

# Understanding Inventory Tracking with Manufacturer Lots

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To increase accountability and traceability for inventoried line items, you can track them with manufacturer lot numbers. Lot tracking helps trace multiple units which all have a single ID. This is most useful for products where a problem found with a single item will likely affect all items in the batch (e.g. food items, medicine, vitamins / supplements, chemicals, etc). Lot tracking also helps you easily [review all inventory transactions](https://aace5.knowledgeowl.com/help/tracking-inventory-transactions-for-lot-tracked-and-serialized-items) (<https://aace5.knowledgeowl.com/help/tracking-inventory-transactions-for-lot-tracked-and-serialized-items>) for a batch of products.

## Setting Lot Tracking

This setting must be put into place *before* you begin using the line item code (e.g. when you first create the [line item code](http://aace5.knowledgeowl.com/help/overview-of-line-item-code-screens) (<http://aace5.knowledgeowl.com/help/overview-of-line-item-code-screens>) record). The lot tracking flag *cannot* be marked after other records are associated with the line item code (e.g. sales orders, GJ/GL entries, inventory transactions, etc).

On the detail view for a new inventoried item or inventoried assembly item, in the Inventory section, mark the flag Track by Mfr Lot.

Lot tracked items often decrease in value over time (e.g. food items, chemicals losing effectiveness, etc). Because of this factor, when you mark the Track by Mfr Lot flag, the Item Info flag for Perishable goods is automatically marked and an expiration date will be required on the Lot Entry. If the Perishable flag is not relevant, clear that flag.

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## Receiving Lot-Tracked Inventory

When you receive a shipment that includes items marked as Track by Mfr Lot, the Shipping Log module's Packing List section displays the lot tracking Ref #s icon (  ) for each lot-tracked item. To receive the shipment, the system *requires* you to enter manufacturer lot numbers (as well as expiration dates for any items flagged as Perishable). Click the Ref #s icon to display the Mfr Lot Entry dialog.

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At this dialog, you can enter multiple lots, each with varying expiration dates and quantities. After you save the lot info, the Ref #s icon is highlighted and you can finish receiving the shipment.

## Tracking Inventory Lots

For lot-tracked products, the Inventory Lots module also shows the Track by Mfr Lot flag. The list view displays the reference numbers, so you can search lots by the manufacturer lot numbers. The details view provides more info. Lot numbers are listed in the Reference #s field and the Ref #s icon is highlighted (  ). You can click that icon to display a popup with details about each lot's expiration dates, quantities received, and current quantities in stock.

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## Shipping Lot-Tracked Inventory

When shipping lot-tracked items for an order, the Shipping Log's Packing List section again displays the Ref #s icon (  ). You can edit the shipment and save changes; however, aACE will *not* allow you to mark the shipment as shipped until you click the Ref #s icon and specify a Mfr Lot # and Quantity for all lot-tracked items.

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## Handling Returns for Lot-Tracked Inventory

Beyond the regular steps for making inventory adjustments for returned product, [adjustments for lot-tracked items](http://aace5.knowledgeowl.com/help/handling-returns-and-inventory-adjustments-for-lot-tracked-and-serialized-items) (<http://aace5.knowledgeowl.com/help/handling-returns-and-inventory-adjustments-for-lot-tracked-and-serialized-items>) require additional details.

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