How to create a subinventory in Oracle EBS

This guide shows you how to create a subinventory in Oracle EBS (Oracle Applications). You first review the existing subinventories, then define a new one with its parameters, locator control, sourcing, and accounts.

Subinventories are logical groupings within your inventory. Each subinventory can contain stock locators, which in turn hold your inventory items. Typical subinventories include raw material, stores, and finished goods. They organize inventory into coarse groups, so the subinventory name tells you what type of material is stored there.

Prerequisites

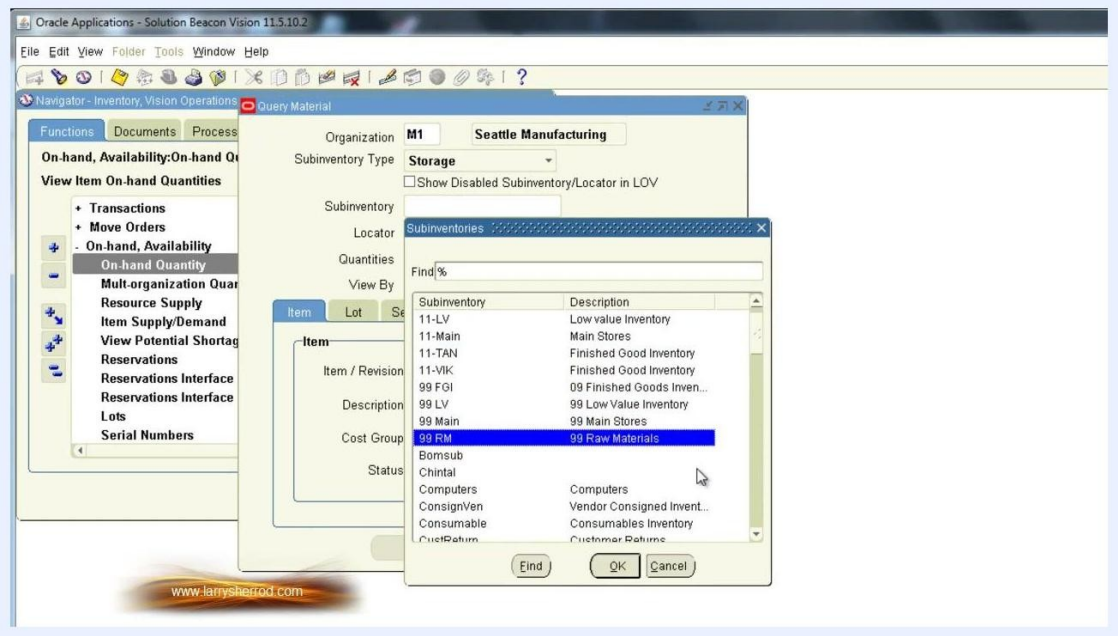
- Access to the Inventory module in Oracle Applications.
- An organization to work in. The examples use Seattle Manufacturing (**M1**).
- The default cost group, account codes, and locator and sourcing requirements for the new subinventory.

Review existing subinventories

Step 1: Open the On-hand Quantity window

1. Open Oracle Applications and go to the Inventory module.
2. In the Navigator, find the **On-hand, Availability** section.

3. Select **On-hand Quantity** to view item on-hand quantities.



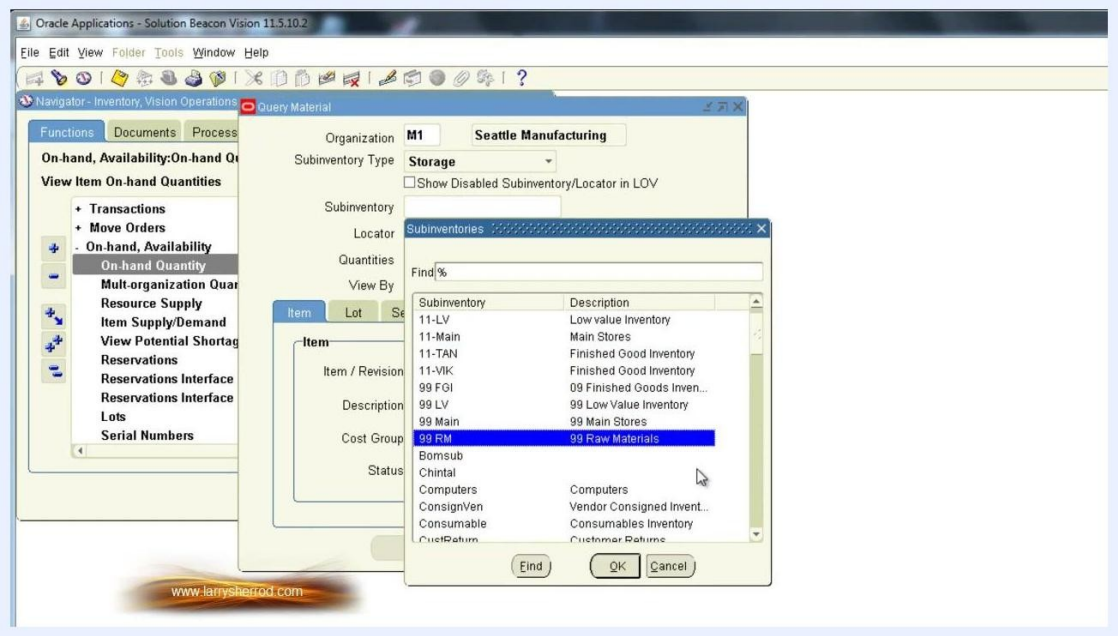
The On-hand Quantity query screen for Seattle Manufacturing (M1), with fields for Subinventory, Locator, and Quantities, and options to view by Location, Lot, Serial, LPN, Project, or Consigned/VMI.

