

Bin Locations Overview

October 2013



- Welcome to the Bin Locations - Overview course.
- This course is part of a series of courses available for the bin locations topic and presents a high level overview.
- Detailed information will be provided in all other courses.

Objectives



At the end of this module, you will be able to:

- List the benefits of using bin locations
- Describe at a high level:
 - Bin locations set up process
 - Manual and automatic allocation processes
 - Reporting for bin locations
 - The impact on the inventory taking process

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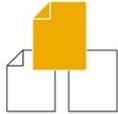
Agenda

- Business example and solution benefits
- Warehouse Sublevels and bin locations structure
- Business process integrated with bin locations
- Inventory Taking process in a bin location managed warehouse

- This is the agenda for the current course.
- We start by introducing a business example and benefits of using bin locations
- We will learn about the Warehouse Sublevels and bin location structure.
- After that we will go through a scenario describing a life cycle of an item purchased and sold in a bin location managed warehouse.
- Finally we will have a look at the Inventory Taking process and see how the bin location solution affects this process

Business Example

Introducing OEC Computers



You are working with George, the warehouse manager at OEC Computers, to analyze their logistics procedures and needs.

He would like to improve the speed of the logistics process.

Often a worker cannot quickly locate a specific item for picking.

In addition, when receiving goods in the warehouse, another quantity of the same item may be stored in a different area of the warehouse. Because there is no record of where items should be stored, items are often stored in any vacant location.

Furthermore, all of this leads to confusion and mistakes in the quarterly inventory count.

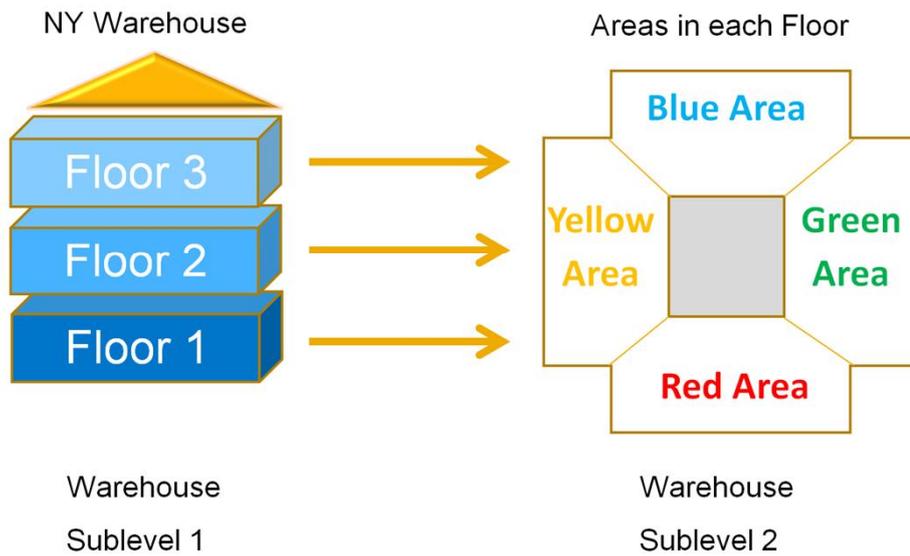
You recommend the new bin location solution for his warehouses



- You are working with George, the warehouse manager at OEC Computers, to analyze their logistics procedures and needs.
- He would like to improve the speed of the logistics process.
- Often a worker cannot quickly locate a specific item for picking.
- In addition, when receiving goods in the warehouse, another quantity of the same item may be stored in a different area of the warehouse. Because there is no record of where items should be stored, items are often stored in any vacant location.
- Furthermore, all of this leads to confusion and mistakes in the quarterly inventory count.
- You recommend the new bin location solution for his warehouse.

Business Example

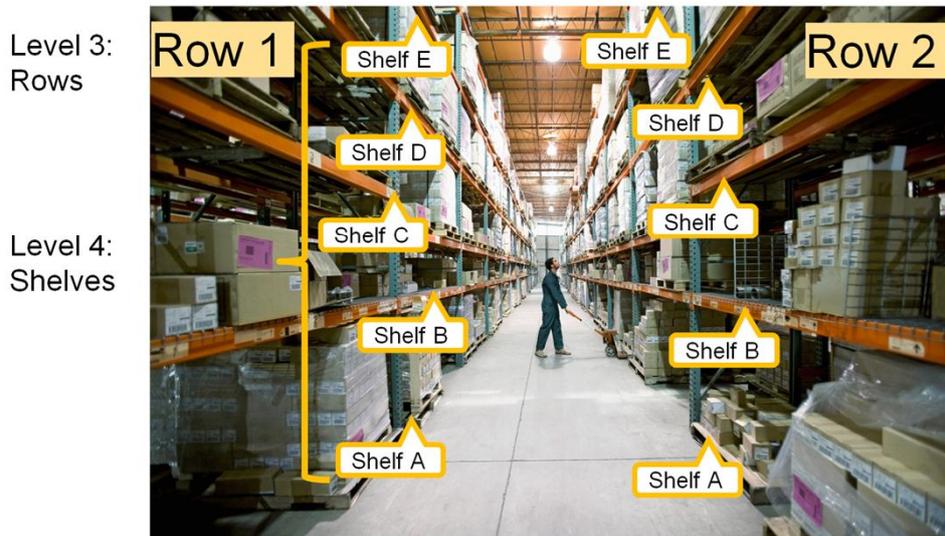
OEC Computers Warehouse Structure (1/2)



- Here is the structure of the OEC Computers' New York warehouse.
- This warehouse has 3 floors.
- Each Floor is divided into Areas: **Blue, Yellow, Green** and **Red**.

