

CHAPTER 3: CUSTOMER SERVICE FEATURES

Objectives

The objectives are:

- Explain how to set up and use item substitutions.
- Describe how to set up and use item cross references.
- Explain nonstock item setup and the processes to create nonstock items manually and through a vendor catalog import.
- Describe how to sell nonstock items using drop shipments.

Introduction

Customer service features in Microsoft Dynamics NAV[®] 2009 include substituting one item with another, working with item cross reference, and using nonstock items. Companies can manage the sale of a nonstock item in two ways:

- Creating drop shipments
- Using a special order

Each of these features add to customer satisfaction by expediting the sales process.

Item Substitutions

Companies frequently offer products of similar quality and function as substitutes for one another. The purpose of this is twofold:

- A company can offer a variety of styles, brands, and prices of goods. This enables their customers to select items that best suit their needs and budgets.
- By enabling customers to purchase inventory items of comparable quality, function, and price, companies can maintain customer satisfaction if stock shortages occur.

The Item Substitution feature enables a company to link items with the same or similar properties to one another. The substitution can be either one-way (from item x to item y, but not from y to x), or two-way. If the substitution is two-way, the items are considered interchangeable. If one item is interchangeable with another, the program automatically creates a "reverse substitution" entry for the other item during the setup of the substitution information.

After substitution information is set up, every time that the number of the item with a substitute(s) is entered on the sales line, the number of substitutions set up displays in the **Substitutions** field in the Sales Line Details FactBox. In addition, when the quantity of items requested on the sales line exceeds the quantity available from inventory, the **Substitutes Exist** field displays Yes in the stockout message.

If a user chooses a substitute, then the program updates the relevant fields on the sales line.

Procedure: Review Item Substitution Setup

A company must create and set up corresponding item substitution entries in order to use the item substitution functionality.

At CRONUS International Ltd., several item substitution entries have been set up already. Follow these steps to view the entry made for item 1968-W:

1. On the navigation pane, click **Sales & Marketing** and then click **Inventory & Pricing**.
2. On the **Inventory & Pricing** page, click **Items**.

3. Open the item card for item 1968-W.
4. On the **Related Information** menu, point to **Item**, and then click **Substitutions**.

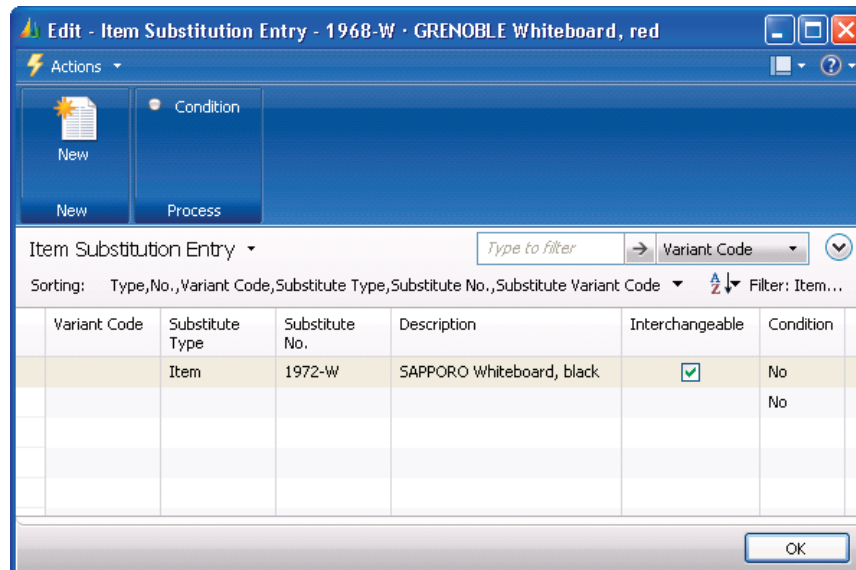


FIGURE 3.1 ITEM SUBSTITUTION FOR ITEM 1968-W, THE GRENOBLE WHITEBOARD, RED

The fields in the **Item Substitution Entry** page specify information about the substitute item(s). Enter the item number for the substitute item in the **Substitute No.** field.

An item can be substituted with either another item on the company's inventory list or with a nonstock item. Select the type of the item to use as a substitute in the **Substitute Type** field. Interchangeability of these items is defined by the **Interchangeable** check box.

