NetSuite Material Cost Type Cheatsheet

|  |  |
| --- | --- |
| **Finished Good*** Can be either an inventory or assembly item
* Is sold to customers
* Has MSRPs and customer pricing
* Can have customer exclusivity restrictions

*Inventory or Purchased Assembly (PA) Finished Good** Preferred vendor, vendor quotes, and purchase contracts set up.
* Freight and duty applied to item.
* PA – “use planned PO cost” box is checked, and “planned PO cost” is filled in.
* Purchase orders (PO) cut for items.

*True Assembly (TA) Finished Good** Work orders (WO) are created to make items.
* Can have labor/overhead in BOM
* No freight and duty
 | **Raw Material*** Can be either an inventory or assembly item (assembly item is known as a sub-assembly)
* Is not sold to customers
* Can have customer exclusivity restrictions (currently not utilizing now)
* Is tied to a BOM

*Inventory or Purchased Assembly (PA) Raw Material** Preferred vendor, vendor quotes, and purchase contracts set up.
* Freight and duty applied to item.
* PA – “use planned PO cost” box is checked, and “planned PO cost” is filled in.
* Purchase orders (PO) cut for items.

*True Assembly (TA) Raw Material** Work orders (WO) are created to make items.
* Can have labor/overhead in BOM
* No freight and duty
 |
| **Shipping Supply*** Is typically an inventory item
* Is not sold to customers
* No customer exclusivity restrictions
* Is not tied to a BOM
* Preferred vendor, vendor quotes, and purchase contracts set up.
* Freight and duty applied to item if applicable.
* Purchase orders (PO) cut for items.
 | **WIP*** Is typically an assembly item
* Is not sold to customers
* Can have customer exclusivity restrictions (currently not utilizing now)
* Is tied to a BOM

*True Assembly (TA) WIP** Work orders (WO) are created to make items.
* Can have labor/overhead in BOM
* No freight and duty
 |