Business Example

OEC Computers Warehouse Structure (2/2)



- Each Area is divided into Rows: **1** to **30**.
- Each Row is divided into Shelves: **A** to **Z**.
- In the next slides we will see how the bin location solution can be used in OEC Computers' warehouse.
- But first, let us go over the solution benefits.

Solution benefits

- Reduced picking time
- Supports flexible picking requirements and processes
- Real-time inventory positioning for better decision-making
- Enhanced Warehouse reporting
- Faster and more accurate inventory counts
- Non-disruptive setup
- Automatic processes allow:
 - Quick processing of bin locations based transactions.
 - Inventory storage/picking optimization
 - Minimize potential user mistakes
 - Automatic allocation of Serial Numbers and Batches managed items



The Bin Location solution introduced in release 9.0 was designed to help SAP Business One customers to efficiently manage their warehouses and inventory processes

The SAP Business One Bin Location solution has many advantages:

- Significantly reduces picking time
- Facilitates & supports different picking requirements and processes
- Real-time inventory position helps enterprises to make better decisions
- Enhanced Warehouse reporting that provides benchmark information for KPI setting
- Faster and more accurate inventory counts
- Users can work in the system while bin locations are in set up
- Automatic processes allow:
 - Quick processing of bin locations based transactions.
 - Inventory storage/picking optimization.
 - Minimize potential user mistakes.
 - Automatic allocation of Serial Numbers and Batches managed items.

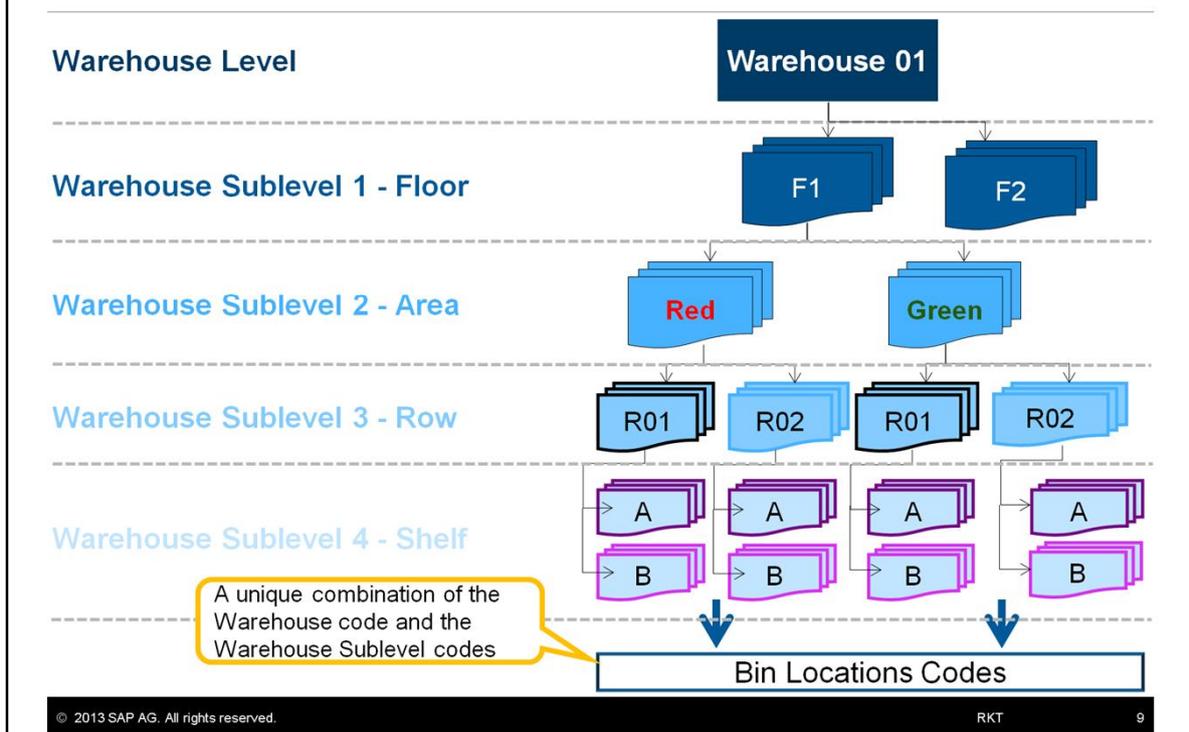
Agenda

- Business example and solution benefits
- Warehouse Sublevels and bin locations structure and their set up process
- Business process integrated with bin locations
- Inventory Taking process in a bin location managed warehouse

- We will now discuss the bin location managed warehouse structure
- We will view the bin location code formed according to this structure
- And then we will see the bin location set up process

Warehouse Sublevels Structure

Bin Location Code Composition - Example



- Let us get to know the bin locations managed warehouse Sublevel structure in order to understand how to define bin locations in OEC Computers warehouse.
- A warehouse structure often consists of a combination of different levels such as an aisle, a shelf or a floor.
- One area type can be a sublevel area of another type.
- In OEC Computers, for example, a **Shelf** is a sublevel of a **Row**.
- This means a **Row** contains several **shelves**.
- SAP Business One supports up to 4 Warehouse Sublevels.
- A combination of the Warehouse code and Warehouse Sublevels codes defines the unique bin location code.
- An example in the graphic can be a bin location code **01-F1-RED-R01-B**.
- The same Warehouse Sublevel code can be used in many bin location codes.
- We can see that **Row** sublevel **R01** is connected to the **Red** Warehouse Sublevel and the **Green** Sublevel.
- Floor sublevel **F1**, however, is connected only once to the warehouse and appears in only one combination of a bin location code.
- Note,
- In small-medium warehouses we will probably choose to define less than 4 Warehouse Sublevels.
- For example, a Warehouse that consists of two Warehouse Sublevels: Rows and Shelves.

