



INVENTORY II™

Watermark technology

Real-time reliable cost prices

- No inventory** closing function
- Cost price** deviation monitor
- Physical cost** valuation
- New model** for weighted average cost

Inventory Analytics

- Extensive data** modeling
- Reports with** user selectable data columns
- Out of box** reconciliation directly in forms

Performance and scalability

Intelligent reservation

- Rule based** reservation levels
- FIFO/LIFO** reservation
- Picking order** reservation
- Lot** reservation
- Transferring** reserved items

24/7 capability

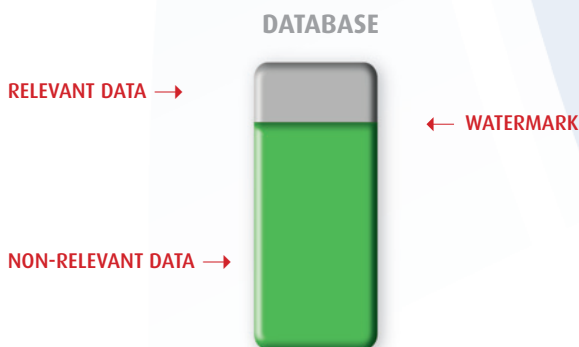
The Inventory II™ module for Microsoft Dynamics™ Ax is an extension to the standard Inventory module. Inventory II™ applies to companies looking for advanced inventory management or high scale transaction volume capabilities. Inventory II™ is available for 3.0 and 4.0 versions of Microsoft Dynamics™ Ax.

Watermark technology

The architecture of Inventory II is based on the new revolutionary Watermark database technology.

This technology ensures that even large and complex inquiries can be addressed by the database without performance slow down, even on growing databases.

All database inquiries will target a very small amount of data, as transactions are divided into relevant and non-relevant data in a very efficient way without use of complex index keys, resulting in a second to none performance.



What is the impact of this technology?

Having the Inventory II architecture built on this technology gives significant advantages in the daily operation. These include:

- Cost prices** are calculated real-time
- Master scheduling** during daily operation
- True 24/7** capabilities
- No traditional** inventory closing

Real-time reliable cost prices

The Inventory II module is monitoring all inventory movements, resulting in immediate action upon arrival of new or changed cost prices. Cost prices are real-time calculated, adjusted and updated throughout item transfers and bills of materials.

No inventory closing function

Adjustment of item consumption is calculated and posted immediately, whenever identified, eliminating the traditional inventory closing function.

Cost price deviation monitor

Cost price deviations are identified and presented real-time in the deviation monitor, giving the finance department a unique tool to act on.

Cost price deviation alerts can be defined, reducing the risk for simple errors, like key-in errors in the purchase department or from suppliers that may reside in the system for a longer period, resulting in complicated cleanup tasks.

Physical cost valuation

Inventory valuation can be fixed on packing slip prices instead of on delayed invoice prices. Upon receipt of invoices, deviations are posted on dedicated General ledger accounts.

New model for weighted average cost

A new simplified periodic average cost price model is introduced. Average cost prices are always calculated as clean weighted average prices for individual periods. Issues related to uncontrollable number of settlements are eliminated, as settlements are not created anymore.

The screenshot shows the 'Closing and adjustment' software interface. It features a main window with tabs for 'Overview', 'Setup', 'History', and 'Cost price deviations'. The 'Overview' tab is active, displaying a description of recalculation and a table of update status for 'Inventory II'. The table includes 'Dimension assignment', 'Cost prices', 'Level control', 'General ledger posting', 'Summation', and 'Analyze', each with a progress bar. On the right, there are sections for 'Current inventory closing' (Inventory is closed until 31-08-2007), 'Cost price analysis' (Number of cost price deviations 4), 'Automatic recalculation' (Last execution time 13:36), and 'Planned inventory closing' (Next closing date 30-09-2007). A sidebar on the right contains buttons for 'Close', 'Recalculation', 'Adjustment', 'Inquiries', 'Batch monitoring', and 'Dimensions display'.

Inventory Analytics

Inventory II comes with a new data modeling tool allowing the user to combine and display data in any relevant and applicable way.