Step 2: Check the Query Material window

In the **Query Material** window, confirm the following:

- **Organization** is set to M1 (Seattle Manufacturing).
- **Subinventory Type** is set to Storage.

You can use the **Subinventory** field to filter or search for specific subinventories.



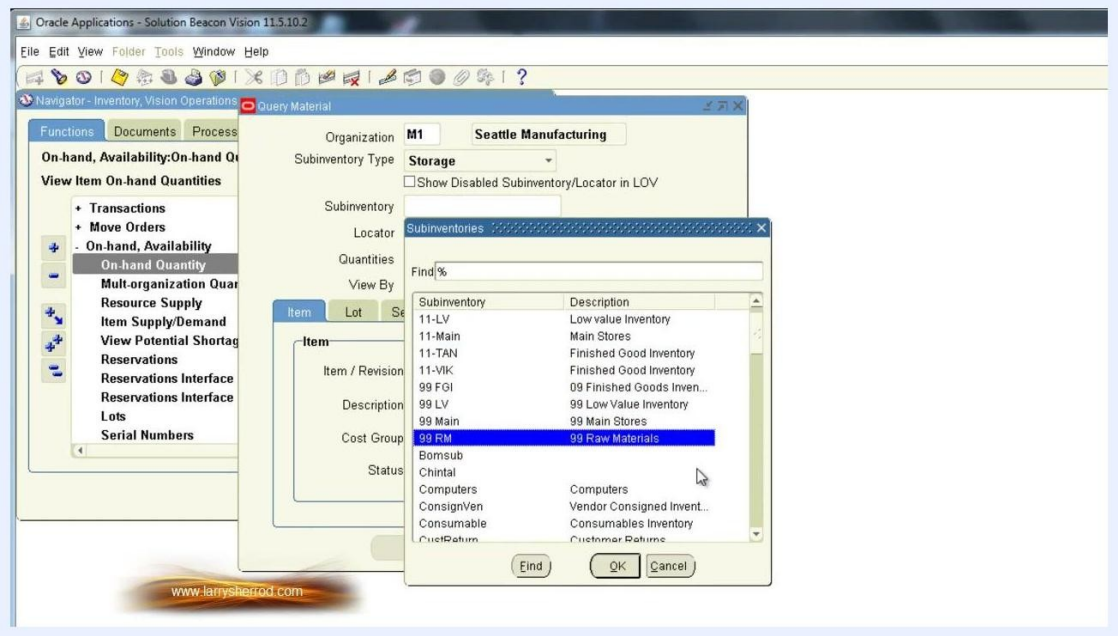
The Query Material window, showing the fields and navigation used to view subinventories.

Step 3: Open the Subinventories list of values

Click the **Subinventory** field to open the **Subinventories** list of values (LOV). The list shows subinventory codes and descriptions, such as:

- 11-LV: Low value Inventory
- 11-Main: Main Stores
- 11-TAN: Finished Good Inventory
- 99 FGI: 99 Finished Goods Inventory
- 99 LV: 99 Low Value Inventory
- 99 Main: 99 Main Stores

- 99 RM: 99 Raw Materials



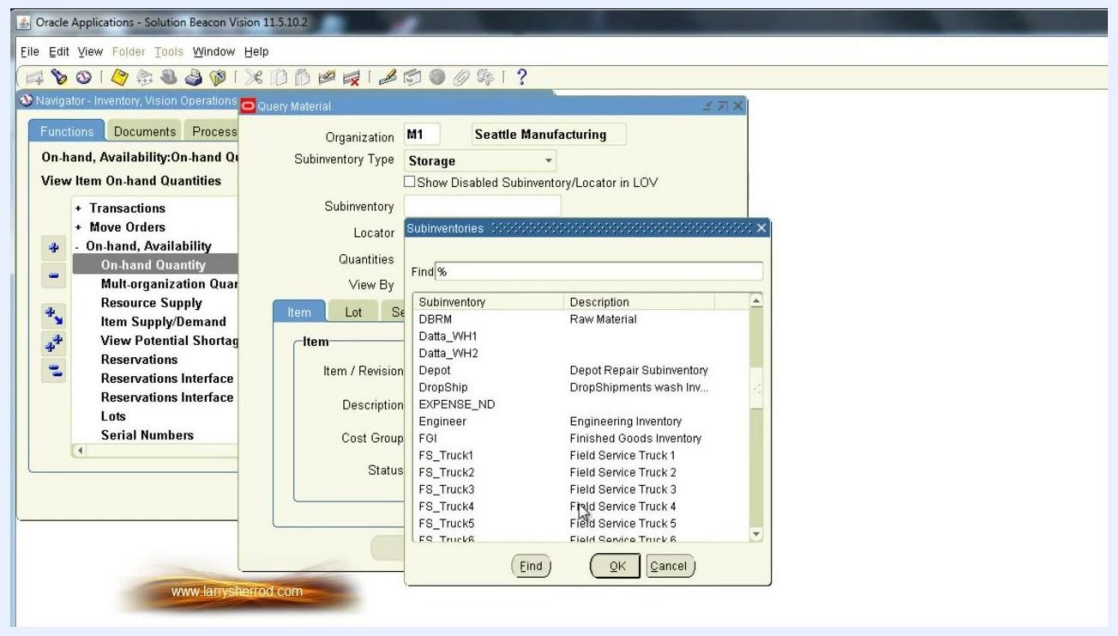
The Subinventories list of values showing subinventories and their descriptions, with 99 RM (99 Raw Materials) highlighted.