OEC Computers Bin Location Code Structure

Sub level structure	Warehouse - Sublevel1 - Sublevel2 - Sublevel3 - Sublevel4
	
Bin Location Code in OEC Computers	01 - F2 - Blue - R01 - C
	
Details	Warehouse 01 - Floor 2 - Area Blue - Row 01 - Shelf C



- Now, let us see an example of a bin location code that exists in OEC Computers which is combined from all the Warehouse Sublevels mentioned before.
- We can see that the bin location code is combined from the Warehouse and Warehouse Sublevels codes

Bin Location Master Data

Inventory → Bin Locations → Bin Location Master Data

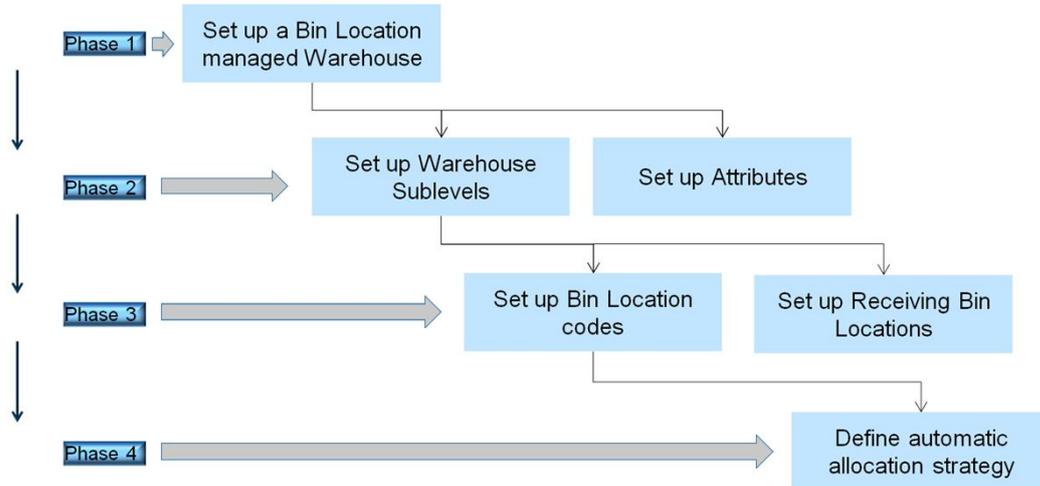
The screenshot shows the 'Bin Location Master Data' window with the following sections:

- Code Structure:** Warehouse (01), Floor (F1), Area (BLUE), Row (R01), Shelf (B). Bin Location Code: 01-F1-BLUE-R01-B.
- Properties:** Inactive (checkbox), Receiving Bin Location (checked), Exclude from Auto. Alloc. on Issue (checkbox), Description, No. of Items (3), Alternative Sort Code, Minimum Qty, Item Qty (12), No. of Batches/Serials (1), Bar Code, Maximum Qty.
- Restrictions:** Item Restrictions (None), Batch Restrictions (None), Transaction Restrictions (None), Last Updated On, Reason.
- Attributes:** Height (0.5), Anti-Static (No), Type of Shelf, Depth (1.5), Width (0.5).

Buttons at the bottom: OK, Cancel, Manage Bin Locations, Modify Bin Location Codes.

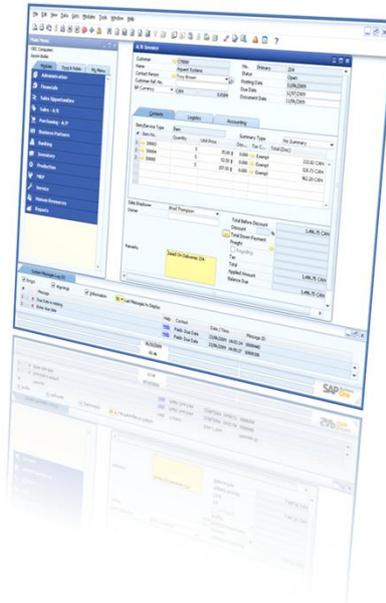
- Each bin location has one *Bin Location Master Data* record.
- The new *Bin Locations Master Data* window is found under the **Inventory → Bin Locations** menu entry.
- As in any Master Data window, in the *Bin Location Master Data*, a bin location code can be created updated, removed or duplicated.
- The *Bin Location Master Data* window allows a creation of bin locations manually one by one.
- There is also a separate management window that allows automatic creation of multiple bin location codes.
- The *Bin Location Master Data* window can be divided into 4 logical parts: code structure, bin location properties, Restrictions on bin locations and bin location Attributes.

Set Up Process



- The diagram describes the workflow of the bin location set up process.
- This set up is done in four phases:
 - In phase one we activate and set up a bin location managed Warehouse.
 - The Bin Locations solution is enabled on a warehouse by warehouse basis in the *Warehouse Setup* window.
 - In this window we also define the automatic allocation rules.
 - In phase two we set up Warehouse Sublevels and Attributes.
 - Warehouse Sublevel codes can be defined manually one by one or a group of codes automatically.
 - An Attribute is a characteristic, given by the user, that provides additional information or meaning to the bin location.
 - After activating Attribute fields, they are added as filtering fields to the selection criteria of the bin location reports and their values are displayed in the reports output.
 - They also appear as information fields in different windows in the Inventory module.
 - In phase three we set up the bin location codes and the *Receiving* bin locations.
 - The bin location code can be generated updated or deleted one by one in the *Bin Location Master data* window.
 - A management window also exists for automatically adding, deleting and updating a group of bin location codes.
 - The *Receiving* bin location can optionally be used as a special section in the warehouse which typically represents a receiving inspection area or just a transit area for temporary storage of incoming goods.
 - In phase four we can define an automatic allocation strategy.
 - These strategies set the bin locations for incoming bin location transactions.
 - When creating a new document, the item in the row is automatically allocated in the bin location set by these strategies.
- Note,
The Bin Location feature can be activated and set up in either a new or an existing company without interfering with the regular course of work.

