Contract Management

Contents

How to link items to a supplier?

It is possible to link a supplier to an item and adding a supplier as a main supplier or as an additional supplier on the Item forms "additional supplier" tab, however it might be a cumbersome task to manage larger number of items as it would involve a lot of clicking. So here is an alternative way of doing it.

1. Click [Purchasing] → [Contacts]
2. Double click the supplier in question to open the "Contact" form.
3. Click the "Items" tab
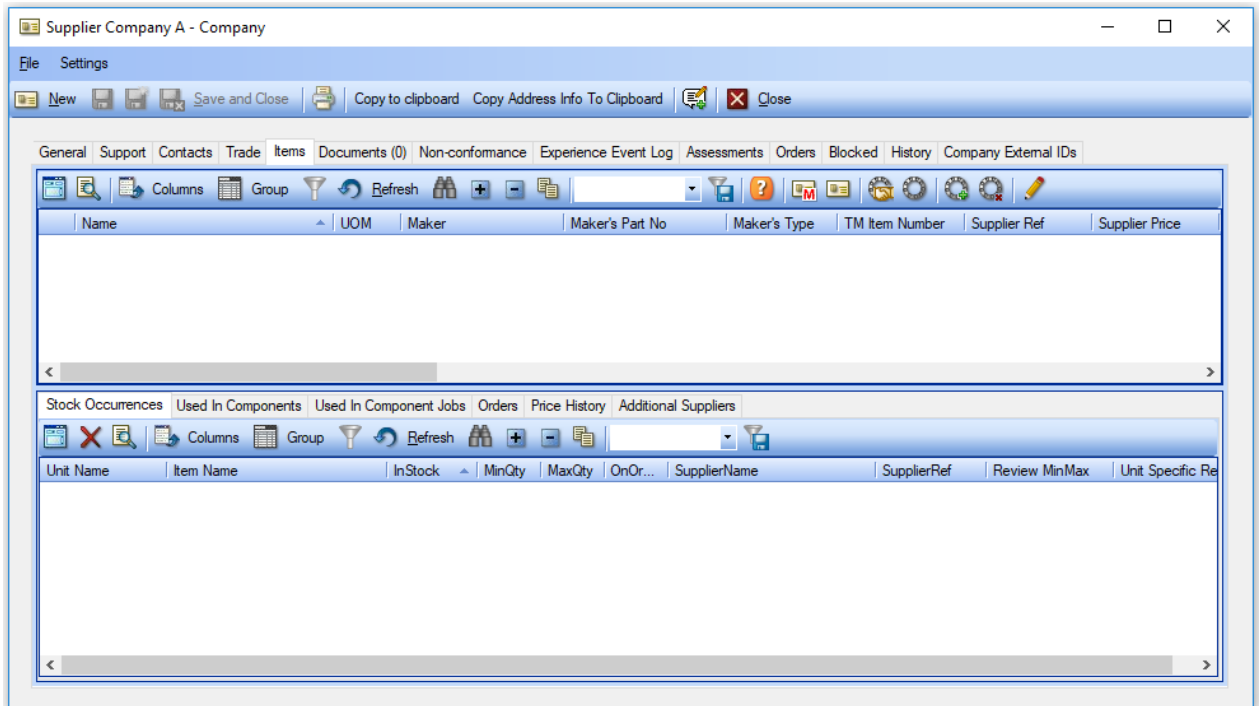
4. Click the [Add item to "Supplier Name"] button
5. Specify if you want to link a "Spare part item" or a "Catalog item"
6. Select the item or items to link to supplier.
7. Click [OK]
8. The Supplier has now been added as a "Global Additional Supplier"

What is the difference between an "Additional" and a "Global Additional" supplier?

"Additional Suppliers"

TM Master has had the "Additional supplier" function for some time now. It has allowed for linking of multiple suppliers to one item. In addition, it is possible to store the suppliers reference for the item, estimated delivery days and the items price from that supplier. However, the "additional supplier" information is unit\vessel specific, which means that "Additional Supplier" information added for one unit\vessel is not available for a different one. The additional supplier info can be maintained (change\edited\deleted) by users one each individual unit/vessel without it affecting any of the other vessels.

"Global Additional Suppliers"

In order to allow a more efficient maintenance of the details of what a supplier supplies and at what price fleetwide, the "Global Additional Suppliers" function has been introduced. The global records are

maintained from the office system and can't be altered by users on the individual units\vessels and the details are shared in the entire fleet, and available for all units.

