How to create item master data in SAP Business One

This guide shows you how to create item master data in SAP Business One. You open the Item Master Data screen, enter general item details, and configure purchasing, sales, inventory, planning, and production data. You then assign properties, add an image and attachments, and save the item.

Prerequisites

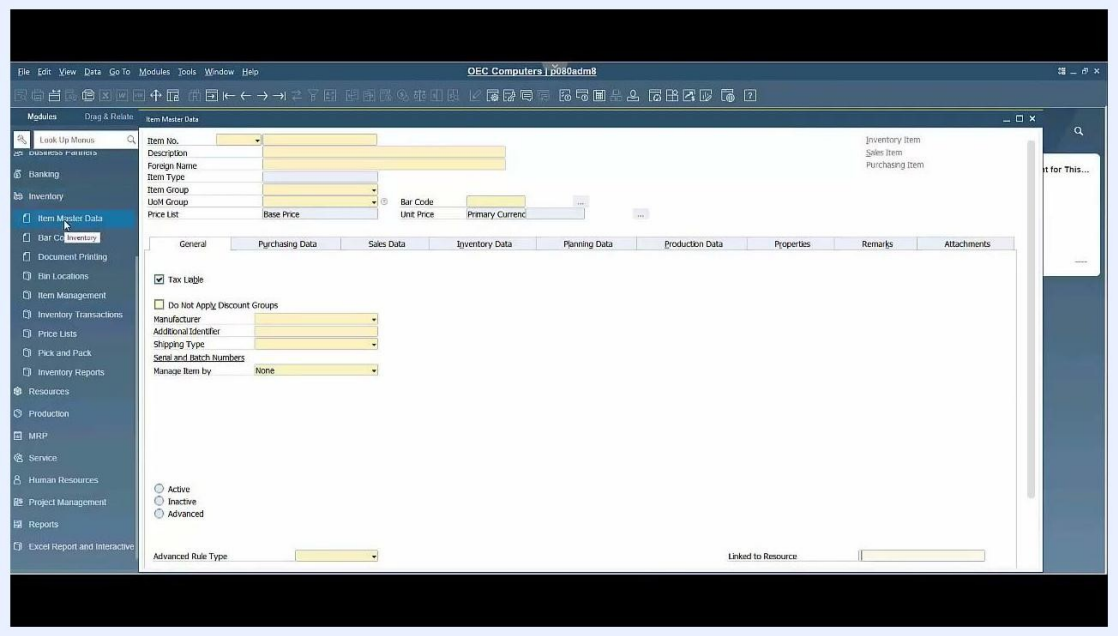
- You are logged in to SAP Business One with permissions to manage inventory items.
- You know the item code, description, item type, and group you want to use. This guide uses the example item TESTITEM1.

Open Item Master Data and start a new item

Step 1: Open Item Master Data

1. In the main menu on the left side of the screen, click **Inventory** to expand the inventory options.
2. Select **Item Master Data**.

The Item Master Data screen opens in Find mode, so you can search for existing items.



Item Master Data screen with the Inventory menu expanded and Item Master Data selected. The form is in Find mode and shows fields such as Item No., Description, Item Type, Item Group, UoM Group, and Price List.

Step 2: Click Add to start a new item

In the icon bar at the top of the screen, click the **Add** button. It usually appears as a blank sheet or plus icon.

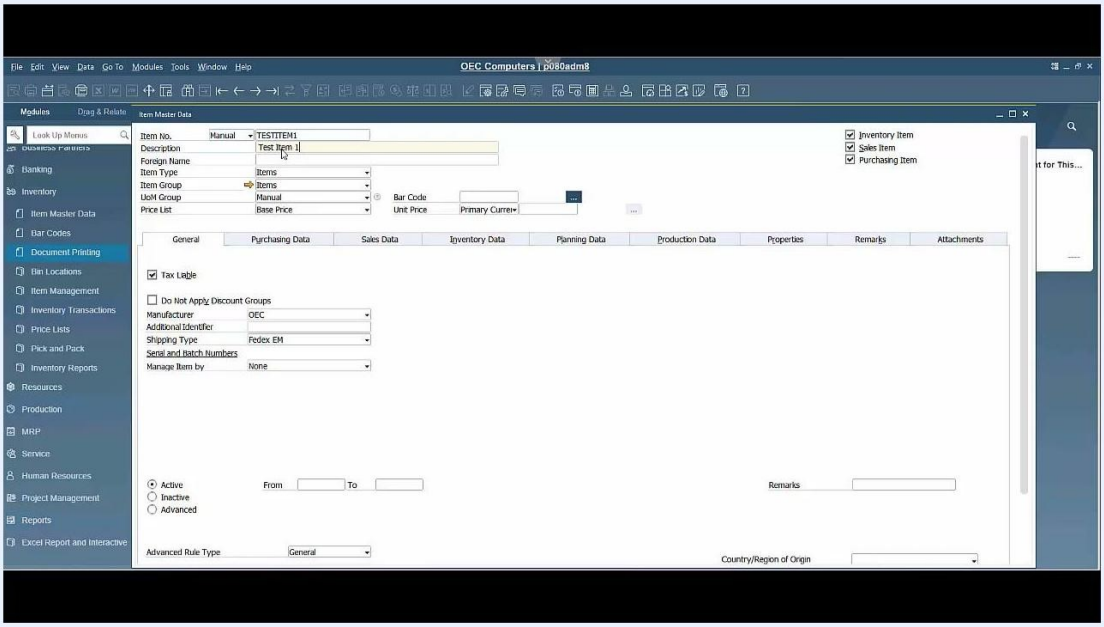
This clears the form and opens all fields for new data entry.