To enter comments about the conditions required to make substitutions for an item, click **Condition** on the Action Pane. If a condition has been entered, the **Condition** field on the **Item Substitution Entry** page will display Yes.

Immediately after a substitution entry is created for an item, the **Substitution Available** check box is automatically selected on the sales line for this item.

NOTE: Use the Choose Columns feature on the lines to show the **Substitution Available** field.

Demonstration: Create a Sales Order with Substitutions

Scenario: Customer 10000 orders three units of item 1968-W.

Susan, the order processor, creates an order for the customer and learns the quantity of the requested item is not available. However, item 1968-W can be substituted by another item. With the customer's consent, Susan ships a substitute item.

Follow these steps to create the sales order:

1. On the **Sales & Marketing** page, click **Order Processing** and then click **Sales Orders**.
2. Click **New** and then press ENTER or TAB.
3. In the **Sell-to Customer No.** field, enter 10000.
4. On the **Lines** FastTab, in the **Type** field, select Item.
5. In the **No.** field, enter 1968-W.
6. In the **Quantity** field, type 3 and then press ENTER or TAB. A stockout message appears. In the message box, the **Substitutes Exist** field shows that a substitute exists.
7. Click **Yes** to record the quantity.

The **Substitutions** field in the Sales Line Details FactBox indicates that one item has been set up as a substitute for the item on the line.

Follow these steps to view the substitute item for the item on the sales line:

1. In the Sales Line Details FactBox, click the **Substitutions** link.

The **Item Substitution Entries** page specifies the relevant logistical information about the substitute item(s). The header information copies from the related sales line. The **Inventory** and the **Quantity Avail. on Shpt. Date** fields specify the respective quantities of the substitute item.

2. With the line for item 1972-W selected, click **OK**. Item 1972-W replaces the originally entered item 1968-W on the sales line.
3. On the Action Pane, click **Post**.
4. Click **Ship** and then click **OK**.

NOTE: You also can select Item Substitutions on a sales line using the **Select Item Substitution** function accessed from the **Lines** FastTab by clicking **Actions** and pointing to **Line**.

Lab 3.1 - Process a Sales Order with Items Substitutions

Scenario

You are the order processor at CRONUS. Customer 40000 orders seven units of item 1980-S, however, none are in stock. The customer approves a substitution. Ship the order with the substituted item.

***NOTE:** This customer's shipments are usually made from the Yellow Warehouse. Because the YELLOW location requires picking, the shipping process must be done through the warehouse. Skip this process by entering the corresponding amounts in the **Qty. To Ship** field on the sales lines and then by accepting the warning messages the program displays.*

Challenge Yourself!

Create and ship the sales order to customer 40000 for seven units of item 1980-S. Substitute the item if required.

Need a Little Help?

1. Create the sales order for customer 40000 of seven units of item 1980-S.
2. Determine whether the requested item can be substituted by another item.
3. Ship the requested quantity of a substitute item.

Step by Step

1. On the **Sales & Marketing** page, click **Order Processing** and then **Sales Orders**.
2. Click **New** and then press ENTER or TAB.
3. In the **Sell-to Customer No.** field, enter 40000.
4. On the **Lines** FastTab, in the **Type** field, select Item.
5. In the **No.** field, enter 1980-S.
6. In the **Quantity** field, type 7.
7. Click **Yes** on the availability message that appears.
8. In the Sales Line Details FactBox, click the **Substitutions** link.
9. Click **OK** to substitute item 1988-S.
10. In the **Qty. to Ship** field, type 7.
11. Click **OK** to accept the warning message that appears.
12. On the Action Pane, click **Post**.
13. Click **Ship** and then click **OK**.

Item Cross References

With item cross references, a company can use another company's item number (used, for example, by the customer or vendor) and the program refers this number to the company's own internal item number. When the external item number in the **Cross-Reference No.** field is entered, the program automatically fills in the internal item number and corresponding information about the sales order.

Item cross reference enables the following types of item numbers to be set up for cross reference:

- Blank
- Customer
- Vendor
- Bar Code

Item Cross Reference Entries Page

In the **Item Cross Reference Entries** page, the user can specify cross-reference details.