The "Global Additional Supplier" records allows, as the normal "Additional Supplier" details, to store the supplier's reference, estimated delivery days and the suppliers price for the item. In addition, it can hold information on any contract price on the items, in addition to other contract related information, which will be described later.

How to unlink items for a supplier?

1. Click [Purchasing] → [Contacts]
2. Double click the supplier in question to open the "Contact" form.
3. Click the "Items" tab
4. Select the item or items you wish to unlink
5. Click the [Remove "supplier name" as supplier for item"] button
6. The "Global Additional Supplier" record for the supplier has been deleted.

How to set and remove a supplier as the main supplier of an item for one or more units?

If an item has been linked to a supplier as described previously, the supplier items has been linked to the supplier as an "Global Additional supplier". If the supplier is to be considered as the main supplier of the item for one or more of the units\vessels in the fleet do the following.

1. Click [Purchasing] → [Contacts]
2. Double click the supplier in question to open the "Contact" form.
3. Click the "Items" tab
4. Select one Item or multiple items for which the current supplier should be considered as the main supplier.
5. Click the [Set Current supplier as Main supplier] button
6. Specify for which unit or unit group the current supplier should be the main supplier.
7. Click [OK]

The current supplier is now set as the main supplier for all the unit specified, which currently have a reference to the item. Please note that each unit\vessel has its own "item list", based on what has been or is in stock and what is linked to its components and jobs.

How to set an item as "contract item" for a specific supplier?

It is possible to mark suppliers, as suppliers that you have a trade agreement with, in addition an expiry date can be set for the trade agreement. It is also possible to mark items linked to a supplier as a "Contract item". Here is how it's done.

1. Click [Purchasing] → [Contacts]
2. Double click the supplier in question to open the "Contact" form.
3. Click the "Items" tab
4. Select one or multiple items that should be considered "Contract items".
5. Click the [Set as contact item] button.

Item is now marked as a contract item.

How to set an item's "contract price" and other contract related details?

1. Click [Purchasing] → [Contacts]
2. Double click the supplier in question to open the "Contact" form.
3. Click the "Items" tab
4. Select the item to edit.
5. Click the [Open Price details] button

6. Fill in the supplier item details:
   a. **Suppliers ref:** The suppliers reference number for the item.
   b. **Estimated delivery days:** The number of lead days from ordering to delivery
   c. **Price:** The Item price
   d. **Currency:** The item price currency (Default value set to supplier currency)
   e. **Contract type:** If set to "Contract" the item will be considered a contract item for the supplier, and it will activate the additional "Contract fields" for edit.
   f. **Contract Discount:** There are three fields in a row for this label
      - **The first** field can't be edited directly as it will show the total discount.
      - **The second** field shows the "Discount currency". This field is not possible to edit directly, but it will follow the "Contract Price" currency below.
      - **The third** field is for any contract discount received. If the contract gives a percentage discount of the item price (c.), enter the discount in this field. The Contract discount value is then calculated.

g. **Contract Price:** There are also three fields linked to this label
- **The first** field can be edited directly, but if a "contract discount percentage" has been added, it will be calculated. By subtracting the contract discount(f.) from the item price (e.) If a value is typed into this field it will reset the discount percentage, and calculate the percentage difference between item price (c.) and the manually added contract price
- **The second** field is the "Contract price currency code"
- **The third** field will indicate if the contract price is entered as a fixed contract price or if it is a percentage discount. This field will be updated automatically based on what field is typed in. The Percentage discount field (f3.) or the "Contract Price" (g1.)

h. **Contract UOM:** There are also three fields linked to this label
- The first field can be used if contract price condition is to buy a given qty i.e. A BOX of the items, this field will allow to record this info
- The second field is for entering the conversion rate to the stock UOM. i.e. If a BOX contains 24 PCE, enter 24 in this field.
- The third field will show the following [Contract UOM] (X Stock UOM) if a Contract UOM and conversion rate is entered. i.e.: 1 BOX (24 PCE)

i. **Price expiry:** This field is by default not editable, and the price expiry will be set to the same as the "Trade agreement" expiry and will mark the price as expired when the trade agreement expires. It is possible to set an individual expiry date for an item, by removing the "Trade agreement expiry date", and setting the individual expiry date.

j. **Price last updated:** The date for the last "Item price" update.

k. **Contract price date:** The date for when the "contract price" was updated.

How does the "Contract Management" functions assist users?

