Royalties and Customer Rebates in Lakeshore

You may be required to pay royalties on items that you sell or you can have a setup with a customer that you give a rebate to. In order to have the system track the royalty or rebate, you will need to do some set up.

- You can set up the item in Lakeshore and put a dollar amount, percentage, or both on the item record.

- You can use Customer Types, Item Report Categories, Inventory Types, Sales Report Categories, Customer Types, Customer Selection Codes, or specific Customer Numbers to flag when you are dealing with royalties or rebates.

When doing your setup, be aware that Lakeshore will only look at items, not Additional Charges. The item does not have to be on your item file if you use one of the methods listed in the second bullet point above.

Update Item File Screen

In Lakeshore, set up the item on the Update Item File Screen (Reference Information → Item → Update Item File). There are fields for either a set dollar amount or a percentage. Once you have the items set up, you run the Royalty report in Customer Invoicing.

Royalty $ - If you have a program for which you must pay rebates or royalties, you may print a royalty report through the Customer Invoicing system. On that report you may specify the percentage with which the royalty amount due is calculated. However, sometimes the royalty is based on a fixed dollar amount for each item or the percentage varies by item. In those situations, you my specify the specific dollar and/or percentage to be used for each item. You may enter either a dollar amount, a percentage, or both.

If there is a fixed dollar amount for this item, enter the dollar amount to be paid for each unit of the item that is sold.

Royalty % - If you pay royalty based on a percentage, you may enter that percentage here. Do not enter the decimal value of the percentage. For example, a 1.5% royalty would be entered as "1.5" not ".015".

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Below is a screenshot of the Update Item File screen showing both a royalty dollar amount and a percentage entered.

Printing the Royalty Report

To print the Royalty Report, go to Customer Invoicing → Print Invoicing Reports → Royalty Report. This report lists information required for reporting and calculating royalties. Data is based on customer invoices.

Selection Criteria

<u>Invoice Date</u> - Enter the range of invoice dates to include on the report.

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<u>Payment Date</u> - If you want to restrict the royalties to only invoices that have been paid, enter the range of payment dates you want to include.

If you are restricting the data listed to invoices that have been paid, you will need to leave the beginning invoice date blank or set it to a beginning date that would be sure to include all relevant invoices.For example, if you have a program that started at the beginning of 2006 and you are running the May royalty report, you would set the range of invoice dates to 1/1/06 through 5/31/06. The payment dates would be 5/1/06 through 5/31/06.

<u>Item Number</u> - Enter the range of item numbers to be included on the report. Leave the beginning item number blank to begin with the first item number on file. Leave the ending item number blank to go through the last item number on file.

Other Restrictions

You may include other restrictions to the data to further define which items should be selected or how the data should be presented.

You may restrict according to the following values related to the customer, the item, or the invoice. Check the box in front of the type of restriction to include it in the selection criteria. For those codes that have position, select one of the available positions. Enter a range of values to include. The following choices are available:

- Sales report category
- Customer type
- Customer selection code
- Inventory type
- Customer number
- Item report category

For the range specifications, leave the beginning value blank to start with the lowest possible value. Leave the ending value blank to go through the highest possible value.

There are several other restrictions not related to a specific code:

<u>Combine colors and sizes</u> - Check to put only one line on the report with the combined data for all the colors and sizes of those items that have that type of information. Leave unchecked to include each item/color/size combination on a separate line.

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<u>Restrict to inventory shipments</u> - Check to restrict the items selected to ones that were shipped from inventory. Leave unchecked to also include items from drop ship orders.

<u>Include if not on item file</u> - Check to include all items that meet the other criteria even if they are not on the item file. Leave unchecked to only include items on the item file.

<u>Include Prebills</u> - Check if you want to include prebill invoices in the selection. Leave unchecked to exclude these invoices.

<u>Include invoices flagged as "exclude from client reports"</u> - Check if you want to include invoices flagged to be excluded from reports given to the client. Leave unchecked to exclude these items.

