

# Sage 500 ERP

## Light Manufacturing

### Light Manufacturing Streamlines Manufacturing Processes

Is your production process relatively simple? Do you distribute products and have a need for advanced kitting functions? If so, then the Sage 500 ERP (formerly Sage ERP MAS 500) Light Manufacturing module is the perfect product to help you manage production and kit assembly without complicated labor transactions or material issues.

Light Manufacturing allows distributors, assemble-to-order industries, and other light manufacturers to concentrate on other critical business issues without getting tied up in complex manufacturing processes.

Light Manufacturing provides an easy-to-use Production Entry screen where finished goods are reported after the fact. This single point of entry eliminates dozens of potential labor and production transactions by automatically issuing material quantities, outside process transactions, and labor time to finished goods.

Recovery from production errors just got easier with the introduction of Production Entry returns! Now if the incorrect quantity is entered, a production return reverses the process, relieving the finished goods from inventory and returning materials issued.

Distributors can identify labor as part of the kitting process. This dramatically improves product costing, subsequent pricing, and the kitting procedure. Optional modules, such as Estimating, Product Configurator, Engineering Change Management, Project Accounting, and Material Requirements Planning can be used with Light Manufacturing.

### Business Insights

Sage 500 ERP takes inquiry, drill-down, monitoring, and data analysis to a whole new level with out-of-the-box business intelligence tools, including Business Insights Analyzer, Business Insights Explorer, Business Intelligence, Alerts, SAP® Crystal Reports for Sage 500 ERP, Web Reports, and integration with desktop productivity tools.



### BENEFITS

- Manage production and kit assembly without complicated labor transactions or material issues.
- Establish standard routings and bills of material for manufactured items.
- Simplify the production process by eliminating work orders.
- Report production only for finished goods. Other labor transactions are automatically calculated at standard rates.
- Use accurate job costing to establishing item prices, profitability, and business planning.
- Use the optional Alerts module to notify your maintenance and production departments when assets are due for maintenance.
- Add optional modules for MRP, Estimating, Engineering Change Management, and Product Configuration.
- Organize, analyze, and graph production assembly information such as component usage, assembly costs, scrap quantities, and more.

### SAGE 500 ERP SOLUTIONS

- Financials and Project Accounting
- Manufacturing and Distribution
- CRM and E-Business
- Human Resources and Payroll
- Customization and Integration
- Business Intelligence

Step	Operation	Operation Description	Type	Material Item	Work Center	Machine	QTY Req
000010	MAT	Material Requisition	M	Gateway500			5.
000020	DisAssembly	Dis-assemble, separate	L		520		5.



"With Sage 500 ERP we have experienced improvement throughout our organization, including better accountability of our raw materials and in process inventory. Even though inventories have increased due to our expanded product range, our inventory control has improved by about 15 percent."

Tony Orlando, CEO  
T&J Furniture

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### Routings/Bills Of Material

- Establish standard routings and bills of material for manufactured items.
- Integrated routing and bills of material time-phase labor, material, and outside (subcontract) operations in chronological order.
- Routing version enhance quality control for both labor and material revisions. Revision dates and codes identify unique routings and bills of material.
- Multimedia files and CAD drawings may be viewed at the routing header and detail levels.
- Import bills of material from popular CAD programs to the Sage 500 ERP Routing/Bill of Material.
- Flexible work center parameters include user-defined defaults, work-in-process rates, and variable capacity by day for shift schedules.

### No Work Orders

The elimination of work orders simplifies the production process.

- Use the backflush feature to issue labor time, material quantities, or outside transactions automatically as production takes place.
- The system updates inventory when the quantity of finished goods is reported.
- Light manufacturing automatically creates a work order behind the scenes for every production entry. This is important because Light Manufacturing customers will have important work order history if they upgrade to Advanced Manufacturing in the future.

### Labor and Production Reporting

Report production only for finished goods. Other labor transactions are automatically calculated at standard rates.

- Reduce the number of labor transactions by backflushing labor and overhead at standard rates. You can also report production in an easy, one-step process when production is completed.
- Light manufacturing automatically calculates the quantity of each material used based on the quantity of finished goods produced.
- Standard quantities can be changed to reflect actual material usage and scrap.
- Identify which raw material and component lots or serial numbers were used in the production process.
- Eliminate the need for setup and downtime tracking by building these steps into production standards.
- Utilize a single Production Entry screen to report the quantity of finished goods produced.
- Distribute finished goods quantities to different lot or serial numbers before posting production to inventory.

### Job Costing

Accurate job costing is critical to establishing item prices, profitability, and business planning.

- Light Manufacturing supports standard, average, LIFO, FIFO, and actual costing.
- Time-phased bill of material requirements and incremental scrap calculations provide accurate manufacturing costs and lead-time calculations.
- Advanced general ledger integration provides detailed job-cost tracking.

### Preventative Maintenance

Use the optional Alerts module to notify your maintenance and production departments when assets are due for maintenance.

- Set up Alerts to notify employees when machines, work centers, or tools are coming due or overdue for inspections.
- Supervisors can set up maintenance schedules for each machine, work center, or tool; view notes; email tasks to employees; and take assets out of service so that orders cannot be scheduled against the resource while it is being maintained.

### Phantom Components

- Phantom components are items that are rarely stocked but are assembled and used in other bills of material.
- With blow-through phantoms, the Sage 500 ERP Material Requirements Planning (MRP) module replaces the single phantom bill of material with its components on the assembly. The phantom component cannot be used for on-hand inventory.
- Plan B Phantoms are similar to blow-through phantoms but on-hand assemblies can be stocked and sold.

### Optional Modules

Sage offers several manufacturing modules that provide Light Manufacturing customers with advanced features.

- The Estimating module creates internal part estimates, which can be converted directly into quotes, sales orders, and manufacturing routings.
- The powerful Product Configurator module helps engineers build part routings and bills of material based on predefined rules.
- Engineering Change Management helps light manufacturers manage changes to their routings and bill of material definitions.
- MRP helps you determine which materials, components, or finished goods you need, when you need them, and how many to buy or make.
- Project Accounting is useful for tracking costs of multiple finished goods and is useful for engineering environments for managing research, development, and related projects.