

Bits 'n Bytes

November 2008

Tips, Tricks & Information

BUSINESS
MANAGEMENT
SOFTWARE



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SAVE MONEY...UTILIZE KEY FEATURES IN RFMS

In the current economy, business owners are looking to be cost effective and increase profits. Every dollar counts, in fact, every cent counts. To be successful, you must be more diligent about watching expenses and controlling costs than in years past. Now is the time to analyze expenditures and proactively track purchases. Take this slower economic time to "sharpen your saw" and tweak daily procedures. Get organized in every aspect of your business. Times have changed and we all must adjust to survive. You can't afford not to!

You already have the tools at your disposal. RFMS Business Management Systems and Measure Estimating Software give you the ability to efficiently manage costs and track inventory, resulting in greater all around profits. RFMS helps you make every dollar & cent count!

The economy will always have its ups and downs; the key is to make your company as prepared as possible to weather those cycles. For over 20 years, RFMS has provided floor covering dealers with the ability to really manage their company's gross margin, inventory & expenses. A good place to start is properly managing purchases and increasing inventory control.

RFMS provides you with extensive Inventory Control tools that allow you to track shortages and organize your warehouse. By implementing these processes in your business you can better control your inventory shortages, inventory ageing and overstocks. Saving a little in a lot of places can make a big difference over time! **This is part one of a series of articles directed at showing you exactly how to use RFMS to benefit your business most during these tough economic times.**

Utilize...Key RFMS Features

Track Purchases

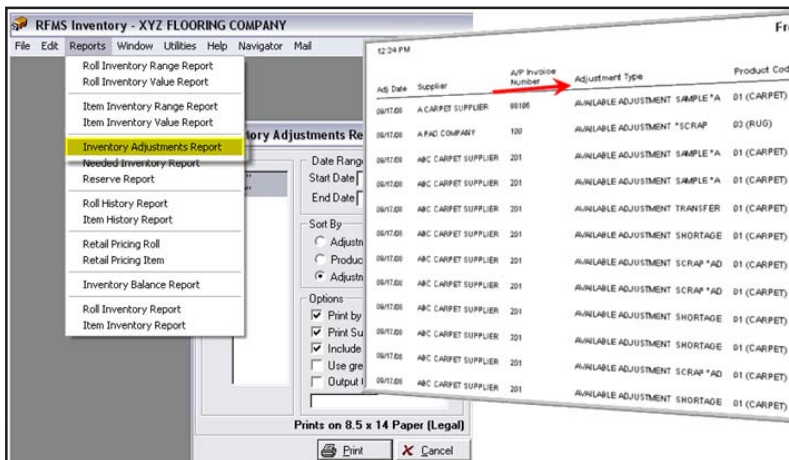
Shortages can cost you money! Keep a close eye on your purchases to make sure what you are receiving in the system is what you ordered. Whether stock or special order purchases, make sure the quantity and sizes of your material match your Purchase Orders!

When processing inventory ordered inventory, be methodical in receiving that material by the amount on the purchase order. When material arrives in your warehouse do a pre-measurement. If rolls or items come up short, classify that amount as a Shortage under Inventory Adjustments.

At the end of the month, run an Inventory Adjustment Report by Adjustment Type to get a full reporting of all shortages for the month. This report can be used to assist in a mill claim to receive a credit for the amount you were shorted.

To run the report:

1. Go to Inventory and select Reports.
2. Select Inventory Adjustment Report from the drop-down menu.
3. Sort by Adjustment Type.
4. Click Print.



Make "Just In Time" Purchases

Use Estimated Delivery Dates (for scheduling) on customer orders to more easily place orders in an accurate and opportune manner. From the Auto PO screen in Inventory, you can view Estimated Delivery Dates and order materials based on the install date of the customer order.



Utilize...Key RFMS Features



(Make "Just In Time" Purchases cont.)

1. Open the Inventory module.
2. Click Purchase Orders.
3. Click the Auto Gen PO button.

To Buy List (Order Lines Toggled for Auto PO Generation)

Gen Po Order Lines *NOTE - Order Lines that are currently being edited by other workstations will not be displayed below.