Step 4: Scroll to see more subinventories

Scroll through the list to see additional entries, such as:

- DBRM: Raw Material
- Datta_WH1: Warehouse 1
- Depot: Depot Repair Subinventory
- Engineer: Engineering Inventory
- FGI: Finished Goods Inventory

- FS_Truck1-6: Field Service Trucks 1-6



The Subinventories list of values showing more subinventories, including raw material, depot repair, engineering, and field service trucks.

Open the Subinventories form

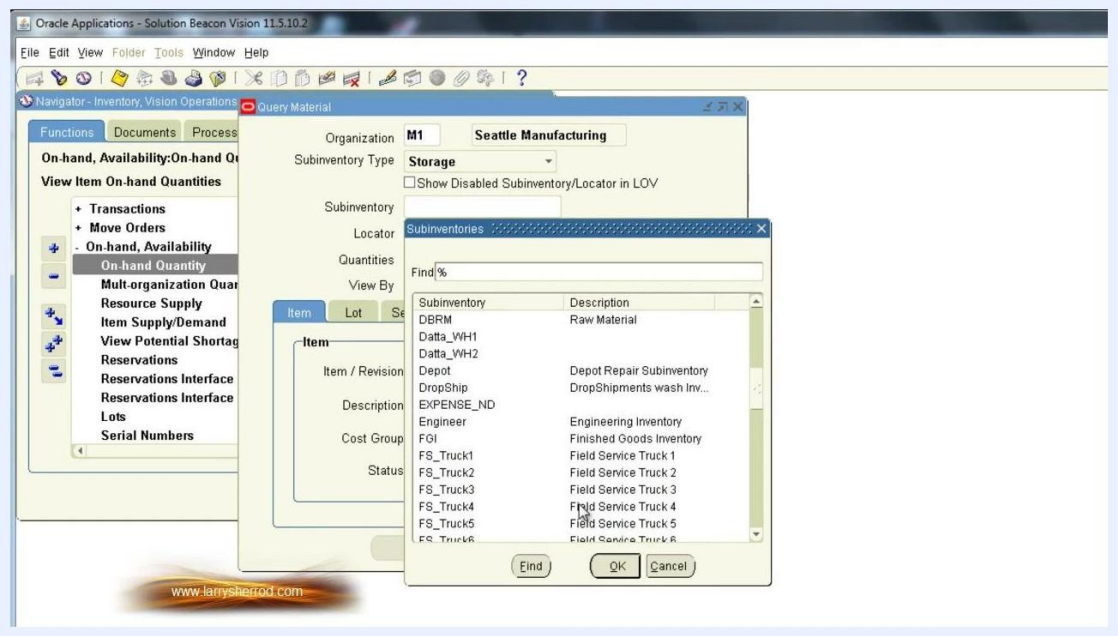
Step 5: Query all subinventories

1. From the Inventory screen, go to **Setup > Organizations > Subinventories**. This opens the Subinventories form, where you can view, create, or edit subinventories.
2. Press **Control + F11** to run a query.

The **Subinventories Summary** window lists all subinventories for the organization. It shows columns for Name, Description, Status, and Default Cost Group. For example:

- 09 FGI: Finished Goods Inventory, Status: Active, Default Cost Group: CG-1163
- 11-FGI: Finished Good Inventory, Status: Active, Default Cost Group: CG-1163