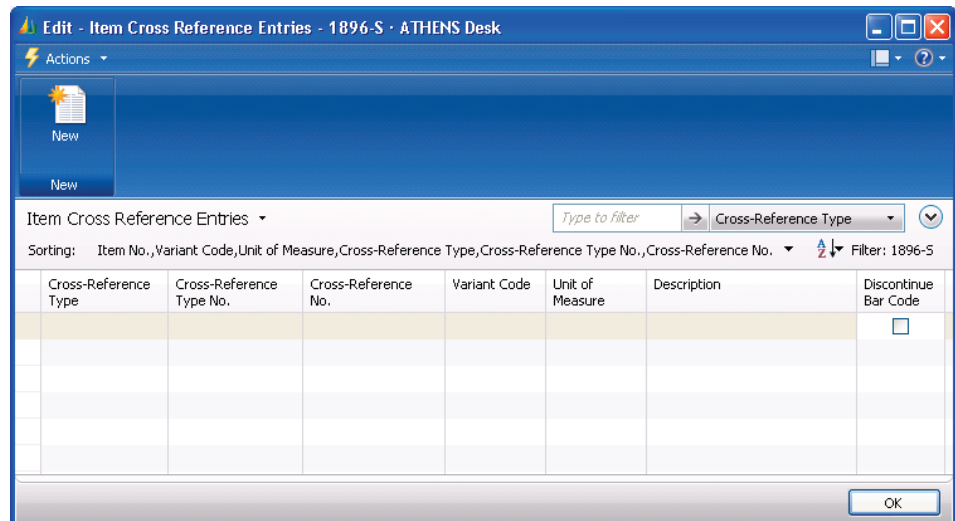


FIGURE 3.2 ITEM CROSS REFERENCE ENTRIES

Options in the **Cross-Reference Type** field define for whom (customer or vendor) or for what (bar code) the cross reference is used. Perhaps one item has a different reference number for the customer, vendor, and bar code. The blank option means that any cross-reference number (for example, an internal reference used for information) can be entered and determine the item.

Depending on the selection made in the **Cross-Reference Type** field, the user can enter either a customer or vendor number or a bar code name in the **Cross-Reference Type No.** field. A cross-reference number of up to 20 characters can be entered in the **Cross-Reference No.** field.

The **Description** field enables entries of up to 30 characters. If a user enters a description for a cross reference, it will override the standard item description when the user enters the cross-reference on a sales or purchase order.

The user can refer to the **Discontinue Bar Code** field for information when the **Cross-Reference Type** field is set to Bar Code and that particular bar code is no longer valid.

Demonstration: Set Up an Item Cross Reference

Scenario: Nancy, the sales representative at CRONUS, must set up cross references for several selected items, including item 1896-S. The condition is that when customer 40000 purchases the item, the customer's item description, Executive Desk. 6 Dr; 36x60, is used on the sales documents, instead of the item description that is used at CRONUS. The customer's reference number for this item is ED6DR3660.

Follow these steps to set up a cross reference for item 1896-S:

1. On the **Sales & Marketing** page, click **Inventory & Pricing**, and then click **Items**.
2. Open the item card for item 1896-S.
3. On the **Related Information** menu, point to **Item** and then click **Cross References**.
4. In the **Cross-Reference Type** field, enter Customer.
5. In the **Cross Reference Type No.** field, enter 40000.
6. In the **Cross-Reference No.** field, type ED6DR3660.
7. In the **Unit of Measure** field, enter PCS.
8. In the **Description** field, type Executive Desk. 6 Dr; 36x60.
9. Click **OK** to close the **Item Cross Reference Entries** page.

Demonstration: Create a Sales Order with a Cross Reference

Scenario: Susan, the order processor at CRONUS, receives an order from customer 40000 for ten units of item ED6DR3660. The vendor does not readily know CRONUS' number for this item.

Susan must create a sales order for this item using the item cross reference function to locate the item. After creating order, she reviews the Order Confirmation to confirm the customer's item description appears.