Demo: Setup process



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High Level Demo script notes:

Go to the warehouse setup window and show the enablement checkbox

Explain that automatic rules are also defined here

Show the new entries in the main menu

Go to the Bin Location Field Activation window and explain the meaning of this window

Go to the Bin Location Attribute codes window and explain the meaning of this window

Go to the warehouse sublevel codes window and explain the meaning of this window

Go to the warehouse sublevel codes management window and explain the meaning of this window

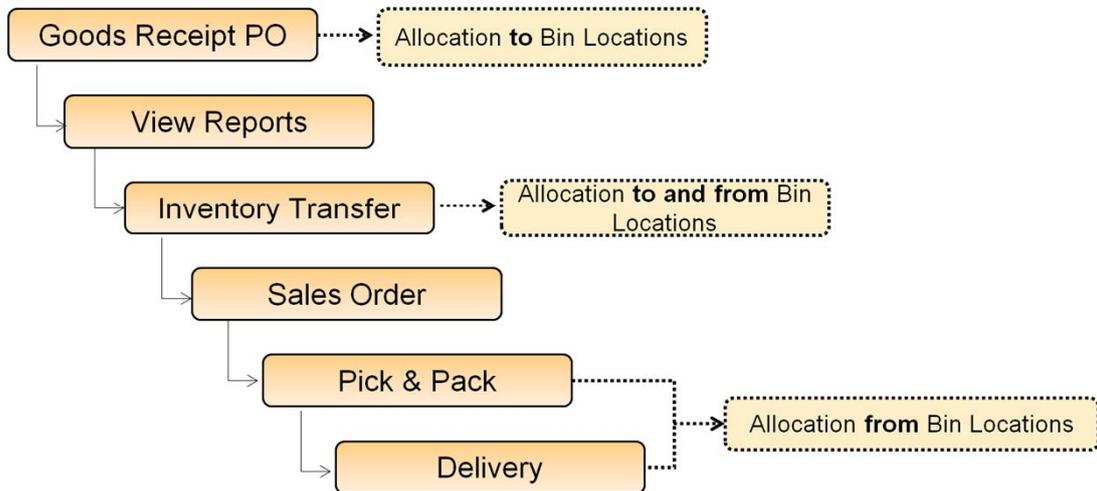
Show a Bin Location Master data

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Next we will follow a simple business scenario starting with receiving goods to the warehouse and finishing by selling the goods.

Business Process Integrated With Bin Locations



- In the next slides we will follow an example of a business process that includes purchasing, transferring, picking and selling an item in a bin location managed warehouse that can be implemented in OEC Computers.
 - We will start by adding a *Goods Receipt PO* to a special receiving area where inspection is made.
 - Then, we will create an *Inventory Transfer* to move goods received to their storage bin location.
 - After that, we will have a look at the inventory reports to view the transactions made and inventory level for each bin location.
 - We will then review the delivery process of the item and focus on the *Pick and Pack* procedure.
 - And finally we will add a *Delivery* document that creates an outgoing allocation from the item's bin location.
 - We will also see what happens when working with Serial Numbers.
- While walking through this process we will review manual and automatic allocations.

Allocations in Goods Receipt PO

The screenshot displays two SAP windows. The 'Goods Receipt PO' window shows a table with the following data:

#	Item No.	Item Description	Quantity	Bin Location Allocation	Inventory UoM	Unit Price
1	C00010	Mouse USB	10	10	No	20.00 \$
2					No	

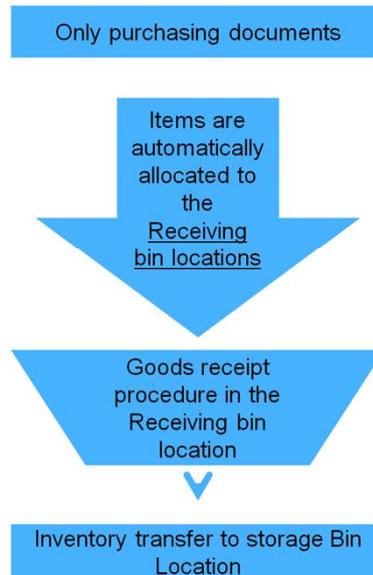
The 'Bin Location Allocation - Receipt' window shows a matrix for allocating the quantity to specific bin locations. The matrix has the following data:

#	Bin Location	Allocated
1	01-F1-BLUE-R01-B	2
2	01-F1-BLUE-R01-C	8
3		
		10

A diagram below the windows shows an 'Incoming Transaction' arrow pointing to a 'Warehouse' box.

- OEC Computers purchases **USB mouse** units directly from the manufacturer.
- The purchasing manager issues a *Purchase Order* and when the goods arrive at the New York warehouse the warehouse worker issues a *Goods Receipt PO*.
- This *Goods Receipt PO* is the first step in our process.
- Every inventory receiving document that involves a bin location managed warehouse requires allocation to specific bin locations.
- This allocation can be manual or automatic.
- The allocation is made per document row.
- A new column was added to these documents called *bin location Allocation*.
- In order to manually allocate the quantity in the row, we choose the link arrow in the *Bin location allocation* field.
- The *Bin Location Allocation – Receipt* window opens for this row.
- In the matrix at the bottom of the window, we allocate the row quantity to the desired bin locations.
- You may split the allocated quantity across multiple bin location codes.
- For example when there is not enough room for all received units in one bin location, we can choose to allocate part of the quantity in another bin location.