- 11-LV: Low value Inventory, Status: Active, Default Cost Group: CG-1163



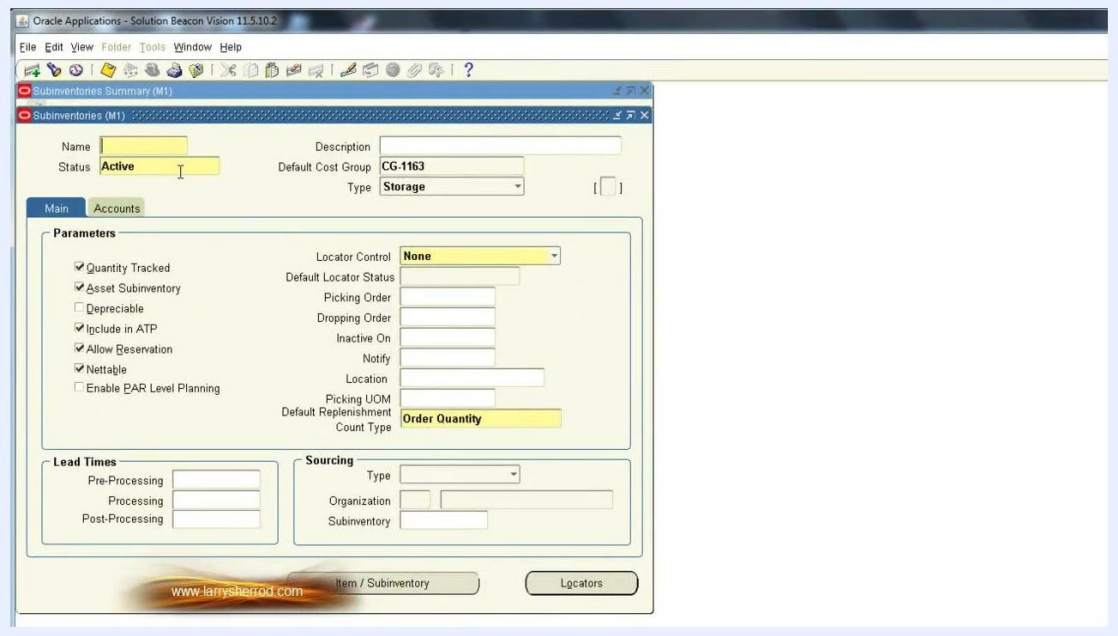
The Subinventories Summary window listing subinventories with their descriptions, statuses (all Active), and default cost groups.

Step 6: Open an existing subinventory to see its settings

Select a subinventory in the summary list and click **Open**. The details screen shows the values you can set or modify:

- Name, Status (for example, Active), Description, Default Cost Group (for example, CG-1163), and Type (for example, Storage)
- Parameters such as Quantity Tracked, Asset Subinventory, Locator Control, and Nettable
- Lead Times (Pre-Processing, Processing, Post-Processing)
- Sourcing details (Type, Organization, Subinventory)

The **Locators** button lets you manage stock locators for the subinventory.



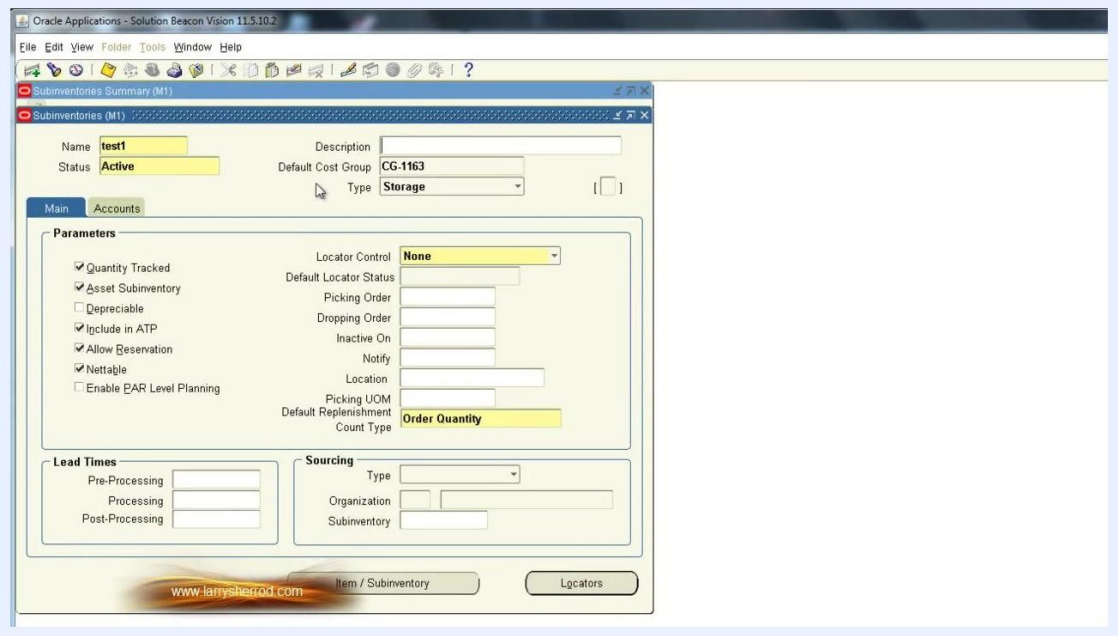
The subinventory details screen with editable fields for status, description, cost group, type, parameters, lead times, and sourcing. Active status and Storage type are selected.

Create the subinventory

Step 7: Create a new subinventory in Oracle EBS and enter the basics

1. Click the **New** icon on the toolbar.
2. In the **Name** field, enter a unique value (for example, test1).
3. Set **Status** to Active.
4. Enter a **Description** if you want one.
5. Assign a **Default Cost Group** (for example, CG-1163).

