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Update Prices

Use this field on the Receiving Report (RRP) to specify which prices to update. Regardless of which Update Prices options you use, the system always updates average cost.

A = Always update the replacement cost. You must also use Update Prices C. For example: You are receiving a manufacturer's PO, and you use Update Prices A and C. The system updates the manufacturer's cost and replacement cost.

B = Prorate freight and other charges for Landed Cost. (This selection only applies if option 105 "Use landed cost in receiving" is not N in Options Configuration.) Freight and other charges are prorated per the items that have been received, thereby calculating and updating landed cost only for the items being received. Use option B when the Freight and Other Charges represent those fees for the entire order, regardless of how many individual shipments will be received. The system calculates a percentage of the freight and other charges amounts based on the item's received cost or weight (depending on how option 105 "Use Landed Cost in Receiving?" is set), instead of using the entire freight/other charges amounts. The percentage calculated is used in calculating the landed cost, which gives a more accurate inventory average cost for the item. The remaining portion of Freight and Other Charges will remain on the open PO.

Click [here](#) for an example.

C = Update Inventory Maintenance, the Pricing tab, with the cost from the Purchasing and Receiving window. The system updates the replacement cost when the vendor on the PO matches one of the following vendors in Inventory Maintenance:

- only the primary vendor
- only the secondary vendor
- neither the primary vendor, secondary vendor, nor the manufacturer

The system updates the manufacturer cost when the vendor on the PO matches one of the following:

- only the manufacturer
- both the primary vendor and the manufacturer

The system updates replacement and manufacturer cost in the following situation:

- The vendor on the PO matches only the manufacturer.
- and
- The primary vendor for the item is blank.

Lumber/Contractor POS Users: When you update the replacement cost, the system also updates the replacement cost in pricing and alternate units.

D = Do not add the landed cost to the replacement cost. You must also use Update Prices C.

E = Do not update the replacement cost with the promotional/temporary cost you received in ERP (Electronic Receipt Posting). Also use this option if you [flagged any items as having a](#)

[promotion/temporary cost](#) in the Purchasing and Receiving window (by displaying the item in the posting area, clicking Misc, and then selecting option P).

G = Update the Desired Gross Profit field in Inventory Maintenance, the Pricing tab. The system uses the cost and retail amounts (bottom line) of each item to calculate gross profit. If you use a variable gross profit strategy, do not use this option because it changes the desired gross profit.

H = Do not update the item with a cost lower than the cost in Inventory Maintenance, the Pricing tab. If you always want to use the highest cost (even if you purchased the item at a reduced cost), use this option.

K = Do not update market cost on "L" type items when cost is updated.

M = Update "+" type matrix prices in Inventory Maintenance, the Pricing tab. The system uses the bottom line of information of each item to recalculate the cost of "+" type matrix prices.

N = (This option is for International Capabilities users only) Do Not Update Last Cost When Existing Last Cost is Higher. This option prevents the existing Last Cost from being overwritten by a new, lower Last Cost.

P = Recalculate the retail price on the PO, based on landed cost. If you want to print price labels before you finalize receipts, use this option. To use this option:

- The Use Landed Cost in Receiving field in Function MPC (Modify Purchasing Constants) must be W, X, Y or Z

and

- You cannot use Update Prices P and Updt Option F together.

The system uses the following calculation: $PO\ Cost + Prorated\ Freight \times Desired\ GP\%$ (from Inventory Maintenance)

For information about the landed cost calculation, see the Purchasing and Receiving Manual (available at activant.com), the tabbed section, Introduction.

Q = Update Retails in PO Based on Landed Cost (Preserve Highest Retail). Option Q has the same functionality as P with respect to calculating retails based on landed cost; however, option Q will compare the calculated retail to the current SKU inventory retail price and write the higher value to the purchase order. (Option P always writes the calculated price to the purchase order and does not check the current inventory retail.) Option Q allows you to run price labels off of the purchase order and print labels with accurate pricing. Example: SKU 1701 has a current inventory retail price of \$15.99. RRP is run with option Q and the calculated retail based on landed cost is \$14.50. RRP will write \$15.99 to the purchase order and not \$14.50. If option P was used, RRP would write \$14.50 to the purchase order and update this value into the inventory retail price.

R = Update retail prices and matrix prices that are based on a percentage off retail ("- " type matrix prices). If you leave this field blank, the system only updates average cost. It does not update any other cost or price.

S = Create Price Changes in IPC (use with options P or Q). This allows you to create price change records with the new retail price calculated from what will be the new average cost once the PO is finalized, and the item's Desired Gross Profit percent. You must also use Update Prices option P "Update Retails in PO Based on Landed Cost" or Q "Update Retails in PO Based on Landed Cost (Preserve Highest Retail)," and you cannot use it with option F.

This option allows you to add the new retails into Item Price Changes (IPC) as soon as the Freight and Other Charges have been entered (if any) and the item receipt quantities and costs have been entered. This means you can manage price changes in one place (IPC), and you don't have to use the Bin Label Report (RBL), which can delay finalizing the PO.

**Note**

- Option 105 "Use Landed Cost in Receiving?" must be set to X – Based on extended weight; Recalculate Retail, or to Y – Based on extended cost; Recalculate Retail. You don't have to enter Freight and/or Other Charges to recalculate a new retail.
- Multi-store users with option 118 "Keep Prices the Same in All Stores?" set to Yes can only create price changes for new retails from Store 1 purchase orders.

How to use Update Prices option S:

1. In Receipt Posting, adjust any quantities or costs, as needed.
2. Return to the POHeader and enter any Freight or Other Charges (optional).
3. Run RRP for the PO, using Update Prices option S, along with either P or Q.

If any landed cost changes resulted in a retail increase or decrease of the retail price when recalculated against the current desired GP%, a price change record for the item would appear in Item Price Changes. RRP also report any retail price change.

4. Run the RRP again with option F to finalize the PO and update inventory. This only updates quantities and cost.
5. When ready to update your inventory with the price changes, run the Price Change Report (RPC) with option F.