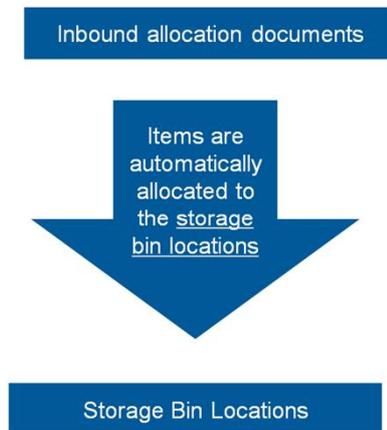
Automatic Incoming Allocations Receiving Bin Locations



- The items were allocated manually in the *Goods Receipt PO*, but the system can allocate these items automatically according to the definitions made in the *Warehouse Setup* window.
- OEC Computers has a special receiving area in the New York warehouse.
- This area is defined as one or more bin locations called *Receiving* bin location.
- The *Receiving* bin location is a transit bin location that is used as an inspection area for quality check or any other receipt procedures.
- When working with *Receiving* bin locations, all incoming transactions are placed in the *Receiving* bin locations unless alternative bin locations are chosen manually.
- After completing the receipt, the items received can be transferred, using an *Inventory Transfer* document, to a storage bin locations.

Automatic Incoming Allocations

Automatic allocation strategies



- The second type of automatic allocation used for incoming inventory transactions is the automatic allocation strategies.
- The bin locations set by these strategies, in contrast to those used by the *Receiving* bin location functionality, are typically the storage bin locations and not temporary bin locations.
- One of the automatic allocation strategies is the *Default* bin location. You can define the *Default* bin location at the Warehouse, Item Group and Item level.
- When you use the *Default* bin location strategy, the system will automatically assign the default bin location at the document row level. The system chooses the first default bin location it finds, starting with the Item level, then the Item Group, and lastly the Warehouse default.
- In addition to the Default bin location, there are three other automatic allocation strategies. These strategies allow you to automatically allocate goods to the current, last, or any historic bin location where the item was stored.

Changes in the Inventory Posting List

Posting Date	Document	Doc. Row	Whse	Bin Location	G/L Acct/B...	G/L Acct/BP Name
C00010						Mouse USB
11/15/2012	PD 271	1	01	01-F1-BLUE-R01-B	V10000	Acme Associates
11/15/2012	PD 271	1	01	01-F1-BLUE-R01-C	V10000	Acme Associates
11/15/2012	PD 272	1	01	01-F1-BLUE-R01-C	V10000	Acme Associates

- We can now view the inventory transaction made by the Goods Receipt PO in the Inventory Posting List.
- In 9.0 version the *Inventory Posting List* also reflects bin location transactions.
- We can see the associated bin location for each inventory transaction.
- You can choose to display the report per transaction or per bin location, per transaction.
- You can also split transactions by Serial Numbered or Batched-managed items when working with Serial Numbers and Batches managed items.

Bin Location Reports

Reports → Inventory

The screenshot displays two SAP reports. The top report, 'Bin Location Content List', shows a table with the following data:

#	Select	Bin Location	Item No.	Item Qty	Cycl...	Next ...	Time	User
1	<input type="checkbox"/>	01-FI-BLUE-R01-B	B10000		5			
2	<input type="checkbox"/>	01-FI-BLUE-R01-B	I00010		5			
3	<input type="checkbox"/>	01-FI-BLUE-R01-B	T00001		2			
4	<input type="checkbox"/>	01-FI-BLUE-R01-C	T00001		2			
5	<input checked="" type="checkbox"/>	01-FI-BLUE-R01-D	C00010	50				

The bottom report, 'Bin Location List', shows a table with the following data:

#	Select	Bin Location	Item Qty	No. of Items	test
1	<input checked="" type="checkbox"/>	01-FI-BLUE-R01-A	24	6	
2	<input type="checkbox"/>	01-FI-BLUE-R01-B	12	3	
3	<input type="checkbox"/>	01-FI-BLUE-R01-C	2	1	
4	<input type="checkbox"/>	01-FI-BLUE-R01-D	40	1	
5	<input type="checkbox"/>	01-FI-BLUE-R01-E			
6	<input type="checkbox"/>	01-FI-BLUE-R01-F	1	1	
7	<input type="checkbox"/>	01-FI-BLUE-R01-G			
8	<input type="checkbox"/>	01-FI-BLUE-R01-H	12	3	
9	<input type="checkbox"/>	01-FI-BLUE-R01-I	1	1	
10	<input type="checkbox"/>	01-FI-BLUE-R01-J			
11	<input type="checkbox"/>	01-FI-BLUE-R02-A	5	2	
12	<input type="checkbox"/>	01-FI-BLUE-R02-B			
			34,543	74	

A callout box points to the 'Inventory Transfer' button in the bottom report, with the text: 'Additional functionality provided by the report'.

- George wants to see how many **USB mouse** items are left in the *Receiving* bin locations and then transfer them to their storage bin location.
- He generates a *Bin Location Content List* report.
- Two new bin location reports were introduced in 9.0 version: *Bin Location List* and *Bin Location Content List*.
- The *Bin Location List* displays a list of bin locations along with a variety of information fields for each bin location such as Warehouse Sublevels, Attributes and so on.
- The *Bin Location Content List* report displays quantity balance per bin location per item.
- Both reports allow certain functions to be performed directly:
 - You can generate other inventory reports filtered by the selected bin locations.
 - You can create an *Inventory Transfer* involving the bin locations selected, by choosing the *Inventory Transfer* button.
 - And you can also set selected bin locations as defaults, directly from the report.
- George Chooses the **USB Mouse** rows in the *Bin Location Content List* report and chooses the *Inventory Transfer* button and then *Clear Bin Locations* to issue an *Inventory Transfer* for this item.