6. Set **Type** to Storage or another appropriate value.



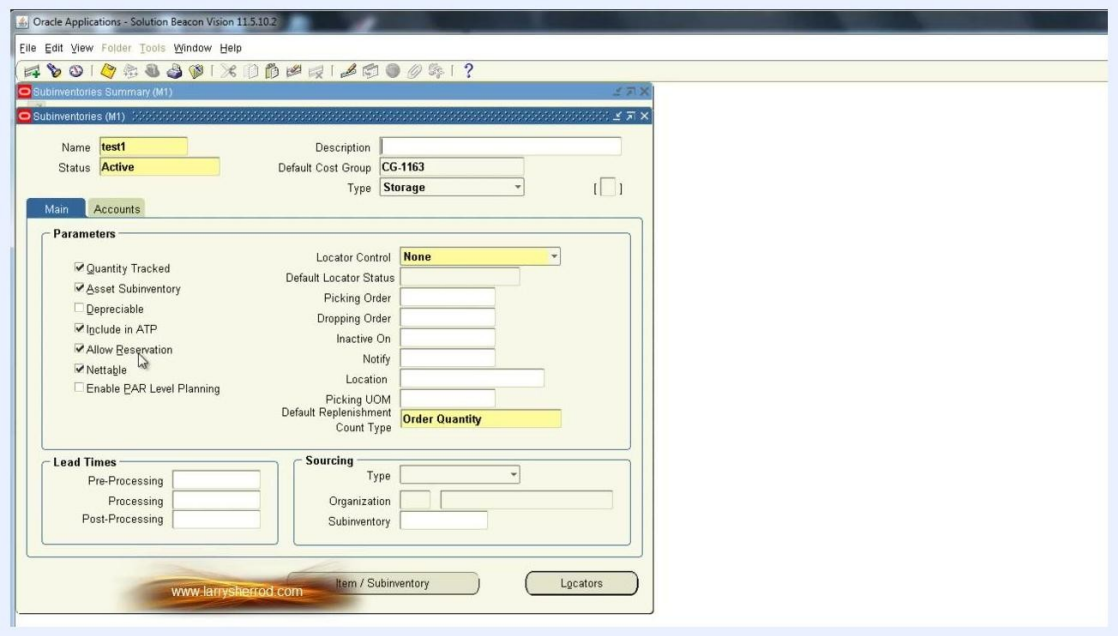
The subinventory creation screen with Name set to test1, Status set to Active, Default Cost Group set to CG-1163, and Type set to Storage, above the Parameters section.

Step 8: Review the parameters

Many fields default in automatically. Review and adjust these **Parameters** as needed:

- **Quantity Tracked**: Enables tracking of item quantities in this subinventory.
- **Asset Subinventory**: Indicates that items in this subinventory are inventory assets on your books. The material is included in your inventory asset account.
- **Depreciable**: Select this if the subinventory contains depreciable items.
- **Include in ATP**: Includes the material in Available to Promise (ATP) calculations.
- **Allow Reservation**: Allows reservations for sales orders. If a sales order requires material to be reserved, you must enable this setting.
- **Nettable**: Makes the material in this subinventory available for MRP (Material Requirements Planning).

- **Enable PAR Level Planning**: Enables PAR level planning for this subinventory.



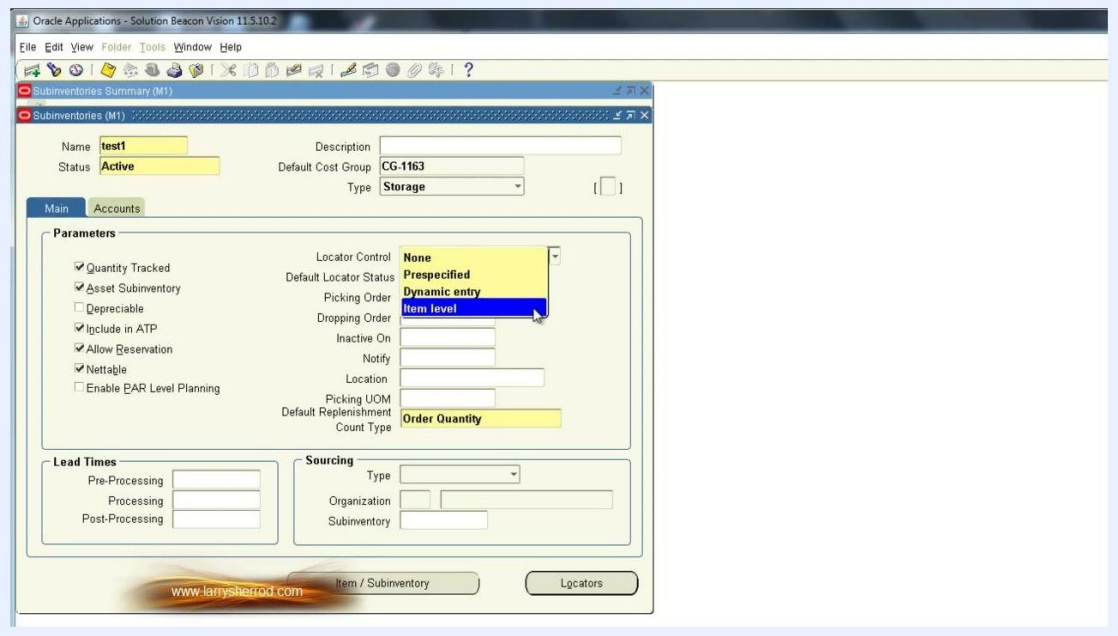
The Parameters section with checkboxes for Quantity Tracked, Asset Subinventory, Include in ATP, Allow Reservation, Nettable, and others.