Extensive data modeling tool

In both forms and reports the tool allows the user to select, sort, group and summarize data in ways that corresponds to specific roles and their needs. This will reduce the need for customization of inventory forms and reports.

Reports with user selectable data columns

Any Inventory status report can be printed with user defined column content, as any quantity and amount field can be dynamically selected, when launching reports.

Out of box reconciliation directly in forms

Inventory / General ledger reconciliation can now be performed at any time for any period or date, entirely and solely through the use of forms designed exactly for that purpose, eliminating the need for printed reports and significantly reducing the time used on reconciliation.

Posted Inventory values and General ledger balances are presented side by side, and posted Inventory values can be grouped by any combination of financial / inventory dimensions, accounts, and posting types, making reconciliation a "walk over".

Intelligent reservation

Rule based reservation levels

With the introduction of reservation levels a new degree of flexibility is applied to the inventory. This will allow for reservation at less detailed levels, e.g. reservation at a warehouse without determination of location or batch at the time of order intake.

Reservation levels can automatically be further specified prior to the time of picking to include e.g. what specific location to pick from. The process of picking is now a matter of reporting what specific items were picked: e.g. batch number, serial number, etc.

Transferring reserved items

Reserved inventory items can now be transferred. The warehouse staff is now free to manage the warehouse in an efficient way not having to struggle with restrictions on reserved items.

FIFO/LIFO reservation and picking order

Inventory II allows for controlling and optimizing the order in which items are reserved. A FIFO or LIFO reservation order can ensure that the oldest or newest items are picked first, while a location reservation order can ensure that the physical process of picking is more optimal according to physical locations.

Lot reservation

Reservations directly on specific incoming lots leading to full traceability and transparency on reserved items.

The screenshot displays the 'Postings summarized' window with the 'Reconciliation balance' tab selected. The table shows the following data:

Balance ...	Balance account name	Department	Inventory balance	Ledger balance	Difference
15025	Lamps Receipts		7.449,70	7.449,70	
15026	Lamps Issues		-2.442,50	-2.426,00	-16,50
15026	Lamps Issues	Prod	-90,75	0,00	-90,75
15026	Lamps Issues	Sales	-2.403,50	-2.403,50	
15040	Raw materials Receipts		286,99	286,99	
15060	Received Purchased ...		890.436,00	890.436,00	

The 'View setup' dialog box is open, showing the following options:

- Balance account
- Balance sheet posting
- Balance account name
- Profit & Loss account
- Profit & Loss posting
- Profit & Loss account name
- Department
- Cost center
- Purpose

Save dimension setup

Buttons: OK, Cancel, Apply

24/7 capability

Run your Master scheduling any time

The Master scheduling can be executed at any time in daily operation and still delivers a consistent profile even though new transactions are created concurrently.

Open slots for Inventory closing not necessary

The traditional Inventory closing function is not relevant any more as cost prices are calculated real-time. Because of that there are no needs for allocating exclusive time slots for this task during weekends or nights.

No worries regarding blocking locks

Neither Inventory closing (which is now just a matter of changing a date) nor Master scheduling causes blocking locks preventing daily operation to take place.

Simply run your operation 24/7 if you prefer

Performance and scalability

The foundation and architecture of the Inventory II solution has been designed with specific regards to high performance and scalability. The unique design patterns such as the Watermark and Snapshot technologies have been chosen out of performance reasons.

The result of this architecture is revolutionary:

Blocking lock issues in inventory are nonexistent. The improved concurrency will set new standards for scalability.

Inventory inquiries execute incredibly fast, independent of transaction volume, even on historical data.

Real cost prices are calculated real-time, but the individual users are not affected by this processing since it is handled by a smart background process.



FSB Development

Company profile – FSB Development

FSB Development is a software company developing modules for Microsoft Dynamics™ Ax. FSB Development specializes in Inventory Management.

The three founders of FSB Development are software architects from the former Damgaard Development team. For more than a decade they have worked with the product that became Microsoft Dynamics™ Ax. During the first 6-8 years of the development cycles for this product they have formed the bulk of the architect team that designed and implemented most of the logistics modules in the standard Microsoft Dynamics™ Ax. These include Inventory Management, Master Scheduling, Production, BOM, Routes and Work Centers.

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