Store [ALL] Search Prod Code [00 F8] Filter: None

Suppl	SC	PC	Style/Item	Color/Desc	R/W	Length	It	Qty	Units	Cost	Inv #	Line	Total Cost	SKU	Est Del Date
ABC CARP	"1"	01	AFRICAN ROSE	AZALEA SPLAS	12.00	20.00	---	240.00	SF	1.536	CG800021	3	368.64		11/03/08
ABC CARP	"1"	01	AFRICAN ROSE	AZALEA SPLAS	12.00	150.00	---	1,800.00	SF	0.516	CG800033	3	2,764.80		10/31/08
ABC CARP	"1"	01	AMAZING NATI	ALMOND	12.00	20.00	---	240.00	SF	0.516	CG800018	4	123.84		10/24/08
CARPET	"1"	01	ALISSE	BITTER SWEE	12.00	20.00	---	240.00	SF	1.050	CG800018	3	252.00		10/24/08

Invoice # CG800021 Line # 3 Roll/Item #
Supp Phone 555-9989 Style AFRICAN ROSE Width 12.00 Qty 240.00
Supp Acct # 32559-78 Color AZALEA SPLASH Length 20.00 Unit Cost 1.54
Supp E-Mail #1ber2 Units SF Total Cost \$368.64

Key benefits to making timely purchases:

- Increases Warehouse Space
- Improves Cash Flow
- Increases Inventory Turnover (Cost of Goods Sold/Average Inventory) - *Inventory turnover is an indication of how quickly inventory dollars move through a business.

Take Physical Inventory

Compare what is in your warehouse to what is reflected in your RFMS Inventory system.

Preparing for a physical inventory will require you to establish a cut-off date for materials coming in and going out in order to get an accurate picture of where you current warehouse inventory stands. Upon taking a physical count, based on the differences between what you physically have in your warehouse and what is reported in RFMS, process an inventory adjustment. This will adjust the inventory in RFMS where necessary. When you are done with that step, at the end of the month, make sure you post your inventory adjustments when you do a journal close.

Be sure to use the Roll and Item Inventory tags to take your physical count and the Inventory Balance Report to balance material to the journal. Simplify this process by using a Tri-coder, which automatically transfers inventory adjustments into the RFMS Inventory system.

Utilize...Key RFMS Features

(Take Physical Inventory cont.)

To access Roll and Item Inventory Reports:

1. Open the Inventory Module.
2. Click Reports.
3. Select Roll Inventory Report or Item Inventory Report.

To access the Inventory Balance Report:

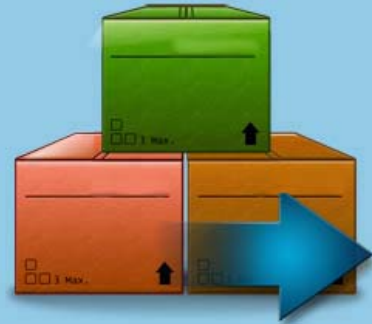
1. Open the Inventory Module.
2. Click Reports.
3. Select the Inventory Balance Report.

Track What Leaves Your Warehouse

Before any material leaves your warehouse, make certain you have a picking ticket printed that verifies that material for a job. This will ensure that any material leaving is associated with a customer order. Any last minute changes in material amounts should be entered on the appropriate customer order before any additional material is released for the job. Following this procedure allows you to closely monitor inventory being taken from the warehouse and helps tremendously in cutting down on waste.

To Print a Picking Ticket from RFMS:

1. Open the Order Entry module.
2. Select the appropriate customer order.
3. Click the Print Customer Document button, located on the toolbar.
4. Select Picking Ticket.