Allocation in Inventory Transfer

Inventory Transfer

Business Partner: _____ Number: 16
 Name: _____ Series: Primary
 Contact Person: _____ Posting Date: 01/07/2013
 Ship to: _____ Document Date: 01/07/2013

From Warehouse: 01
 Price List: Last Purchase Price

To Warehouse: 01

These fields contain the default values for the fields in the grid

#	Item No.	Item Description	From Warehouse	To Warehouse	From Bin Locations	To Bin Locations
1	C00010	Mouse USB	01	01	870	870
2			01	01		

Sales Employee: -No Sales Employee- Remarks: _____
 Journal Remarks: Inventory Transfers -

Add Cancel Copy From

Warehouse
 Incoming Transaction
 Outgoing Transaction

- George wants to transfer the **USB mouse** items from the *Receiving* bin location to the storage bin location.
- When George chooses the *Clear* option in the *Bin Location Content List*, an *Inventory Transfer* opens.
- The Warehouse, bin locations and quantities are copied from the selected rows in the *Bin Location Content List*.
- The *Inventory Transfer* document was adapted to handle inventory transfer between bin locations.
- This transfer is also possible within one warehouse, from one bin location to another.
- Look at the image, two new bin location columns were added to the *Contents* table: *From Bin Location* and *To Bin Location*.
- Prior to release 9.0, the *From Warehouse* field appeared only in the header and the *To Warehouse* field appeared only in the *Contents* table.
- In release 9.0 both fields appear in both areas and they behave slightly differently.
- The fields in the header hold the default values for the fields in the grid.
- The values of the fields in the grid can be changed and the inventory transaction is made according to these values.
- The new structure allows the *Inventory Transfer* document to be created from multiple originating warehouses simultaneously.
- This functionality was not possible prior to release 9.0, when this field was defined in the header.
- This functionality is available even if the bin location functionality is not activated for any warehouse.

Bin Locations in Pick and Pack

The screenshot illustrates the SAP Pick and Pack process. It shows the 'Pick and Pack Manager' with buttons for 'Open', 'Released', and 'Picked'. A 'Release to Pick List' button is highlighted. Below it, the 'Pick List Generation Wizard' is shown in three steps: Step 1 of 3 (Bin Location Selection), Step 2 of 3 (Pick List Generation Parameters), and Step 3 of 3 (Pick List Details). A diagram shows a 'Warehouse' box with an arrow pointing to an 'Outgoing Transaction' box.

- Michael, the sales manager issued a sales order for 25 **USB Mouse** items.
- At this stage, no allocation is done.
- George the warehouse manager starts with the Pick and Pack process in order to generate pick lists for his workers.
- The *Pick and Pack manager* has been adapted to handle outgoing allocations for the *Pick List*.
- A new wizard was added when releasing order lines to *Pick List*.
- In the *Open* draw, choose the *Release to Pick list* button to enter the new *Pick List Generation Wizard*.
 - In the first step you can filter the Warehouse Sublevels and Attributes of bin locations you want to pick from.
 - Then, in the second step, you can indicate if you want to create several pick lists by splitting the order rows by a Warehouse, Warehouse Sublevel or Attributes and also choose the automatic allocation method.
 - This automatic allocation method can be changed manually and is not necessarily the default method defined in the warehouse.
 - In the third step you can see and edit the list of the proposed Pick Lists about to be generated.
 - Choosing the *Generate* Button creates the Pick Lists that appear on screen.

Pick List

Pick List

Pick Number: 7 Remarks: Check for damaged packages

Pick Date: 01/07/2013

User: Jayson Butler

Picker: Jayson Butler

Status: Partially Picked

#	Tra...	Doc. No.	Delv/Due Date	Item Description	Whse	Bin Location	Released	Picked	Avail. to...
1	OR	259	12/19/2012	IBM Infoprint 131	01	01-SYSTEM-BIN-LO	12.4		12.4
2	OR	260	12/19/2012	Mouse USB	01	01-F1-BLUE-R01-B	5		5
3	OR	260	12/19/2012	Mouse USB	01	01-F1-BLUE-R01-C	15		15
4	OR	261	12/19/2012	IBM Infoprint 122	01	01-F2-BLUE-R02-A	5		10
5	OR	263	12/20/2012	IBM Infoprint 122	01	01-F2-BLUE-R02-A	3		10
6	OR	263	12/20/2012	IBM Infoprint 122	01	01-F2-BLUE-R03-A	9		10
7	OR	265	01/07/2013	Mouse USB	01	01-F1-BLUE-R01-C	15	15	15
8	OR	265	01/07/2013	Mouse USB	01	01-F1-BLUE-R01-D	10	10	860

OK Cancel Create Pick All Clear All



- The *Pick List* was also adapted to handle bin location Allocation.
- In the *Pick List* we see one line per bin location per item per *Sales Order* line.
- Before items are picked, you can still re-allocate them.
- It is important to be able to reallocate directly from the *Pick List* as the picker may select items from different bin locations than the those specified in the *Pick and pack Manager*.
- In this way, the picker will not have to navigate back to the *Released Pick and Pack* screen.
- A *Pick List* ordered by warehouse sublevels and bin locations enables a fast picking process.
- George chooses the *Create* button to generate a *Delivery* for the **Mouse USB** item.

Allocations in Delivery

The screenshot displays two SAP windows. The 'Delivery' window on the left shows a document for Customer 23900, Item C00010, and Warehouse 01. The 'Bin Location Allocation - Issue' window on the right shows a table of bin locations with In Stock, Available, and Allocated quantities.