Other Information

<u>Default Royalty Percentage</u> - If there is a royalty percentage or dollar amount defined on the item file for an item number, it will be used to calculate the royalty. If there is no royalty information on the item file or if the item is not on the item file, enter the percentage to be used for the calculation.

<u>Report Heading</u> - Enter the name of the report you want to be included at the top of each page of the report.

Below is a screenshot of the Print Royalty Report screen. It has been completed to pull a report for all items in the item number range. If there is no royalty amount or percentage entered on the item screen, the default royalty percentage will be used.

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Print Royalty Report

Selection Criteria:

Invoice Date Range:	Begin with	End with
Payment Date Range:	Begin with	End with
Item Number Range:	Begin with ghf-1	End with ghf-tro3

Other Restrictions:

☐ Sales Report Category:

☐ Customer Type:

☐ Customer Selection Code:

☐ Inventory Type:

☐ Customer:

☐ Item Report Category:

☐ Design:

☐ Coop/Price Group:

☐ Program:

☐ Combine Colors and Sizes
☐ Restrict to Inventory Shipments
☐ Include if not on Item file
☐ Include Prebills
☐ Include invoices flagged as "Exclude from Client Reports"
☐ Include even if royalty is zero

Other Information:

Default Royalty Percentage:	1.5	This percentage will be used if one is not assigned to an item on the item file
Report Heading:	Royalty Report for Gary's Fun Items	

Leave a beginning value blank to start with lowest value.   Leave an ending value blank to end with highest value.

Display/Print	Print Plus	Excel	Reset	Exit

Below is the report that was generated by the request submitted from the screen above. Notice the highlighted area. This item has a royalty dollar amount and a percentage entered for the item.

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```
RUN DATE 11/16/18                         Lakeshore Test System (v12)                          PAGE    1
Royalty Report for Gary's Fun Items        ROYALTY REPORT FOR      low THROUGH high
                                           FOR PAYMENTS MADE       low THROUGH high
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ITEM NUMBER	COLOR	SIZE	DESCRIPTION	ROYALTY FACTOR	QUANTITY SOLD	AVG UNIT PRICE	$ SOLD	ROYALTY $
ghf-1	04	01	Funky Duck	1.5000%	195	4.6885	914.25	13.71
ghf-1	04	02	Funky Duck	1.5000%	280	4.0625	1,137.50	17.06
ghf-1	05	01	Funky Duck	1.5000%	185	4.6716	864.25	12.96
ghf-1	05	02	Funky Duck	1.5000%	280	4.0625	1,137.50	17.06
ghf-2			Gary's Test - Reference Only	1.5000%	1,990	4.3744	8,705.00	130.58
ghf-3			Gary's Reg. Inv. Test Item	1.5000%	140	5.0000	700.00	10.50
ghf-5	06		Flakey Frog	$ .75 .5000%	375	5.0000	1,875.00	290.63
ghf-5	07		Flakey Frog	$ .75 .5000%	425	5.0000	2,125.00	329.38
ghf-5	FR		Flakey Frog	$ .75 .5000%	475	5.0000	2,375.00	368.13
ghf-6			Funky Gift Basket	1.5000%	47	45.0000	2,115.00	31.73
ghf-7			Gizmo	1.5000%	16,576	1.8504	30,672.66	460.09
ghf-8	06		Flakey Frog	1.5000%	369	4.0515	1,495.00	22.43
ghf-8	07		Flakey Frog	1.5000%	369	4.0515	1,495.00	22.43
ghf-8	FR		Flakey Frog	1.5000%	989	4.4628	4,413.75	66.21
ghf-d1	04	02	Funky Duck - Decorated	1.5000%	25	6.5000	162.50	2.44
ghf-d1	05	02	Funky Duck - Decorated	1.5000%	20	6.5000	130.00	1.95
ghf-t			50/50 Tee	1.5000%	140	9.8750	1,382.50	20.74
ghf-t	03	01	50/50 Tee	1.5000%	25	5.0000	125.00	1.88
ghf-t	03	02	50/50 Tee	1.5000%	17	5.0000	85.00	1.28
			TOTAL		22,922		61,909.91	1,821.19