- **Prefilter list of suppliers**
After an item (spare part/catalog item) has been linked to an additional supplier, TM Master will be able to provide a shorter list of suppliers when the items are being ordered.
When clicking the [Add supplier] button in the order head form, the supplier picker shown may be "prefiltered" if "main" or "additional" supplier info has been recorded for any of the items on the draft/requisition.
    o By default if any of the items in the draft/requisition has a main supplier, the picker will list them.
    o If none of the item has a main supplier but do have an "additional" or "Global additional" supplier links, the additional suppliers will be listed (ref image below).
        o If none of the items have either a main supplier or any additional supplier, the list of all suppliers will be presented, by default
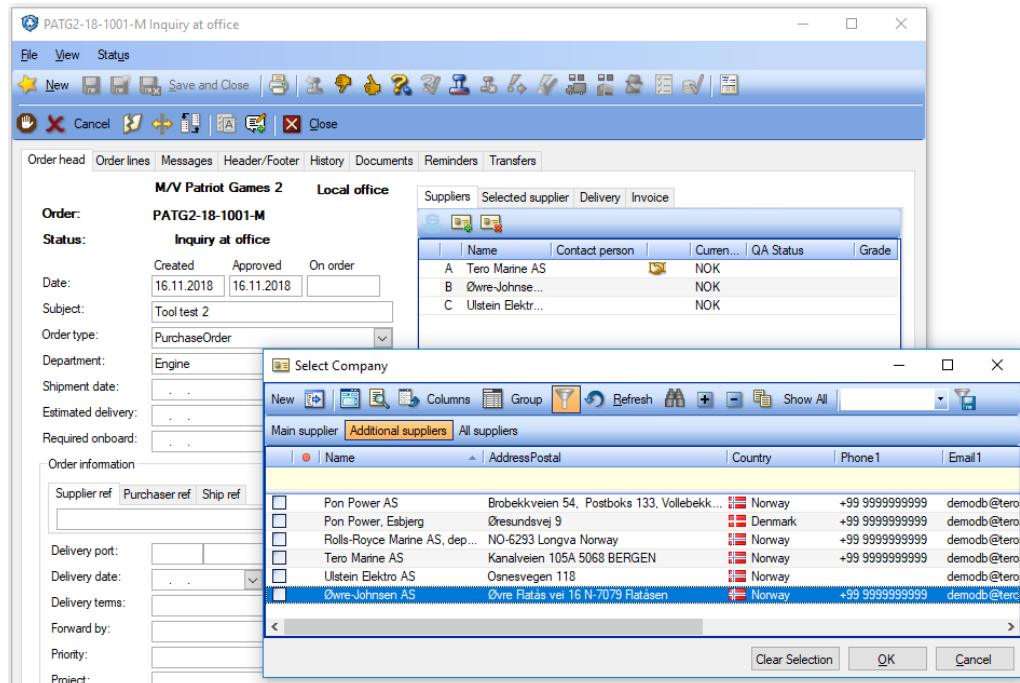
- After the suppliers have been added to an order, it is possible to see on the quote lines for each supplier if the item is:
  - …a contract Item with the supplier
  - … the current unit's main supplier of the item
 - … an additional supplier of the item

- **Hold supplier specific information in relation to each item.**
  With the link to a supplier additional supplier related information is stored.

o   Suppliers reference number
o   Estimated delivery days
o   Item Price
o   Item Contract Price

The Supplier price, Contract price and delivery days are used in the [Quote tool] described later.
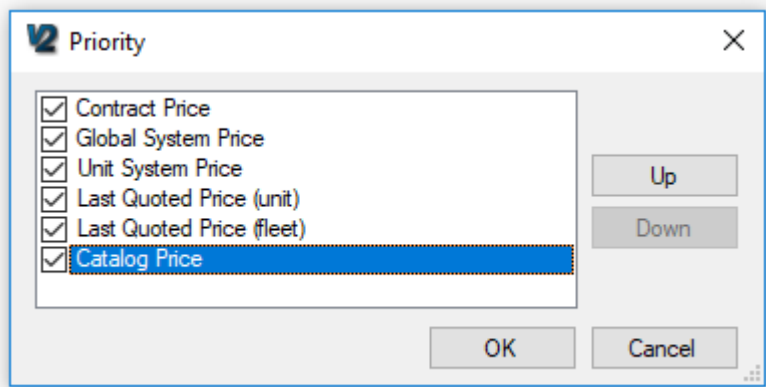
What is the "Quote tool"?