Step 9: Choose a locator control option

The **Locator Control** dropdown determines how stock locators are managed for the subinventory. The options are:

- **None**: No locator control. This is a non-typical setting, often used for material that is questionable, not available for planning, or not used in manufacturing (for example, MRB subinventories).
- **Prespecified**: Uses a predefined list of stock locators associated with the subinventory.
- **Dynamic entry**: You enter stock locators as you perform transactions.
- **Item level**: Locator control is managed at the item level, not at the subinventory level.

Select the option that matches your inventory management requirements.

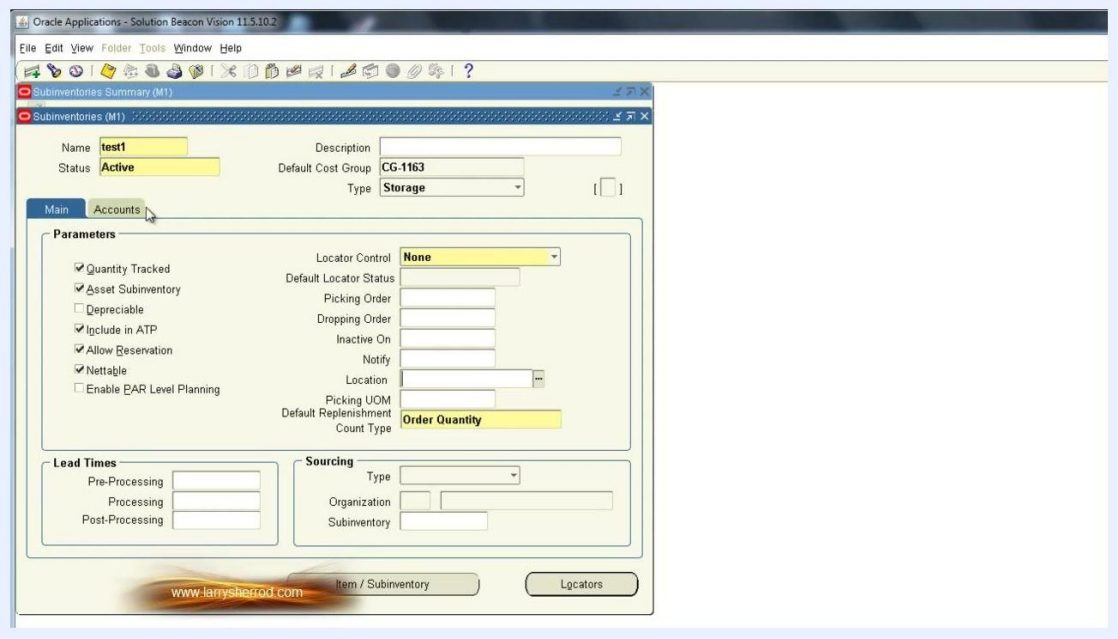


The Locator Control dropdown expanded, showing None, Prespecified, Dynamic entry, and Item level, with the cursor on Item level.

Step 10: Handle the locator control warning

If you need to associate locators, return to the **Main** tab and set **Locator Control** to the value you want (for example, Pre-specified).

If no locator control exists for the subinventory, a warning appears with the message "No locator control exists for this subinventory." Click **OK** to acknowledge it.



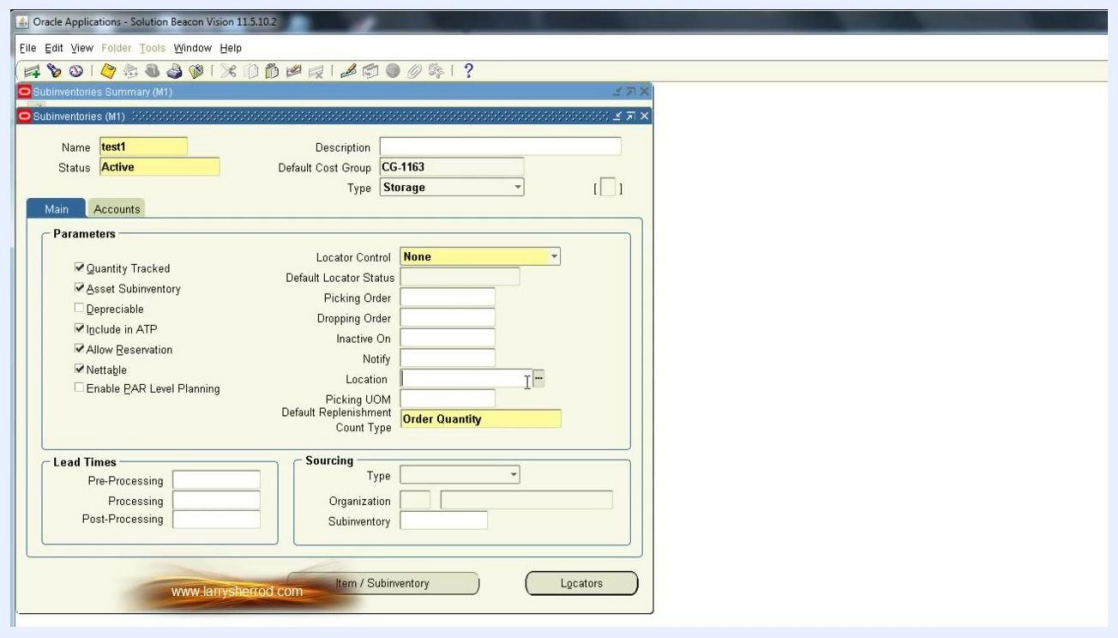
The warning dialog "No locator control exists for this subinventory" with OK and Cancel buttons, displayed over the Accounts tab.

