

Landed Cost

by Star | System | Solutions

Historically the determination for true Landed Cost of inventory has been characterized by excessive paper work, long waiting periods and incorrect valuation due to time consuming manual calculations.

Until now manual and computerized accounting systems have failed to provide a practical and efficient methodology to calculate the true Landed Cost of inventory.

The implication for import companies susceptible to fluctuating exchange rates and numerous ancillary shipping charges, is without instant desktop access to accurate information about the actual landed cost of their inventory, they run the risk of overestimating their profit projection.

Landed Cost for Epicor Enterprise has been developed specifically to assist importers obtain a true account of all shipping and ancillary costs, as well as providing estimations prior to actual shipping.

Integration

Landed Cost integrates with Epicor Enterprises[®] Inventory, Purchase Orders, Accounts Payable and General Ledger to provide increased user productivity. It also integrates with Epicor[®] Supply Chain Execution Suite to allow advanced warehousing combined with landed costs.

Shipment Entry

The Shipment Entry brings together the purchase orders, import duty, indirect costs, shipped and received totals and calculates the Landed Cost of the items in a shipment.

Projected landed unit costs can be calculated by using estimated landing charges. Costings can be fine tuned an unlimited number of times and will have no effect on the inventory until the shipment is closed. When updating the inventory, either actual landing costs or estimated costs can be used, with automatic accrual of the liability if estimates are used. Inventory can also be tracked and accrued to General Ledger while in-transit and be automatically transferred to the destination location when shipment is finalized.

The Foreign Exchange Contracts (FECs) feature enables

grouping shipments to calculate and apply a weighted average exchange rate.

The shipment, when completed updates the Inventory (received quantities and costs), Accounts Payable and the General Ledger.

Desktop Reporting

Landed Costs can track an inventory item across multiple shipments as well as provide detailed and summarized reports.

Costs and quantity variance, as well as tracking reports, are available upon demand.

Indirect Costs

Landed Cost allows the entry of the indirect cost at the time of entering your shipment. Costs such as freight, insurance, wharfage and handling can be apportioned by dollar value, quantity, volume or weight. The indirect costs can be entered in the shipment entry or integrated with Accounts Payable. This ensures that the inventory will be costed with the actual costs associated with them. Moreover, if the costs are from multiple suppliers and in multiple currencies Landed Cost will bring them all together for one shipment.

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The image displays three screenshots of the Star System Solutions software interface. The top screenshot shows the 'Star Landed Cost' window with a table of items and their costs. The middle screenshot shows the 'LC LANDED COST ITEM STATUS' window for a specific item. The bottom screenshot shows the 'LC MAINTAIN TARIFFS' window for defining a tariff.

Item No	Received	Unit Cost	Extended Cost	Calc. Duty	Actual Duty	Indirect Cost	% Cost Uplift	Landed Cost
114	8.0	333.00	2,664.00	.00	.00	76.57	0.0	2,740.57
117	58.0	200.00	11,600.00	.00	.00	333.43	0.0	11,933.43
118	100.0	200.00	20,000.00	.00	.00	574.89	0.0	20,574.89
121	10.0	793.25	7,932.50	.00	.00	228.01	0.0	8,160.51
122	7.0	475.00	3,325.00	.00	.00	95.57	0.0	3,420.57
123	7.0	793.25	5,552.75	.00	.00	159.61	0.0	5,712.36

Tariffs

Tariffs are established by either individual items or item groups. These tariffs control the calculation of import duty in a Landed Cost shipment. They can be overridden where necessary on individual shipment lines.

Events

Landed Cost events are either user defined codes that can be attached to a shipment to record events that occur in a shipment or for a particular item in a shipment. There is no limit to the number of events that can be attached to a shipment.

- ☒ Multiple orders, with multiple currencies, can be consolidated into a single shipment.
- ☒ Multiple suppliers can be consolidated into a single shipment.
- ☒ Shipments can be refreshed for changes to the original purchase order.
- ☒ Duties and Indirect Costs apportioned across the items in the shipment.
- ☒ Track inventory losses between supplier shipping records and your own receiving records.
- ☒ Track inventory in-transit.
- ☒ Automates Epicor Enterprise's receiving and invoice matching into a single step.
- ☒ Supports Serial/Lot/Bin tracking.
- ☒ Calculate and apply weighted average exchange rates.
- ☒ Seamless integration with Purchase Orders, Inventory, Accounts Payable, General Ledger and Supply Chain Execution Suite.
- ☒ Enquire on item status across all shipments and locations.
- ☒ Detailed and Summarised Shipment Reporting.
- ☒ Quantity and Cost variance reporting.

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