Page 1 10/20/08 8:26AM		Picking Ticket XYZ FLOORING COMPANY		Invoice: CG800019					
Sold To COCHRAN, MARSHA 2989 ANYWHERE ANYWHERE, US 12345		Ship To COCHRAN, MARSHA 2989 ANYWHERE ANYWHERE, US 12345		Pick Date: 10/20/08					
Customer Purchase Order: Sales Representative: ERIC SMITH Paid in Full: No									
Prod Code	Roll/Item No.	Width	Beginning Amount	Amount Required	Ending Amount Units	Status	Location	Store	Sign
*Line # 0001 BEAUTIFUL/BEAUTIFUL BEIGE									
01	CG8000190001	120"	----	126"	----	Reserved		"1"	_____
Color Number: 101 Style#/Color#: 1000/101									
*Line # 0002 1/2 LB REBOUND/PAD									
04	100		----	150.00	----	SF	On Order	"1"	_____
Width x Length: 0x25									
*Line # 0003 BEAUTIFUL/BEAUTIFUL BEIGE									
01	CG8000190001	120"	----	126"	----	Reserved		"1"	_____
Color Number: 101 Style#/Color#: 1000/101									
*Line # 0004 1/2 LB REBOUND/PAD									
04	100		----	150.00	----	SF	On Order	"1"	_____
Width x Length: 0x0									
Picking Ticket Instructions									

Utilize...Key RFMS Features



Return Material on Cancelled Jobs

If a customer cancels an order or returns material that you have no use for, return it to the mill if possible. This frees up warehouse space and cash flow! Most vendors allow you 30 days to return material. Utilize this opportunity to save the money.

Use the Claims module to track Mill Credits. Enter a Claim as you would a Customer Order and be proactive in tracking the posting and receiving of those claims. Utilize the Claims Aging Report in the Accounting module to determine how long claims have been in the system. Stay informed about your financials.

Cost Materials Appropriately

Another good way to improve inventory control is to be certain that all materials leaving the warehouse are assigned and costed to the appropriate job (i.e. supplies needed for the job such as grout, tack strip, seam tape, etc.). This allows you to more accurately check job profitability. To ensure that this happens on an order-by-order basis, turn off the "Job Cost Not Costed Inventory" switch in Order Entry. This enforces the procedure of costing inventory prior to delivering and closing an order.

Key Benefits of making sure all materials are costed to jobs:

- More accurate gross profit calculations
- Ensures that commissions are calculated more accurately if paying on gross profit
- Gross profit per job is more closely representative of the profitability on the Income Statement

Track Supplies

For those who use subcontractors for installation, check out supplies. This is a process that can make you more aware of what is going on with each "in progress" job. Setup up customer orders in Order Entry for each installer and assign needed supplies for each job to that order. When paying the sub, use the A/R deduction feature in Human Resources to assign customer orders with the appropriate supplies needed for jobs to the installers performing the work to satisfy the A/R. A deduction will be made from the installers pay for supplies. This will keep Inventory levels more accurate and ensure that the supplies are paid for.

Key benefits to checking out supplies:

- Keeps inventory correct
- Ensures that your business recoups the costs of supplies
- Linking to payroll records allows you to keep up with the money owed to you by installers

Educational... Opportunities



In order to better accommodate you, we have updated our e-mail subscription capability. You can now choose to receive:

- Bits & Bytes (quarterly newsletter)
- Frequent training newsletters
- Measure newsletter
- New product offerings

...or any combination of all four. To manage your subscription visit <http://visitor.constantcontact.com/email.jsp?m=1101432079449&p=oi>

You'll be asked to confirm your e-mail address; after the address is confirmed, an e-mail will be sent from the newsletter program. A link within that e-mail will allow you to confirm your subscription.

Since we began offering our web-based classes, we've had a lot of questions and gotten a great deal of feedback. I would like to take this opportunity to let you know how our new training programs are set up.

Previously, training was purchased in a block of time. When you purchased the system initially, you may have bought 3 days of onsite training and 10 to 20 hours worth of eLearning and our trainer typically relied on you to direct their efforts. As we have learned from many of our clients, they would like to have a more structured training process, also.