Enter general item data

Step 3: Review the Foreign Name field

The **Foreign Name** field is optional. Use it if your organization requires an alternate or translated item name. Otherwise, leave it blank.

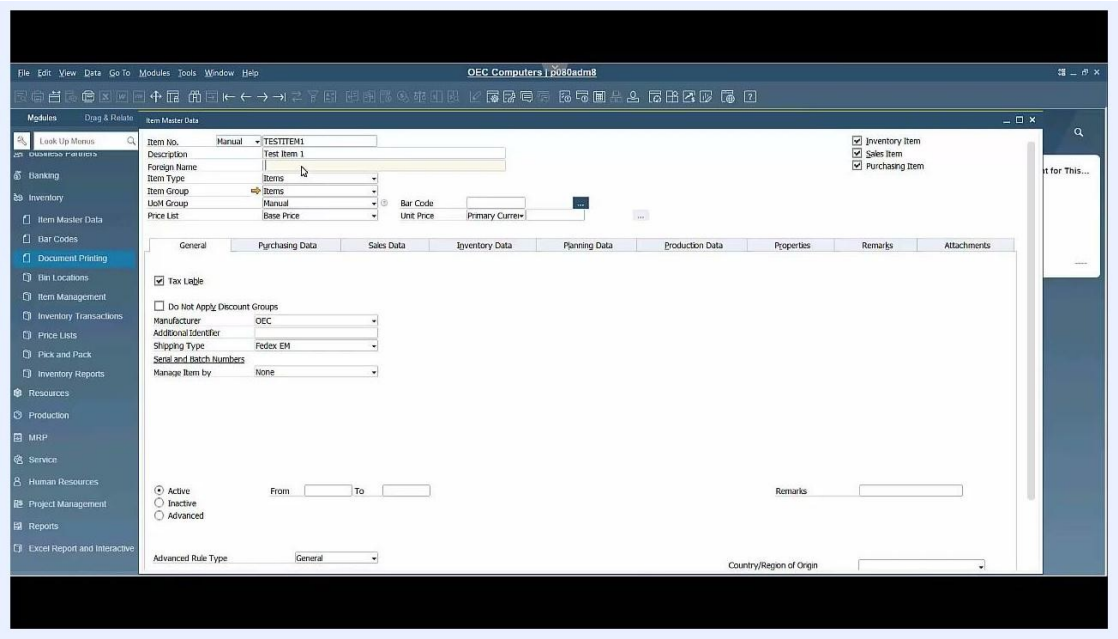
In this example, all fields are visible by default for demonstration purposes.



Item Master Data screen showing the blank Foreign Name field with the other fields visible.

Step 4: Hide unused fields (optional)

To reduce screen clutter, hide fields you do not use with **UI Configuration**. This streamlines data entry and reduces confusion about which fields you must fill in. Hidden fields stay available, and you can re-enable them at any time.