#	Bin Location	In Stock	Available	Allocated
1	01-F1-BLUE-R01-E	5		5
2	01-F1-BLUE-R01-C	30	10	20
3	01-F1-BLUE-R01-C	870	870	0.000
		905	880	25

Warehouse → Outgoing Transaction

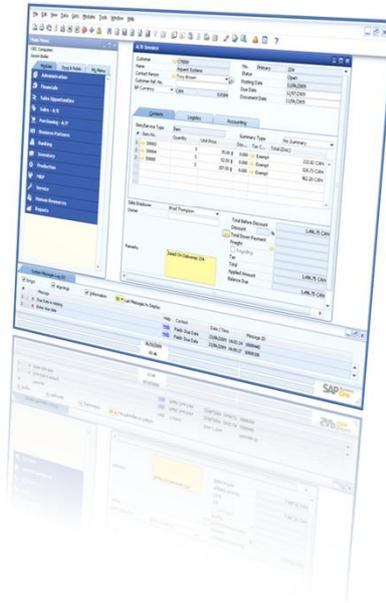
- Every inventory issuing document that involves a managed bin location warehouse requires allocation of items to issue from specific bin locations.
- In our example, we created a *Delivery* document during the Pick and Pack process, containing the items and quantity picked.
- Let us see how items are allocated when copying the *Delivery* from a *Sales Order* or when add it directly.
- The *Bin Location Allocation – Issue* window structure is similar to the *Bin Location Allocation – Receipt* window.
- In this window we can see a list of bin location codes with quantities available to allocate from.
- You may allocate from any row with available quantities to allocate.
- Enter the quantity you wish to allocate from any available bin location to combine the total.
- In the image displayed we can see the *Delivery* document George created from the Pick List.
 - George needs to issue a quantity of 25 from warehouse 01.
 - There are three bin locations with positive quantity of the item in the row.
 - George wants to empty the first bin locations in order to minimize the number of bin location for this item.
 - He chooses 5 from the first bin location to empty it and another 20 from the second.
 - Then, he used the CTRL+B keyboard combination to enter the remaining quantity to allocate.
- You can perform an automatic allocation by choosing the *Automatic Allocation* button.
- Note, the system can also perform automatic allocation when issuing goods.
- Let us have a look at the different automatic issuing methods.

Automatic Allocation Issuing Methods

<u>Issuing Method</u>	<u>Description</u>
Single Choice	Automatic allocation occurs when there is only one possible allocation option.
Bin Location Code Order	Allocation is done according to the alphanumeric order of the Bin Location codes.
Alternative Sort Code Order	Allocation is done according to the alphanumeric order of the Alternative Sort codes.
Descending Quantity	Allocation is done according to the descending Bin Location quantities.
Ascending Quantity	Allocation is done according to the Ascending Bin Location quantities.
FIFO	Allocation is done according to the entrance date of the item in the bin location, starting from the earliest.
LIFO	Allocation is done according to the entrance date of the item in the bin location, starting from the latest.

- George asked you if there is an automatic way to allocate first from the bin locations containing the minimum quantity.
- You advise him to use the *Ascending Quantity* automatic method.
- In the table displayed we see all issuing methods along with a short description.
- In the Warehouse Setup window we choose one method as default for all outgoing transactions made in this warehouse.
- How ever we can change the method per document or row level.
- The *Single Choice* method allows the user to manually control allocation process when there is more then one allocation option
- The *Bin Location Code Order* and the *Alternative Sort Code Order* methods enable automatic allocation according the coding representation of the bin location.
- The *Descending Quantity* and *Ascending Quantity* methods enable automatic allocation according the quantity already allocated in the available bin locations.
- With *FIFO* and *LIFO* methods items are allocated according to the order of the entrance date of the item in the bin location.
- When the system automatically allocates the items, the bin location allocation column is populated automatically and we do not have to enter the *Bin Location Allocation – Issue* window.
- We can however, enter the window to review the allocation made by the system and change the allocation manually if necessary.

Demo: Automatic Outgoing Allocation



High Level Demo script notes:

Go to the warehouse setup window and choose the ascending quantity automatic method.

Create a delivery for an item stored in more than one bin locations containing different quantities.

Enter the Bin Location Allocation – Issue window and show the automatic allocation created.

Allocation of a Serial Number or Batch managed items

The image shows two SAP windows: 'Batches - Setup' and 'Serial Numbers - Setup'. Both windows have a 'Rows from Documents' table and a 'Created' table. In the 'Batches - Setup' window, the 'Created Batches' table has one row with Batch '20120022758' and Qty '1,000.00'. A callout box labeled 'Bin Location Allocation' points to the 'Bin Location Allocation' field in the 'Created Batches' table, which contains '1,000'. In the 'Serial Numbers - Setup' window, the 'Created Serial Numbers' table has one row with Mfr Serial No. '20112587' and Lot Number '1'. A callout box labeled 'Bin Location' points to the 'Bin Location' field in the 'Created Serial Numbers' table, which contains '01-F1-BLUE-R01-B'. Both windows have 'Update' and 'Cancel' buttons.

- In the allocation process of serial number or batches managed items we allocate quantities per serial number or batch.
- Each serial number or batch has to be associated with a bin location.
- In order to be able to allocate these items, the serial numbers and batches creation and selection windows have been adapted to handle bin locations.
- A *Bin Location* column was added to these windows from which you can enter the *Bin Location Allocation* windows.
- There are two methods of allocations with serial numbers and batches:
 - The first method is to first pick the bin location and then, with in this bin location, the specific serials or batches.
 - The second method is to first pick the specific serial or batch and then choose the bin location the specific item chosen is stored in.
- In most cases, OEC Computers customers do not mind which serial number is attached to the items they purchase.
- For this reason, the method normally used in OEC Computers is the first method - bin location first and then serial number.

