



## **Pricing Tab of Item Master**

The Pricing Tab of the Inventory Item Master displays how the assigned Pricing Source is arriving at the final price for the Item for the various price levels. See below for a description of the various components.

RIMSS WinNetStar v4.0.0.14 Enterprise: The Enterprise Company: DRT Location: Boe

File View Company CRM Suppliers Employees Banking Fixed Assets Inventory Service Wholegoods L/R PM Core Tracking Reports Windows Help

RIMSS WinNetStar Inventory Master List Part Number - 99999-999-99 - (40) Pricing Source - 999

Save Save and Close Save and New

General Mfg. Data Associated Parts Locations Pricing Notebook

Package Multiple: 1.00 Pricing U/M: Each Minimum Order Quantity: 0.00

Purchase U/M: Each # of Pricing Units Inc. in Cost: 1.00 Regulatory/Environmental Fees: Battery Disposal...

Recalculate

Raw Mfg. Values	B C D			S-Core	U/M Converted Mfg. Values			Store Values			Store Values		
	W/O Core	P-Core	Total		W/O Core	P-Core	Total	W/O Core	P-Core	Total	Margin	Mark Up	COS
Cost	\$40.00	\$10.00	\$50.00	\$0.00	\$90.00	\$10.00	\$100.00	\$45.00	\$10.00	\$55.00	0.00 %	0.00 %	100.00 %
List	\$90.00	\$10.00	\$100.00	\$0.00	\$90.00	\$10.00	\$100.00	\$90.00	\$10.00	\$100.00	50.00 %	100.00 %	50.00 %
Trade	\$90.00	\$10.00	\$100.00	\$0.00	\$90.00	\$10.00	\$100.00	\$90.00	\$10.00	\$100.00	50.00 %	100.00 %	50.00 %
Special 1	\$90.00	\$10.00	\$100.00	\$0.00	\$90.00	\$10.00	\$100.00	\$90.00	\$10.00	\$100.00	50.00 %	100.00 %	50.00 %
Special 2	\$90.00	\$10.00	\$100.00	\$0.00	\$90.00	\$10.00	\$100.00	\$90.00	\$10.00	\$100.00	50.00 %	100.00 %	50.00 %
Special 3	\$90.00	\$10.00	\$100.00	\$0.00	\$90.00	\$10.00	\$100.00	\$90.00	\$10.00	\$100.00	50.00 %	100.00 %	50.00 %

Store Price Level	Mfg. Price Level	Calculation of Price Excluding Core Value				Store Value Before...	Part Matrix Mark-Up	Min. Margin Mar...	Final Store Value	
		Conv. Mfg. Value	%							
Cost	= List	\$90.00	X	50.00 %	=	\$45.00	+	\$0.00	=	\$45.00
List	= List	\$90.00	X	100.00 %	=	\$90.00	+	\$0.00	=	\$90.00
Trade	= Trade	\$90.00	X	100.00 %	=	\$90.00	+	\$0.00	=	\$90.00
Special 1	= Special 1	\$90.00	X	100.00 %	=	\$90.00	+	\$0.00	=	\$90.00
Special 2	= Special 2	\$90.00	X	100.00 %	=	\$90.00	+	\$0.00	=	\$90.00
Special 3	= Special 3	\$90.00	X	100.00 %	=	\$90.00	+	\$0.00	=	\$90.00

Store Price Level	Mfg. Price Level	Calculation of Core Value				Core Matrix Mark-Up	Final Store Value
		Conv. Mfg. Value					
Cost	= List	\$10.00	+	\$0.00	=	\$10.00	
List	= List	\$10.00	+	\$0.00	=	\$10.00	
Trade	= Trade	\$10.00	+	\$0.00	=	\$10.00	
Special 1	= Special 1	\$10.00	+	\$0.00	=	\$10.00	
Special 2	= Special 2	\$10.00	+	\$0.00	=	\$10.00	
Special 3	= Special 3	\$10.00	+	\$0.00	=	\$10.00	

See discussion of outlined columns below.

## # of Pricing Units Included in Manufacturers Cost

A - This field is used to convert the manufacturers purchase units to your selling units. For instance, a manufacturer may only sell an item by the case which includes 24 individual items. You may want to price and sell each individual item and would enter a value of 24 in this field. The system will use this value to convert the raw manufacturer data to your selling units. The values in the table titled U/M Converted Mfg. Values is equal to the values in the table titled Raw Mfg. Values divided by the # of Pricing Units Included in Mfg. Cost.