Follow these steps to create the sales order using item cross-references:

1. On the **Sales & Marketing** page, click **Order Processing** and then click **Sales Orders**.
2. Click **New** and then press ENTER or TAB.
3. In the **Sell-to Customer No.** field, enter 40000.
4. Use the Choose Columns feature to add the **Cross-Reference No.** field to the line.
5. On the **Lines** FastTab, in the **Type** field, select Item.
6. In the **Cross-Reference No.** field, click the drop-down arrow to open the **Cross Reference List** page.
7. With the cross-reference number ED6DR3660 selected, click **OK**. The item number, cross-reference number, and customer's description appear on the sales line.
8. In the **Quantity** field, type 10.
9. On the **Actions** menu, point to **Print**, and then click **Order Confirmation**.
10. Click **Preview**. The document shows item number 1896-S and the description of the cross-reference number.
11. Close the **Print Preview** page.
12. In the **Qty. to Ship** field, type 10.
13. Click **OK** to accept the warning message that appears.
14. On the Action Pane, click **Post** and then click **OK**.

The principles behind the procedures for setting up and using cross references when you purchase items from vendors are the same as described in this lesson.

Lab 3.2 - Process a Sales Order with Item Cross References

Scenario

You are the order processor at CRONUS.

Customer 10000 places an order for eight units of item 1900-S, and says that this item is their item number 22-786, with a description of Chair, lounge, black.

Since this customer orders this item often, you decide to set up a cross-reference before creating and posting the order.

Challenge Yourself!

1. Create the item cross-reference.
2. Process the sales order.

Need a Little Help?

1. Set up item 1900-S with customer 10000's cross-reference to item 22-786 with the item description of Chair, lounge, black.
2. Create a sales order that reflects the item number the customer uses.
3. Post the order.

Step by Step

Follow these steps to create the item cross-reference:

1. On the **Sales & Marketing** page, click **Inventory & Pricing** and then click **Items**.
2. Open the item card for item 1900-S.
3. On the **Related Information** menu, point to **Item** and then click **Cross References**.
4. In the **Cross-Reference Type** field, enter Customer.
5. In the **Cross Reference Type No.** field, enter 10000.
6. In the **Cross-Reference No.** field, type 22-786.
7. In the **Unit of Measure** field, enter PCS.
8. In the **Description** field, type Chair, lounge, black.
9. Click **OK** to close the **Item Cross Reference Entries** page.

Follow these steps to process the sales order:

1. On the navigation pane, under Sales & Marketing, click **Order Processing** and then click **Sales Orders**.
2. Click **New** and then press ENTER or TAB.
3. In the **Sell-to Customer No.** field, enter 10000.
4. On the **Lines** FastTab, in the **Type** field, select Item.
5. In the **Cross-Reference No.** field, click the drop-down arrow to open the **Cross Reference List** page.
6. With the cross-reference number 22-786 selected, click **OK**.
7. In the **Quantity** field, type 8.
8. On the Action Pane, click **Post**.
9. Click **OK** to ship and invoice the order.

Set Up and Create Nonstock Items

Nonstock processing enables companies to order, ship, and invoice items that are not usually part of their inventory, and includes many areas of operation. The primary users of this functionality are purchasing/inventory management personnel and sales representatives.

Nonstock item processing allows the user to enter an item on a sales quote, order, or invoice. The user can select the item from an existing list of item numbers received from one or more vendors and imported into the program. Immediately after the relevant vendor item is selected, the program automatically creates an inventory item with a unique item number. The inventory item is processed as an ordinary "stocked" inventory item.

Reports help companies decide whether to carry certain nonstock items as stocked items.

Nonstock Items Setup Page

Users can set up the numbering sequence and format for nonstock items in the **Nonstock Item Setup** page.

Follow these steps to open the **Nonstock Item Setup** page:

1. On the navigation pane, click **Sales & Marketing**.
2. On the **Sales & Marketing** page, click **Administration** and then click **Nonstock Item Setup**.

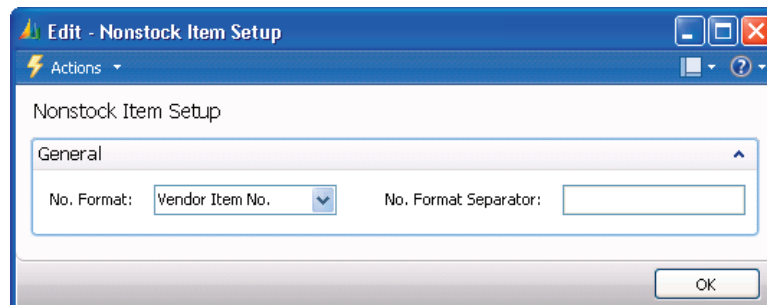


FIGURE 3.3 NONSTOCK ITEM SETUP

The following two fields specify the format of the nonstock item number appearing on the item card. The program generates the number when the user enters a nonstock item on a document line for the first time.