Agenda

- Business example and solution benefits
- Warehouse Sublevels and bin locations structure and their set up process
- Business process integrated with bin locations
- Inventory Taking process in a bin location managed warehouse

- Finally we will view the changes made in the Inventory taking process.

Bin Locations in Inventory Counting

The screenshot displays the SAP Inventory Counting interface. At the top, the 'Inventory Counting' window shows the count date as 01/01/2013 and the user as Jayson Butler. Below this is a table of items with columns for Item No., Item Description, Freeze, Whse, Bin Location, Bin-Wise Qty on Count Date, Counted, Counted Qty, and Inventory UoM. The table lists items such as HP Color Laser Jet 5, Mouse USB, and IBM Infoprint 1222, each associated with a specific bin location code.

Three dialog boxes are overlaid on the main window:

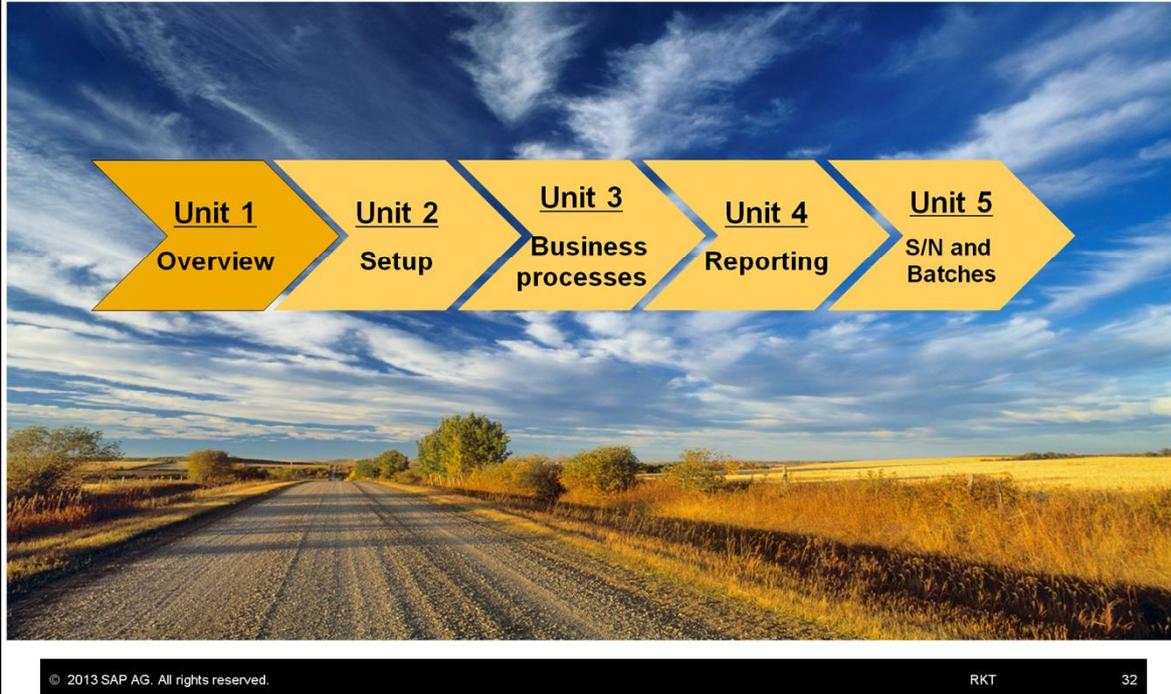
- Inventory Counting - Items Selection Criteria:** This dialog allows filtering items by Code (A00001 to A00001), Supplier, and Item Group. It also includes a 'Warehouses' section with a list of locations (New York, Los Angeles) and their respective warehouse codes (01, 04, 02).
- Inventory Counting - Bin Location Selection Criteria:** This dialog allows selecting bin location codes from a range (01-F1-BLUE-R01-A to 01-F1-BLUE-R20-D) and includes fields for Warehouse Sublevels (Floor, Area, Row, Shelf) and Attributes (Height, Width, Depth, Type Of Shelf, Anti-Static).
- Inventory Counting - Bin Location Selection Criteria (smaller):** This dialog is also present, showing the same bin location selection criteria.

Arrows indicate the flow of information: from the 'Bin Locations' button in the 'Items Selection Criteria' dialog to the 'Bin Location' column in the main table, and from the 'Bin Location Selection Criteria' dialog to the 'Bin Location' column in the main table.

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- The inventory counting process was also affected by the Bin Location solution.
- A *Bin Location* column was added to the *Inventory Counting* and *Inventory Posting* windows.
- There for, the list of items is split by warehouse and bin location.
- A selection criteria window was added in the inventory counting process when adding items.
- This selection criteria enables you to filter the counting list by Bin Locations.

What is Next..



- This course unit helps SAP Business One consultant to have a general understanding of the bin location set up process and the Business processes.
- This unit also provides a short overview of the bin location reports and other modules affected by the Bin Location solution.
- It is important to fully understand this course before continuing learning other bin location courses in order to understand the bin location “big picture”.
- It will be easier to understand the setup process in course unit 2 after viewing a full business process.
- Before implementing this module in a company, in addition to the **Setup** unit, it is necessary to learn unit 3 – **Business Process** and unit 4 - **Reporting**.
- For companies who work with Serial Numbers or Batches, it is necessary to learn Unit 5 - **Serial Numbers and Batches in Bin Locations**.
- Have a great bin location trip!

Summary



You should now be able to:

- List the benefits of the Bin Location module
- Generally describe the following:
 - Bin locations set up process
 - Manual and automatic allocation processes
 - The new bin location reports and changes made in the Inventory posting list report.
 - The impact on the inventory taking process

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- List the benefits of the Bin Location module
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