Accordingly, we have introduced some specific RFMS University formats:

eLecture - eLecture utilizes the latest innovations in web training events to train as many people as possible at one time on courses selected from the [RFMS University Course Catalog](#). These lectures are scheduled in advance and can be registered through the [RFMS University Schedule](#). The eLecture is conducted with only the instructors having speaking capabilities. Attendees can submit limited questions electronically during the lecture. Extensive course literature is included and a recorded version of the event is typically available 24 hours after the event. These classes are highly affordable with most costing less than \$25 per course hour.

eClassroom - eClassroom utilizes the same technology and course selections as the eLecture format but are conducted on a smaller scale. Attendees can interact with the instructors and the instructors work to make sure all questions are followed up. Typically, classes are limited to less than 30 attendees. Extensive course literature is included and a recorded version of the event is typically available 24 hours after the event. The classes are scheduled in advance and can be registered through the [RFMS University Schedule](#). These classes are very affordable with most costing less than \$50 per course hour.

eConsulting - eConsulting is the classic online training many of you have already experienced. This can be directed by you, or you can choose from any of our predefined courses in the [RFMS University Course Catalog](#). eConsulting is scheduled at your convenience and is typically a one-on-one training event. If you've seen a course in the catalog that hasn't been offered in eLecture or eClassroom and would be interested in taking the class, visit <http://www.rfms.com/University/eConsultingSchedule.aspx> and set the class up immediately. eConsulting is billed at an hourly based on the certification level of the consultant required for the consultation.

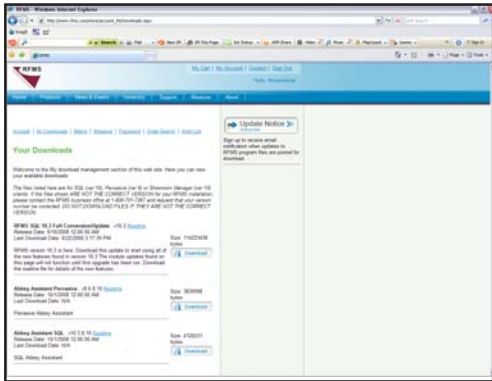
Travel vs. Online - All of these classes can be taught online or at your facility. We've been getting consistent information from our clients that the economy is pressuring everyone to economize and based on that feedback, we've focused a great deal of our effort on promoting Internet based training. However, if it better suits your business needs, we will come onsite and work with you face-to-face. Onsite rates are billed hourly based on the certification level of the consultant required. One-half of the hourly consulting rate will be charged for the time to travel onsite. To arrange onsite training, contact training@rfms.com.

Please send any questions or comments directly to me at wshank@rfms.com. Your feedback keeps us on the cutting edge.

Thank you very much for your time and attention, Wes Shank, CFE Director of Continuing Education RFMS, Inc.

RFMS..Software Downloads

DOWNLOAD VERSION 10.3 ON THE WEB!



When you log in to the website, click on the link labeled Program Updates. All software updates that you have purchased will be available for download. The 10.3 Conversion update will be the first file on the list if you are currently running SQL. (If you are running 9.6 and wish to upgrade, you will need to log a call with our Technical Support department.

To upgrade from 10.3, run the 10.3 Conversion update before downloading any product module updates).



SUBSCRIBE FOR UPDATES

You can also sign up to receive emails that will notify you when new versions of software are released. Visit the Program Downloads page and click on the Update Notice button to subscribe.



Sign up to receive email notification when updates to RFMS program files are posted for download.

COMING SOON! MEASURE 2009

RFMS is proud to announce a new version of the Measure estimating software Measure 2009 will be available for download in December.



B2B SUPPLIER LIST



Over 550 Users
Currently Enrolled

Active (20):

- Shaw
- Mohawk
- Beaulieu
- Ohio Valley
- WM Bird
- All Tile
- Adleta
- JJ Haines
- Florstar
- Dal Tile
- Gulistan
- Tri West
- BR Funsten
- RA Siegel
- Tom Duffy
- Royalty Carpet
- Case Supply
- BPI
- Beaulieu Canada

In Test (6):

- Herregan
- The Dixie Group
- C & C Wholesale
- Jaeckle
- CMH
- Buckwold
- T & L

Committed (8):

- Longust
- Galaher
- CDC
- T & A
- WC Tingle
- SeaPac
- Virginia Tile
- Interceramic



Call 1-800-701-7367, ext. 3306

Regional...Sales Analysts



Listed below are the Regional Sales Analysts for RFMS. Contact the RSA in your area for questions and/or comments about any of our RFMS products!

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