Step 11: Fill in optional fields and assign a location

Fill in any of these optional fields that you need:

- **Default Locator Status**
- **Picking Order**
- **Dropping Order**
- **Inactive On**
- **Notify**
- **Location**
- **Picking UOM**
- **Default Replenishment Count Type** (for example, Order Quantity)

Use the **Location** field to specify a physical address for the subinventory. This is commonly used for consignment subinventories (supplier or customer consignment), or to give the storage area a physical address. Enter a location, or click the search button (...) to select an existing one.



The subinventory form with Locator Control set to None and the Location field available for entry, with the parameter checkboxes and the sourcing and lead time fields visible.

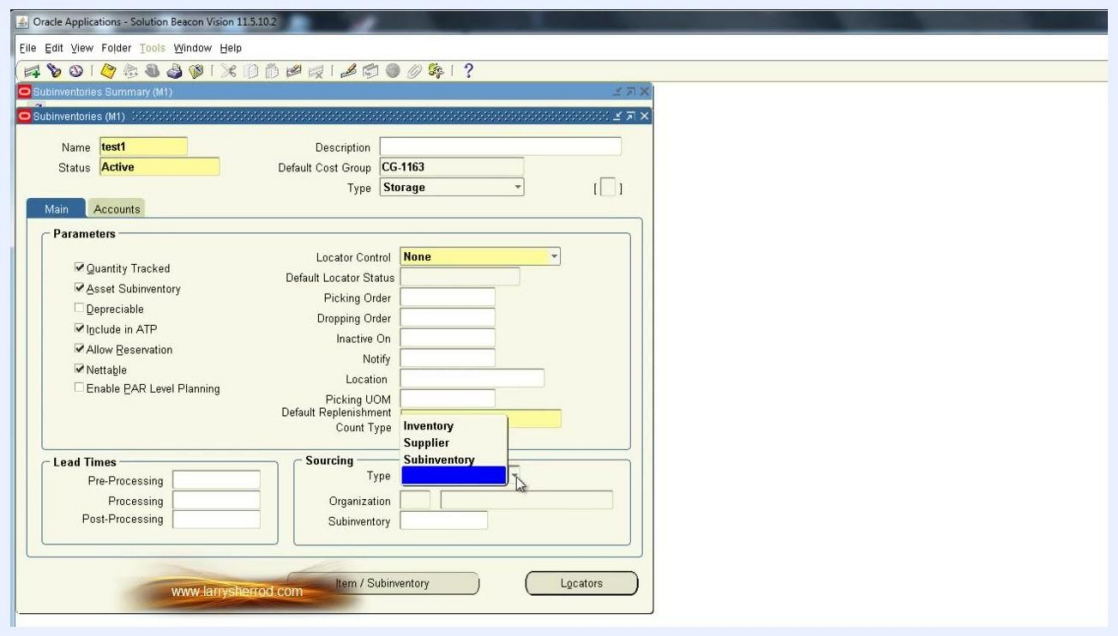
Step 12: Set lead times

If lead times apply, enter values for **Pre-Processing**, **Processing**, and **Post-Processing**.

Step 13: Configure sourcing

1. On the **Main** tab, find the **Sourcing** section.
2. Open the **Type** dropdown and select Inventory, Supplier, or Subinventory.

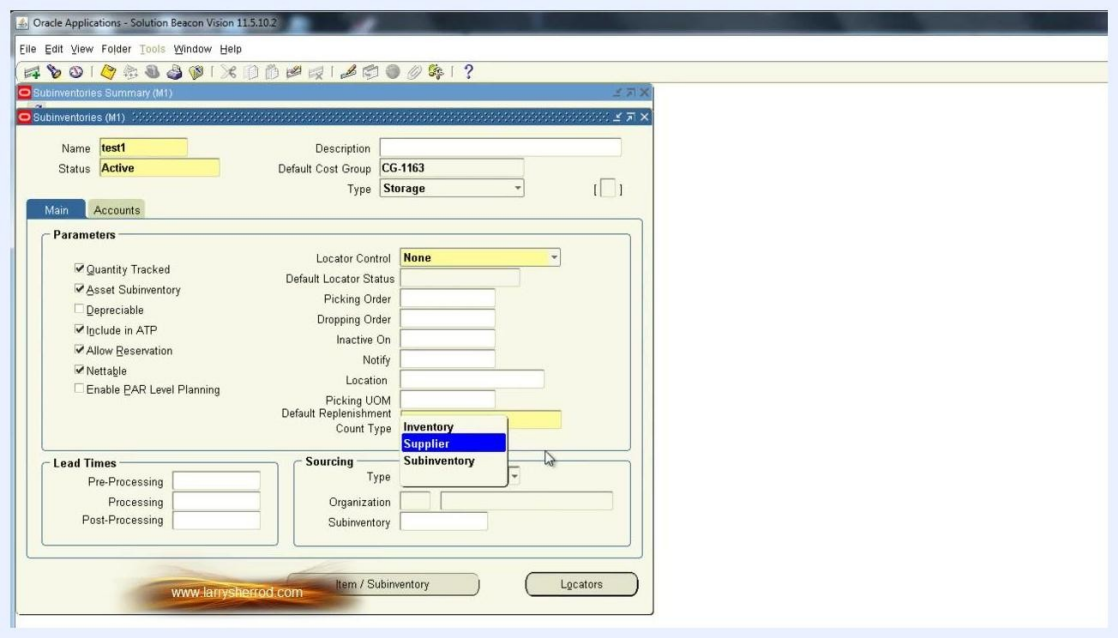
3. If you source from another inventory, supplier, or subinventory, fill in the **Organization** and **Subinventory** fields as needed.