- The **No. Format** field contains four options for how the program formats nonstock item numbers:
 - Vendor Item No.
 - Mfr. + Vendor Item No.
 - Vendor Item No. + Mfr.
 - Entry No.
- The **No. Format Separator** field contains the character that serves as a separator between the elements of a nonstock item number format if the user has chosen a **No. Format** of both a code and a number.

Refer to online Help for more information about the fields on the **Nonstock Item Setup** page.

Create Nonstock Items

To use nonstock processing, a company must create items the program recognizes as nonstock goods. The program provides two methods for creating nonstock items:

- Manually: Creating the nonstock item from the nonstock item card.
- Importing a vendor catalog: Bringing in a volume of nonstock items using a dataport.

The following demonstrations, "Create a Nonstock Item Manually" and "Import Vendor Catalog," describe each of these methods.

Procedure: Create a Nonstock Item Manually

The user must enter item-related information in the appropriate fields on the nonstock item card to create a nonstock item manually. This is similar to creating a regular item card.

Follow these steps to create a nonstock item:

1. On the **Sales & Marketing** page, click **Inventory & Pricing** and then click **Nonstock Items**.
2. Click **New** and then press ENTER or TAB.
3. Enter general item information on the **General** FastTab.
4. On the **Invoicing** FastTab, specify cost and posting details about the nonstock item.

To sell nonstock items, complete the **Vendor No.**, **Vendor Item No.**, and **Item Category Code** fields. The item category code is important because this determines the posting groups and costing methods the program uses when the nonstock item is used in a transaction.

Refer to online Help for more information about the fields on the Nonstock Item Card.

Procedure: Create an Item Card from a Nonstock Item

The first time a sales order for a nonstock item is created and posted, the program automatically adds the item record to the company's inventory list by creating an item card.

To create an item card for a nonstock item before using it in a transaction, run the Create Item function on the Nonstock Item Card. Follow these steps to run the Create Item function:

1. Open the **Nonstock Item Card** for vendor item number 2100 (Entry No. NS0001).
2. On the Action Pane, click **Create Item**.

The program creates the corresponding item card, adds a record in the item vendor catalog, and provides confirmation.

The newly created item is assigned the number with the format (Vendor Item No.) specified in the **Nonstock Item Setup** page.

3. Click **OK** to close the item creation message and then click **OK** to close the Nonstock Item Card.
4. On the navigation pane, click **Inventory & Pricing** and then click **Items**.
5. Open the item card for item 2100.

The **Created From Nonstock Item** field is selected automatically on the **General** FastTab, indicating that this was a nonstock item converted to a stocked item.

Procedure: Import Vendor Catalogs

Vendors frequently make catalogs available by using an electronic file. The program provides a dataport (object number 5700, import nonstock items) designed to import the following comma-delimited format. Run the dataport from the Object Designer in the Classic client.

NOTE: Before you run this dataport, ensure that the manufacturer code, vendor number, unit of measure code, item category code, and product group code specified in the dataport are set up in Microsoft Dynamics NAV. Confirm this by opening a nonstock item card and verifying that the records in the tables related to the corresponding fields exist.

Follow these steps to run the dataport:

1. Open the Microsoft Dynamics NAV 2009 Classic with Microsoft SQL Server client.
2. On the **Tools** menu, click **Object Designer**.
3. Click **Dataport**.