## Raw Manufacturer Values

This table holds the raw values for the various pricing levels. The values can be manually input or imported from a manufacturer catalog.

B – Represents the raw mfg. value for the indicated price level exclusive of any core value. This field is equal to the sum of C plus D.

C – Represents the Primary Core value for the indicated price level. This value is either manually input or imported from a manufacturer catalog.

D – Represents the Total Value for the indicated price level including the Primary Core Value. This value is either manually input or imported from a manufacturer catalog.

## U/M (Unit of Measure) Converted Values

This table holds the various price level values as converted based on the # of Pricing Units Included in Manufacturers Cost.

E – Equals B divided by A

F – Equals C divided by A

G – Equals D divided by A

## Store Values

This table holds the final calculated price level values that will be used by the system when selling the item. The calculations from U/M Converted Values to the Store Values are shown in the two tables below titled “Calculation of Price Excluding Core Value” and “Calculation of Core Value” .

H – Equals column Q below

I – Equals column U below

J – Equals the sum of H and I

### Calculation of Price Excluding Core Value

This table shows the calculation of the various price levels (exclusive of core value) starting with the U/M converted values and applying the various criteria established in the pricing source to arrive at the final store value excluding core.

K – The Mfg. Price Level column is populated based on the respective values in the pricing source.

L – The Conv. Mfg. Value column is populated based on the value from column E corresponding to the Mfg. Price Level in column K.

M – The percentage in column M is populated based on the respective value in the pricing source.

N – The Store Value Before Matrix equals column L multiplied by column M.

O – The Item Matrix Mark-Up represents any mark-up associated with applying the Item Matrix option in the pricing source. The Item Matrix allows for items that fall within a certain price range to receive a percentage mark-up and/or minimum dollar profit.

P – The Minimum Matrix Mark-Up represents any mark-up associated with applying the Minimum Margin option in the pricing source. The Minimum Margin option can be used on its own as a simple way to establish pricing for the various levels based on margin. It can also be applied in conjunction with the other pricing variables within the source as a final check of minimum margin.

Q – The Final Store Value equals column N plus column O plus column P and is the value that feeds column.

### Calculation of Core Value

This table shows the calculation of the various core price levels starting with the U/M converted values and applying the various criteria established in the pricing source to arrive at the final store value.

R - The Mfg. Price Level column is populated based on the respective values in the pricing source.

S - The Conv. Mfg. Value column is populated based on the value from column F corresponding to the Mfg. Price Level in column R.

T - The Core Matrix Mark-Up represents any mark-up associated with applying the Core Matrix option in the pricing source. The Core Matrix allows for items that fall within a certain price range to receive a percentage mark-up and/or minimum dollar profit.

U - The Final Store Value equals column S plus column T and is the value that feeds column.

### Item Matrix Mark-up and Core Matrix Mark-up

The Pricing Source can be set up to automatically mark-up the value of an item or a core if its value before applying the mark-up falls within a dollar range specified by the user. In addition to a percentage mark-up, the user has the option in the pricing source to establish a minimum dollar profit for each dollar

range. The system will first calculate the value of each price level before applying a matrix mark-up. For each of these calculated values that fall within the defined dollar range, the system will apply the mark-up percentage and determine whether the minimum dollar profit has been met. If the minimum dollar profit has not been met, the system will increase the mark-up to the level of the minimum dollar profit. Minimum dollar profit is based off of the Cost before matrix mark-up.

Within the Pricing Source, Item Matrix Mark-up can be turned on or off for each price level. Likewise, Core Matrix Mark-up can be turned on or off for each price level.

### **Minimum Margin Mark-Up**

The Pricing Source can be set up to ensure a minimum margin for each price level. Margin is calculated as the profit on the sale of an item divided by the price of the item. The minimum margin option can be used alone, or in conjunction with other pricing variables. If this option is set up in the Pricing Source, the system will first apply all of the other selected pricing variables (if any) in calculating a price before minimum margin markup. If the price before minimum margin markup results in a margin less than the minimum, the system will apply a mark-up to achieve the minimum margin.