TM Master has various price information on items either manually entered by users as item's catalog price, main supplier price, additional supplier price or recorded as quotes and purchase prices. The Quote tool is designed to be able to make use this information more efficiently, in addition to increase flexibility for the regular quote process. Here a short description of the functions in the tool.
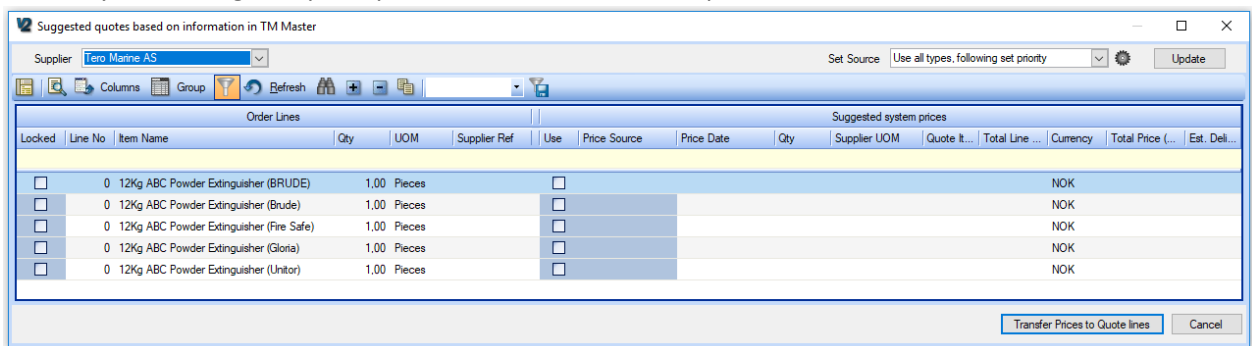
The fields and buttons in the quote tool explained.

- **Supplier:** In the top left-hand corner is a drop down listing all the included suppliers for the order. Selecting one will display the quote lines for that particular supplier in the grid below.
- **Set Source:** In the top left-hand side corner of the form is another drop down, this drop down will list the available "Price sourcing" options which are:
  o   **Contract price**
      Will retrive and contract price found for this item and supplier
  o   **Catalog price**
      Will retrive the item's "catalog price" (not supplier specific)
  o   **Last Quoted price (unit)**
      Will retrieve the suppliers last quoted price for the item for the current unit
  o   **Last Quoted price (fleet)**
      Will retrieve the suppliers last quoted price for the item regardless of unit/vessel
  o   **Unit System price**
      Will retive any unit specific supplier "system price" information for the item.
      "System Price" includes either the "main supplier" price or "additional supplier" price
  o   **Global System Price**
      Will retrive any global additional supplier prices.
  o   **Manual Input**
      Will open the "Quote Price fields" in the grid for manual input.

- o Use all types, following set priority
  This option will use any of the price sources above (except manual input) in a prioritized order. The priority can be adjusted by clicking the [Adjust set priority] button
- **[Adjust set priority]:** Next to the price source picker. By clicking this button it is possible to adjust the priority of the different pricing sources, in addition to mark a source not to be used. The top entry has the highest priority. To shift priority select the "price source" and click the [Up] or [Down] button to move it. Removing the check mark next to the price source type will mark it not to be used.

- **[Update]:** The update button, in the top far right-hand side in the quote tool form, will update the quote lines with price information using the selected pricing source in the "Set Source" field.
- **[Transfer prices to Quote lines]:** found in the lower right-hand side corner. Will transfer the price information for all rows in the grid, where the "Use" check box has been ticked, back to the quote lines in the order head.
- **[Cancel]:** Found next to the button above will close the quote tool, making no changes. Any information manually entered in the grid will be lost.

The Quote tool grid explained

The quote tool grid allows for regular grouping and column filters, which is not available in the order line grids in the order head. In addition, it is possible to add additional columns to it with additional order line details. The columns are grouped and must be added as a group. The available columns are:

- **Order lines (group)**
  - o **Locked:** This column has a check box, if it is checked the quote tool will not be able to alter the details for the row. It will be checked by default if the quote line already have information when opened by the quote tool. Unticking the check box, will reopen the row for editing. A multi update function is available by selecting the rows to be locked or unlocked, then right click and select "Toggle lock for selected".
  - o **Line no:** The order line number for the quote line
  - o **Item name:** The item name
  - o **Qty:** The Ordered quantity
  - o **UOM:** The order line UOM.
  - o **Supplier ref:** The suppliers reference for the item, if one is found either in the "main supplier supplier's ref or additional suppliers ref. Please not the main suppliers ref is only used, if the main supplier is the same as the supplier selected in the quote tool.

