	1	3	0
BR2	?	?	?	?			5	2	5	0
BR3	?	?	?	?			0	1	3	2

In this example we are distributing stock between 3 branches and ignoring our Warehouse. The Recommended Distribution process must consider the following:

- a. Individual branch weighting based on relative Max levels.
- b. Calculate the Ideal Branch Stock Level based on weighting.
- c. Check that the Ideal Branch Stock Level does not exceed the Branch Max Level.
- d. Calculate any Spare stock at each branch based on the above.
- e. Calculate the Need for each branch.

These considerations will enable the process to recommend stock quantity transfers correctly. The example above would generate the following values:

Branch	Stock Level Details		Weighting	Calc Qty	Ideal Stock	Spare	Need
Name	Current Stock Level	Max Level	As %	Exact Requirement	Rounded	Current stock - Ideal Stock	Ideal Stock - Current Stock
WHSE							
BR1	2	3	27%	1.89	2	0	0
BR2	5	5	45%	3.15	3	2	0
BR3	0	3	27%	1.89	2	0	2
Total:	7	11	99%				

These figures show that BR2 has quantity 2 spare and BR3 needs quantity 2. The recommended stock transfer would be from BR2 to BR3.

