

Setting up Part Numbers, Product Codes or SKUs for Inventory Items

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Assigning part numbers to your items requires some upfront planning or you might find that your scheme runs out of room quickly. Numbering schemes are a matter of personal preference and they will differ widely from company to company. When creating a numbering scheme I generally follow these rules.

1. Decide on the number of character (letters and numbers) that your part numbers/code will have. Allow enough characters for future growth but don't make them too long.
2. Try to avoid using descriptions, use the description field for descriptions.
3. Don't use special characters (such as < > ' " @ : ; , . !). They are not read well by database. A dash (-) can be used.
4. Decide on whether you are going to use numbers only or a combination of letters, numbers and dashes. Product numbers/codes that are numbers only codes are easier to bar code. Product numbers/codes that are alphanumeric are easier to read.
5. Determine the categories/features you want to include in your part numbers/codes. For example a company that produces mattresses, pillows and sheets of different sizes and color has the following categories in their part numbers:

- * Product Type
- * Style Name
- * Size
- * Color

6. Reserve a number of characters for each categories/features or separate the categories/features with a dash. Consider the following example for a blue queen size mattress called 'Comfort Zone':

- * Alphanumeric: MT-CMFTZN-Q-BL
- * Numeric: 02790825
- * Numeric with dashes: 02-7908-2-5

In the above numeric example, the first two numbers are type , the next four are style , then next one is size and the last number is color. So you can have 100 types (including 00), 10000 styles, 10 sizes and 10 colors or a total of 100,000,000 unique product codes/numbers.

7. Organize the categories and features in a hierarchical fashion. The left most categories (Mattress in the above) are the broadest.

About using QuickBooks Sub-Items

If you use QuickBooks sub-items, your part number's 'Full Name' will look like MT:CMFTZN:Q:BL and its 'Name' will be BL. Using QuickBooks sub-items as part numbers have advantages and disadvantages described below:

Advantages:

- * They are it easier to look at on the computer list.
- * Changing a parent name, changes all the child names as well.

Disadvantages

- * BL will be the only part that will be used on an invoice. MT, CMFTZN and Q will never actually be used on an invoice so you have numerous part numbers that are never used and clutter your parts list;
- * When you print an invoice, only BL will be printed as the Part Number/Code

* Colons (:) Do not translate well to bar codes.