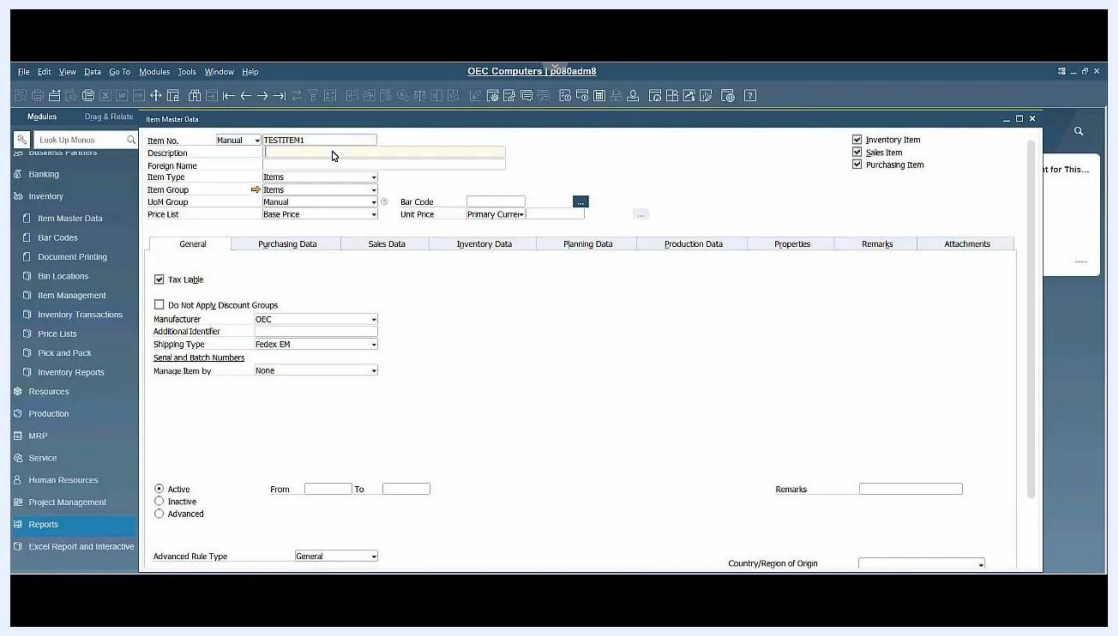


Item Master Data screen with all fields visible, showing that you can hide unused fields through UI Configuration.

Step 5: Enter the item number

In the **Item No.** field, make sure the numbering method is set to **Manual**. If you have configured auto-incrementing under Document Numbering, the system numbers the item for you.

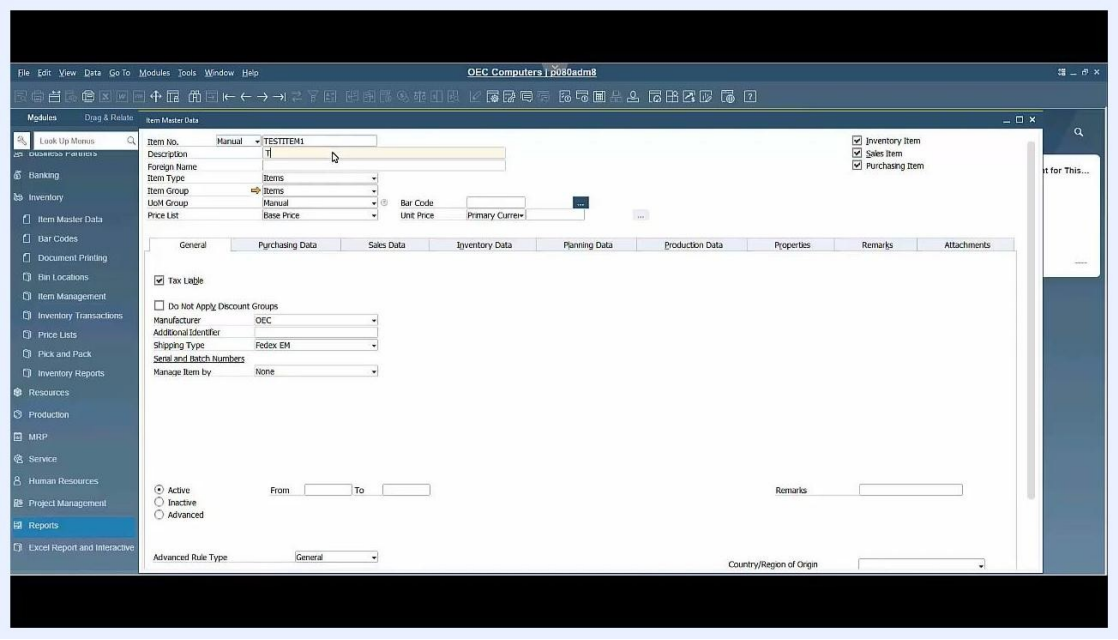
For this example, enter TESTITEM1. This code is used internally and appears on all related documents, such as sales orders.



Item Master Data screen with Item No. set to Manual and TESTITEM1 entered, and the other fields ready for data entry.

Step 6: Enter a description

In the **Description** field, enter a clear description of the item. For this example, type Test Item Number 1.