If price source Is set to "Manual Input" it is possible to edit this field directly.

- **Suggested System prices (Group)**
    - o **Use:** This is as the "Locked" column in previous group, a check box column. If not ticked the information on the row will not be transferred back to the order form quote lines. A multi update function is available by selecting the rows to be "Used" or "Not used", then right click and select "Toggle use for selected".
    - o **Price Source:** This will show the current source of the suggested quote "price" It can be altered manually, and it will retrieve the price for the price source selected if found. Setting it to "Manual Input" will open the other quote price columns for editing for the row.
    - o **Price date:** Will show the date the price was updated.
    - o **Supplier UOM:** Will show the quote UOM which may differ from the stock UOM and the Stock UOM.
    - o **Quoted Item price:** This will show the price retrieved form the selected price source
    - o **Total line price:** Will show the order line total with any discount (QTY * (Quote item price – Discount)) in the suppliers currency
    - o **Currency:** The supplier currency code.
    - o **Total Price ([CUR]):** Will show the total order line price in the current unit currency. The current unit currency is displayed as part of the column name.
    - o **Est. Delivery days:** Shows the estimated delivery days

- **Order line details (Group)**
  By default this column group is hidden but can be added by clicking the [Columns] button and then drag and drop the column into the grid.
    - o **TM Item no:** If the item has been given an internal TM Master number it is shown in this column.
    - o **Maker:** The name for the maker of the item
    - o **Makers type:**
    - o **Makers part no:** The makers reference number for the item

- **System Price details (Group)**
  By default this column group is hidden but can be added by clicking the [Columns] button and then drag and drop the column into the grid.
    - o **UOM Conversion rate:** If the price retrieved is a contract price, there might be an available conversion rate between the suppliers UOM and the Stock/Order line UOM, this conversion rate will be available in this column.
    - o **Discount%:** Any contracted discount or other discount given will show in this column. It is possible to manually update this field when price source is set to "Manual Input" for the row.
    - o **Price with Discount:** The item price with discount
    - o **Price per Stock UOM:** If the quote is given with a different UOM than the items Stock UOM and an "UOM Conversion rate" has been added, this column will display the price per item Stock UOM. (I.e.: 1 BOX (12 PCE) 1200 NOK = 100 NOK per PCE)

- o **Qty in stock UOM:** Will display the total Qty of items in stock UOM using the UOM Conversion rate. I.e (3 BOX (12 PCE) is ordered it would show 36 PCE)
- o **QTY diff due to UOM:** Will display the difference between what has been "requisitioned" and what will be ordered due to UOM difference.
  (I.e.: Requested 15 PCE, quoted 2 BOX(12 PCE) will give a diff of (24 -15) 9)

How to use the quote tool to retrieve prices from the system?

1. Open an order
2. Add some suppliers
3. Click the "Order line" tab and then the "After Quotation" sub tab.
4. Click the [Quote Tool] button.
5. The Quote tool dialog will appear listing all quote lines for one of the suppliers in the order.
6. Select the supplier you wish to use the quote tool for in the "Supplier" drop down in the top right-hand side corner.
7. If you only want to retrieve price information for one given "price source", select the price source in question, form the "price source" drop down
8. Click **[Update]**
9. Available price information is retrived
10. Tick the "Use" check box for the rows with price information to transfer back to the order line grid. A multi update function is available by selecting the rows to be "Used" or "Not used", then right click and select "Toggle use for selected".
11. Click **[Transfer]**
12. Please note that in the column "Price Source" in the order grid the source type used will be displayed. It will also display if the source was an import of the RFQ excel sheet, or through an e-commerce portal.

How to use the quote tool for manual input of received quotes?

13. Open an order
14. Add some suppliers
15. Click the "Order line" tab and then the "After Quotation" sub tab.
16. Click the [Quote Tool] button.
17. The Quote tool dialog will appear listing all quote lines for one of the suppliers included in the order.
18. Select the supplier you wish to use the quote tool for in the "Supplier" drop down in the top right-hand side corner.
19. Select "Manual Input" in the "Set Source" drop down, on the top left-hand side of the form
20. Click the [Update] button next to the drop down.
21. Price source column in the grid is set to "Manual Input" and price detail fields is activated for direct editing.
22. Enter quote information
23. Tick the [Use] check box for each of the updated lines to be transferred back into the order.
    It is possible to select multiple lines, right click and select "Toggle "Use" for selected" to set the check box for more than one of the lines at the time.

24. Click [Transfer Prices to Quote lines] to close and transfer prices back into the order head quote lines