OSTENDO

One system • **Complete** operations

Inventory Management

Features & Capabilities Paper

Ostendo's inventory management capabilities provide comprehensive control over your stock, from initial receipt through to final delivery. This guide explores the powerful features that help manufacturing, distribution, and service businesses maintain complete visibility and control over their inventory operations.

Stock Management & Warehousing

Effective inventory management begins with a robust warehousing structure. Ostendo provides multi-site, multi-warehouse capability with granular location tracking down to Aisle, Rack, and Row level. This hierarchical approach ensures that every item has a precise home, making picking operations faster and stock counts more accurate.

The optional Container Tracking feature takes organisation further by allowing you to group individual SKUs into containers—whether that's a shipping container, pallet, outer carton, or any other logical grouping. Containers can be nested within other containers, providing flexibility for complex logistics scenarios where a pallet might sit within a shipping container, and individual cartons sit on the pallet.

> **Stock Reservations** allow you to earmark inventory for specific Jobs, Sales Orders, or Assembly Orders before physical issue. This prevents overselling and ensures committed orders can always be fulfilled.

For businesses requiring tight inventory control, Ostendo offers the option to disallow negative inventory either at the company level or for specific items. This prevents stock discrepancies before they occur and maintains data integrity across your operations.

Traceability & Compliance

In industries where traceability is critical—whether for regulatory compliance, quality assurance, or customer requirements—Ostendo delivers comprehensive tracking capabilities. Every item can be traced using multiple attributes including Serial Number, Batch Number, Expiry Date, Revision Number, Colour, Grade, and Size.

This multi-dimensional traceability means you can answer questions like "Which customers received products from Batch #2847?" or "Where are all the items with Revision A currently located?" instantly. When recalls occur or quality issues emerge, this capability becomes invaluable.

Hazard Information can be recorded and stored against specific items, ensuring your team has immediate access to safety data when handling dangerous goods.

Ostendo can automatically create warranty records and asset service records when items are issued. This ensures that post-sale obligations are captured at the point of dispatch, not as an afterthought, creating a seamless handoff between sales and service operations.

Costing & Pricing

Understanding true product costs is fundamental to profitability. Ostendo supports three costing methods—Standard Costing, Average Costing, and Actual Costing—allowing you to choose the approach that best suits your business model and reporting requirements.

The Full Landed Costing feature provides accurate visibility of total acquisition costs by spreading shipment expenses across received goods. Costs can be allocated in any manner you select and can even span multiple currencies. A single shipment can consolidate multiple Purchase Orders from different suppliers, with each cost element accurately distributed.

Site Costing extends this concept to internal operations, allowing freight charges and handling costs to be allocated when transferring stock between sites or branches. This ensures branch profitability reporting reflects true costs.

For streamlined pricing, Ostendo can automatically calculate sell prices based on receipt cost and defined mark-up percentages. This can be configured at the item level or by Price Level, ensuring consistent margins while reducing manual pricing effort.

Planning & Replenishment

Maintaining optimal stock levels requires intelligent planning tools. Ostendo's Materials Requirements Planning (MRP) capability analyses current and future demand to determine exactly what products need to be procured or manufactured—and when. The system considers Re-Order Levels and Quantities based on historical usage patterns or fixed quantities, and can automatically generate Purchase Orders and Manufacturing Orders when replenishment is required.

For multi-site operations, Distribution Requirements Planning (DRP) coordinates inventory across locations, optimising stock placement and transfer timing to meet demand while minimising carrying costs.

Two-Bin (Kanban) functionality provides simple, visual stock control for low-value, high-volume items. These items are excluded from MRP processing, reducing system complexity while maintaining availability through manual replenishment triggers.

Item Sales Forecasts can be entered to drive potential future demand, feeding into MRP calculations to ensure adequate stock for anticipated growth or seasonal patterns. The Quick Projected Availability feature provides instant forward projections of closing stock after all demand and supply orders are evaluated using their required dates.

Product Information Management

Ostendo serves as a comprehensive product information repository. Beyond basic descriptions, you can store Manufacturer, Brand, and Model information against each item. Item Dimensions—Length, Width, Depth, and Pack Size—can be used to automatically calculate volumes and areas when items are added to orders, supporting freight estimation and space planning.

The Product Supersession feature manages product lifecycle transitions elegantly. When an 'old' product is entered on an order, it can automatically swap to the 'new' replacement product, ensuring customers receive current items while you work through legacy stock.

Product Status settings provide control over item lifecycle. 'Runout' status allows issuing but prevents purchasing—perfect for items being phased out. 'Obsolete' status prevents all use, protecting against accidental transactions on discontinued products.

Product Categorisation controls financial posting accounts when items are sold, ensuring revenue and cost recognition aligns with your chart of accounts structure. User messages specific to each item and module can display contextual information—for example, showing a different message when Item A is entered on a Sales Order versus a Purchase Order.

Barcoding & Unit of Measure

Ostendo supports storing and generating multiple barcodes per item. Whether a product has manufacturer barcodes, your internal barcodes, or customer-specific codes, all are recognised during POS scanning operations. This flexibility eliminates the need to relabel products and speeds up point-of-sale transactions.

Customer Item Codes can be recorded when your item code differs from your customer's reference. This allows you to print their item codes on shipping documents, reducing confusion and queries while demonstrating attention to customer requirements.

Multi-Unit of Measure handles complex pack configurations with automatic conversion factors. A single item might be tracked as Bottles (single unit), Cases (containing 12 bottles), and Pallets (containing 48 cases). Orders and transactions can use any unit, with Ostendo handling all conversions automatically.

Item Pick Time information can be stored to assist with scheduling, helping estimate the time required to pick orders and improving delivery promise accuracy.

Mobile Operations & Automation

Ostendo Freeway brings full mobility to warehouse operations through standard Android and iOS applications. Your team can perform Picking, Receipting, Stock Counts, Stock Transfers, and Real-Time Inquiries directly from mobile devices, eliminating paper-based processes and double-handling of data.

The Product Re-Stock function with auto Purchase Order Generation allows warehouse staff to trigger replenishment directly from the floor. When they identify a low-stock situation, they can initiate the ordering process immediately rather than waiting for office-based planning cycles.

> **Document & Image Management** allows any electronic document or image to be linked to an item—product specifications, safety data sheets, assembly instructions, or photographs. This information travels with the item throughout all Ostendo processes.

Item Quantities captured from Ostendo Freeway provide valuable operational statistics, while Supplier Purchase Contracts define pricing based on contract parameters such as volumes, values, and effectivity dates, ensuring correct pricing is applied automatically during procurement.

Reporting & Transaction History

Comprehensive visibility into inventory performance starts with Item Budgets covering Quantity, Revenue, Cost, and Profit. These budgets provide targets against which actual performance can be measured, supporting variance analysis and continuous improvement.

Full Transaction History is maintained with drill-down capability back to source transactions. Whether investigating a discrepancy or analysing usage patterns, you can trace every movement, adjustment, and transaction affecting an item.

> **Unlimited History Notes** can be attached to items with date/time stamps and categories. Designated notes automatically copy to relevant orders—Purchase Notes flow to Purchase Orders, Sales Notes to Sales Orders—ensuring important information reaches the people who need it.

The Quick Projected Availability feature provides users with an instant forward projection of Closing Stock after all Demand orders and Supply orders are evaluated using their Required Dates. This gives immediate visibility into future stock positions without running complex reports.

Ready to transform your inventory operations?

Contact your local Ostendo Consultant to discuss how these capabilities can be configured for your specific business requirements.

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