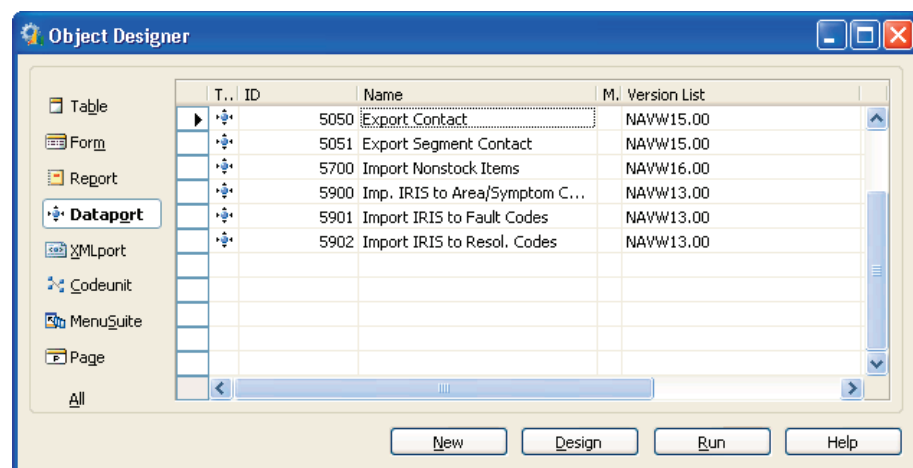


FIGURE 3.4 DATAPORTS IN THE OBJECT DESIGNER IN THE CLASSIC CLIENT

4. Click object ID **5700, Import Nonstock Items** and then click **Run**.
5. On the **Nonstock Item** tab, set filters for the information desired from the catalogs.
6. On the **Options** tab, enter the path to the file that contains the vendor's catalog in the **File Name** field.
7. Ensure that the **Direction** field is set to Import and then click **OK**.
8. Close the Classic client and return to the RoleTailored client.

Refer to the "Importing Nonstock Items" topic in online Help for more information about this dataport.

Sell Nonstock Items

Companies usually sell nonstock items to customers as drop shipments or special orders. Drop shipments are sent directly from the vendor to the customer, while special orders are sent to the company's warehouse before they are sent to the customer.

Drop shipments are used when a company wants to avoid handling an order, such as stocking and delivering, but wants to fulfill the customer's request and include the transaction in a calculation of cost of goods sold and profit.

When companies make a shipment to a customer that contains both regular and nonstock items, or want to maintain a uniform interface with customers, they might process the sales order as a special order.

This lesson illustrates the sale of nonstock items using the example of drop shipment. The principles behind the procedures for handling sales orders selected as special orders are similar to the ones for handling drop shipments.

Drop Shipments

Companies can use the Drop Shipments functionality to ensure drop-shipped orders are handled efficiently. In addition to making a process that involves many tasks and people easier, it ensures that the correct inventory value and item costs are calculated. Although the sales and purchase transactions of the drop shipment are registered, the drop-shipped items do not physically enter the company's inventory.

The Drop Shipments Process Flow figure illustrates how drop shipments are managed.

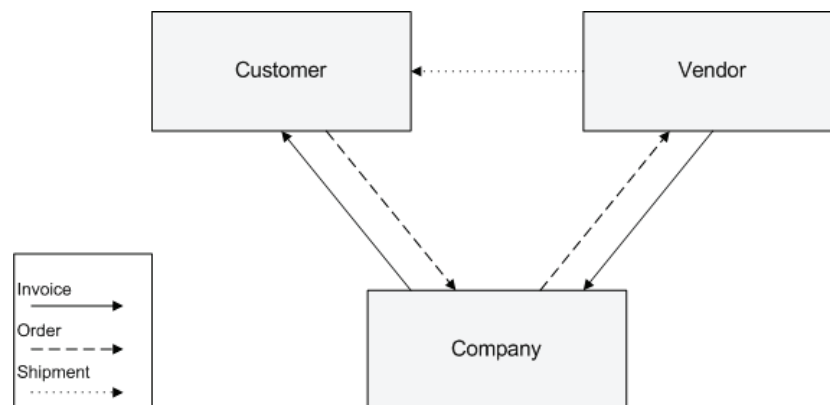


FIGURE 3.5 DROP SHIPMENTS PROCESS FLOW

Specifically, drop shipping includes the following tasks:

1. The customer places a sales order with the company.
2. The company places a purchase order with the vendor.
3. The vendor delivers the ordered items directly to the customer.
4. The vendor invoices the company for the shipment.
5. The company invoices the customer.

Demonstration: Sell a Nonstock Item Using Drop Shipments

Scenario: Customer 10000 orders ten units of item 3100.

Susan, the order processor, decides to deliver the order using a drop shipment because item 3100 is a nonstock item. The item must be purchased from vendor 30000, who then ships the order directly to customer 10000.