The Sourcing Type dropdown open with Inventory, Supplier, and Subinventory options, and the cursor on Subinventory.

Step 14: Confirm the sourcing selection

Confirm your sourcing selection (for example, Supplier). Then complete all the fields that your sourcing choice requires.



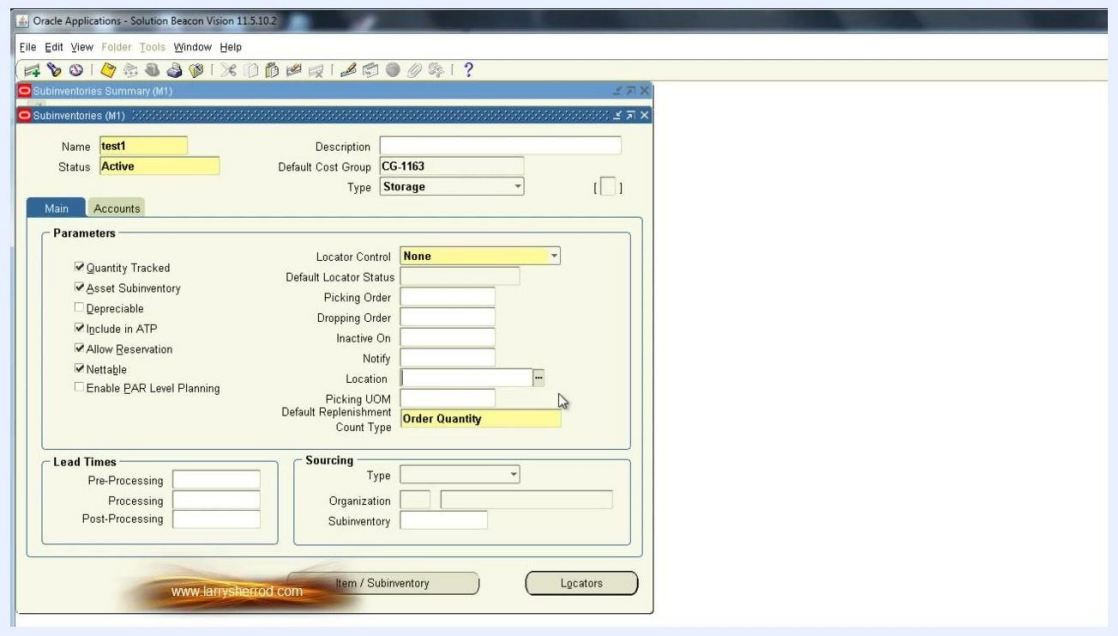
The Sourcing Type dropdown with Supplier highlighted and the other fields ready for input.

Step 15: Set the subinventory accounts

Click the **Accounts** tab, then enter or verify the account codes. The example values are:

- **Material**: 01-000-1410-0000-000
- **Outside Processing**: 01-000-1450-0000-000
- **Material Overhead**: 01-000-1420-0000-000
- **Overhead**: 01-000-1430-0000-000
- **Resource**: 01-000-1440-0000-000
- **Expense**: 01-520-7530-0000-000

- **Encumbrance**: Leave blank unless required.



The Accounts tab with example account codes entered for Material, Outside Processing, Material Overhead, Overhead, Resource, Expense, and Encumbrance.

Step 16: Manage stock locators

To manage stock locators for the subinventory, click the **Locators** button at the bottom right of the form.

Step 17: Review and save

1. Make sure you completed all required fields: **Name**, **Status**, **Default Cost Group**, **Type**, **Parameters**, **Locator Control**, and **Location** (if applicable).
2. Check that the **Nettable** and **Locator Control** settings match your planning and operational needs.
3. Save the subinventory record to apply your changes.

Summary

You reviewed the existing subinventories, opened the Subinventories form at **Setup > Organizations > Sub-inventories**, and created a new subinventory. You set its name, status, cost group, type, parameters, locator control, location, lead times, sourcing, and accounts, then saved the record.

What's next

- Use the **Locators** button to define and manage stock locators for your new subinventory.
- Review advanced configuration options and best practices for subinventory management.