***NOTE:** Creating sales orders for nonstock items requires entries in the **Purchasing Code** field.*

Steps: Create and Release the Sales Order

Follow these steps to create a sales order for a nonstock item:

1. On the **Sales & Marketing** page, click **Order Processing** and then click **Sales Orders**.
2. Click **New** and then press ENTER or TAB.
3. In the **Sell-to Customer No.** field, enter 10000.
4. Use the Choose Columns feature to add the **Purchasing Code** and **Nonstock** fields to the line.
5. On the **Lines** FastTab, in the **Type** field, select Item.

To enter the nonstock item number, Susan can either:

- Select the item from the nonstock items list.
- Select the item from the regular item list (if the nonstock item has been added to the inventory list).

Because item 3100 is not set up in the regular item list, Susan uses the Nonstock Items function.

6. On the **Lines** FastTab, click **Actions**, point to **Functions**, and then click **Nonstock Items**.
7. Select item 3100 and then click **OK**.
8. In the **Purchasing Code** field, enter DROP SHIP.

9. In the **Quantity** field, type 10.
10. On the Action Pane, click **Release**.
11. Click **OK** to close the sales order.

Steps: Create and Release the Purchase Order

Alicia, the purchasing agent, creates a purchase order for the nonstock items that CRONUS sells to customer 10000.

Create purchase orders for drop shipments by the following methods:

- Indirectly: As a part of a regular planning activity using the requisition worksheet.
- Directly: From the purchase order.

***NOTE:** To learn about creating the purchase order from the requisition worksheet, refer to the topic titled "Creating Purchase Orders for Drop Shipments Indirectly" in the online Help.*

Follow these steps to create the purchase order for drop shipments directly:

1. On the **Purchase** page, click **Order Processing** and then click **Purchase Orders**.
2. Click **New** and then press ENTER or TAB.
3. In the **Buy-from Vendor No.** field, enter 30000.
4. In the **Vendor Invoice No.** field, type 1112 in the **Vendor Invoice No.** field. Due to setup, a **Vendor Invoice No.** is required before you can invoice the purchase order.
5. Expand the **Shipping** FastTab.
6. In the **Sell-to Customer No.** field, enter 10000.
7. On the **Related Information** menu, point to **Order**, then to **Drop Shipment**, and then click **Get Sales Order**.

The **Sales List - Order** page appears. The lines specify the sales orders created for the customer selected in the **Sell-to Customer No.** field.

8. Select the sales order for ten units of item 3100 (click the **Related Information** menu, point to **Line**, and then click **Card** to view a sales order) and then click **OK**.

The fields on the purchase line fill in with the information copied from the sales order.

Also created is the link between the sales order, which will be drop shipped, and the associated purchase order. With this link, the user can view the associated sales order directly from the purchase order and vice versa.

9. On the **Lines** FastTab, click **Actions**, point to **Order**, then **Drop Shipment**, and then click **Sales Order**.

The sales order appears. To view the purchase order from the sales order, use the same process but select Purchase Order.

10. Minimize the **Sales Order** page.
11. On the Action Pane of the purchase order, click **Release**.

Steps: Post the Orders

To complete the drop shipment, process the related purchase and sales orders according to the rules that are defined for drop shipment.

***NOTE:** You cannot post the sales order with lines selected for drop shipment until you link it to a purchase order.*

Follow these steps to post the sales order and purchase order:

1. Reopen the sales order.
2. On the Action Pane, click **Post**.
3. Click **OK** to ship and invoice the sales order.

The Receive function automatically runs on the linked purchase order and updates the **Quantity Received** field.

4. On the Action Pane of the purchase order, click **Post**.
5. Click **OK** to invoice the purchase order.

Lab 3.3 - Sell a Nonstock Item Using Special Orders

Scenario

Customer 10000 orders three units of item 4100. Item 4100 is a nonstock item, which must be purchased from vendor 40000. Because this customer only accepts shipments from CRONUS, the order processor places a special order with 40000.

After receiving the shipment from 40000, the purchasing agent posts vendor invoice 11234 and then the order processor simultaneously ships the items to customer 10000 and posts the invoice.

Perform the activities as both the order processor and purchasing agent.

Challenge Yourself!

1. Create a special order for customer 10000 for three units of item 4100.
2. Create the purchase order for the special order.
3. Receive and invoice the purchase order.
4. Ship and invoice the sales order.

Need a Little Help?

1. Create a sales order for customer 10000 for three units of item 4100.
2. Use the Nonstock Items function to add the item and then set it as a special order.
3. Release the order.
4. Create the purchase order to vendor 40000.
5. Assign customer number 10000 for shipping and then run the Get Sales Order function.
6. Add vendor invoice number 11234 and then receive and invoice the purchase order.
7. Reopen the sales order.
8. Ship and invoice the sales order.

Step by Step

Follow these steps to create the sales order:

1. On the **Sales & Marketing** page, click **Order Processing** and then click **Sales Orders**.
2. Click **New** and then press ENTER or TAB.
3. In the **Sell-to Customer No.** field, enter 10000.
4. In the **Type** field, enter Item.

5. On the **Lines** FastTab, click **Actions**, point to **Functions**, and then click **Nonstock Items**.
6. Select item 4100 and then click **OK**.
7. In the **Purchasing Code** field, enter SPEC ORDER.
8. In the **Quantity** field, type 3.
9. On the Action Pane, click **Release**.
10. Minimize the **Sales Order** page.

Follow these steps to process the purchase order:

1. On the **Purchase** page, click **Order Processing**, and then click **Purchase Orders**.
2. Click **New** and then click ENTER or TAB.
3. In the **Buy-from Vendor No.** field, enter 40000.
4. Expand the **Shipping** FastTab and enter 10000 in the **Sell-to Customer No.** field.
5. On the **Related Information** menu, point to **Order**, then to **Special Order**, and then click **Get Sales Order**.
6. Select the sales order for three units of item 4100 and then click **OK**.
7. In the **Vendor Invoice No.** field, enter 11234.
8. On the Action Pane, click **Post**.
9. Click **OK** to receive and invoice the order.

Follow these steps to complete the sales order:

1. Reopen the sales order.
2. On the Action Pane, click **Post**.
3. Click **OK** to ship and invoice the order.

Summary

Companies can use item substitution to link items with the same or similar characteristics in order to offer substitute items to customers in shortage situations or to propose an alternative item that has a better price.

With item cross reference, another company's item number can be used as reference number on documents. This is used as an extra service to the customers to make it easier for them to find the documents.

As an additional service to the customers, the nonstock items function can be used to manage the sale of items that are not maintained as part of the normal inventory. This special business purpose can be achieved with the use of drop shipment functionality or the creation of special orders that link the purchase to the sale.

These elements all add to the customer's overall perception of the company and serve to strengthen the long term relationship.

Test Your Knowledge

Test your knowledge with the following questions.

1. Without opening the item card, how can you find out if a substitution exists for an item not in stock on a sales order?

2. Which of the following can be set up as item cross-reference types? (Select all that apply)

- Vendor
- Serial No.
- Customer
- Bar Code

3. Explain the purpose of using nonstock item processing.

Fill in the blanks to test your knowledge of this section.

4. A vendor _____ can be imported into Microsoft Dynamics NAV from a comma-delimited format file.
5. Drop _____ of nonstock items are sent directly from the vendor to the customer.
6. _____ orders of nonstock items are sent to a company's warehouse before they are sent to the customer.

Quick Interaction: Lessons Learned

Take a moment and write down three Key Points you have learned from this chapter:

1.

2.

3.

Solutions

Test Your Knowledge

1. Without opening the item card, how can you find out if a substitution exists for an item not in stock on a sales order?

MODEL ANSWER:

Refer to the **Substitution Available** field on the sales line.

Refer to the **Substitutions** field in the Sales Line Details FactBox.

Refer to the **Substitutes Exist** field on the stockout warning message.

Refer to the Select Item Substitutions function available from the **Lines** FastTab.

2. Which of the following can be set up as item cross-reference types? (Select all that apply)

Vendor

Serial No.

Customer

Bar Code

3. Explain the purpose of using nonstock item processing.

MODEL ANSWER:

Nonstock processing enables companies to order, ship, and invoice items that are not usually part of their inventory.

Fill in the blanks to test your knowledge of this section.

4. A vendor catalog can be imported into Microsoft Dynamics NAV from a comma-delimited format file.
5. Drop shipments of nonstock items are sent directly from the vendor to the customer.
6. Special orders of nonstock items are sent to a company's warehouse before they are sent to the customer.