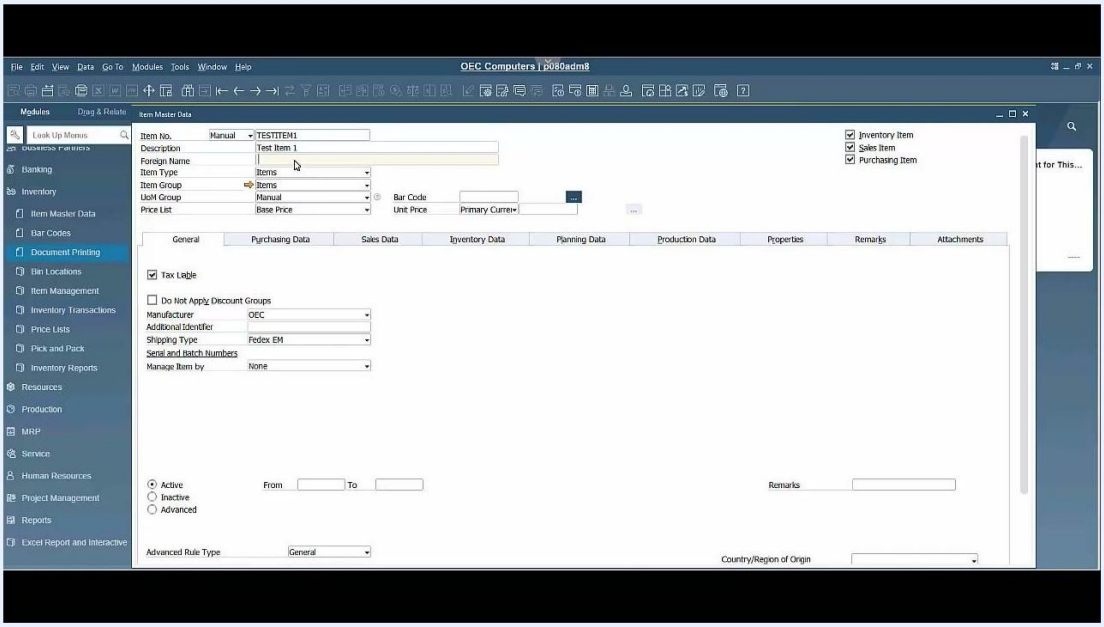
Description field filled in with "Test Item Number 1" next to the item code TESTITEM1.

Step 7: Select the item type

Open the **Item Type** dropdown and select the type that fits your entry:

- **Items** for physical goods
- **Labor** for services
- **Travel** for travel-related items

For this example, select **Items**. The system can track all types.

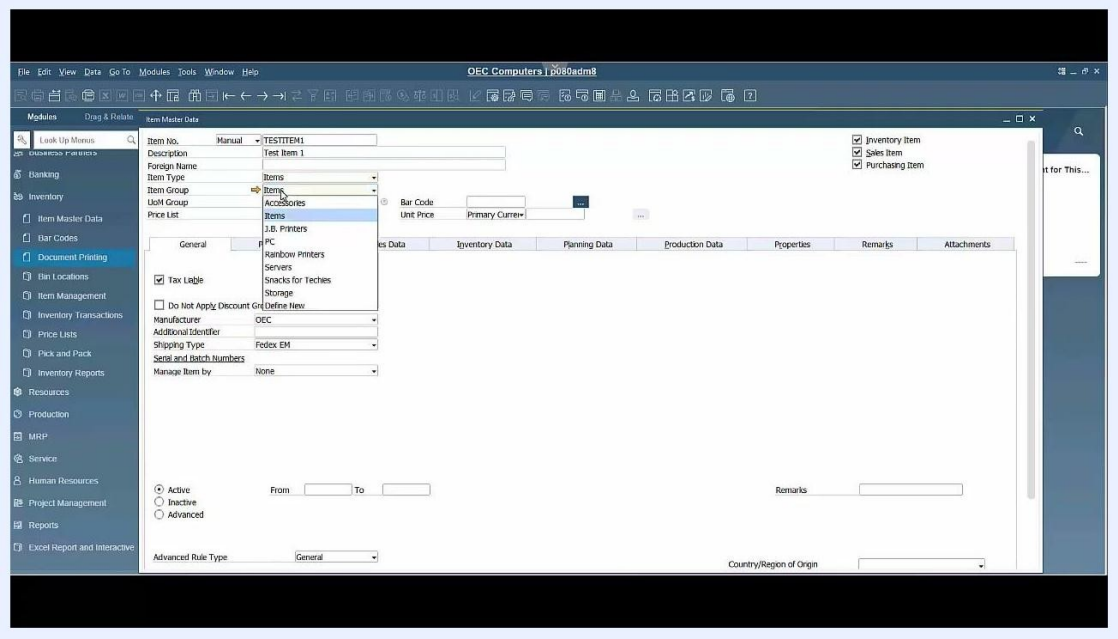


Item Type dropdown open, showing the options Items, Labor, and Travel.

Step 8: Assign an item group

Use the **Item Group** dropdown to select an existing group. Item groups help with data tracking and filtering.

The example groups are Accessories, Items, J.B. Printers, PC, Rainbow Printers, Servers, Snacks for Techies, and Storage. To create a new group, select **Define New** from the dropdown.



Item Group dropdown expanded, showing several group options and the Define New entry.

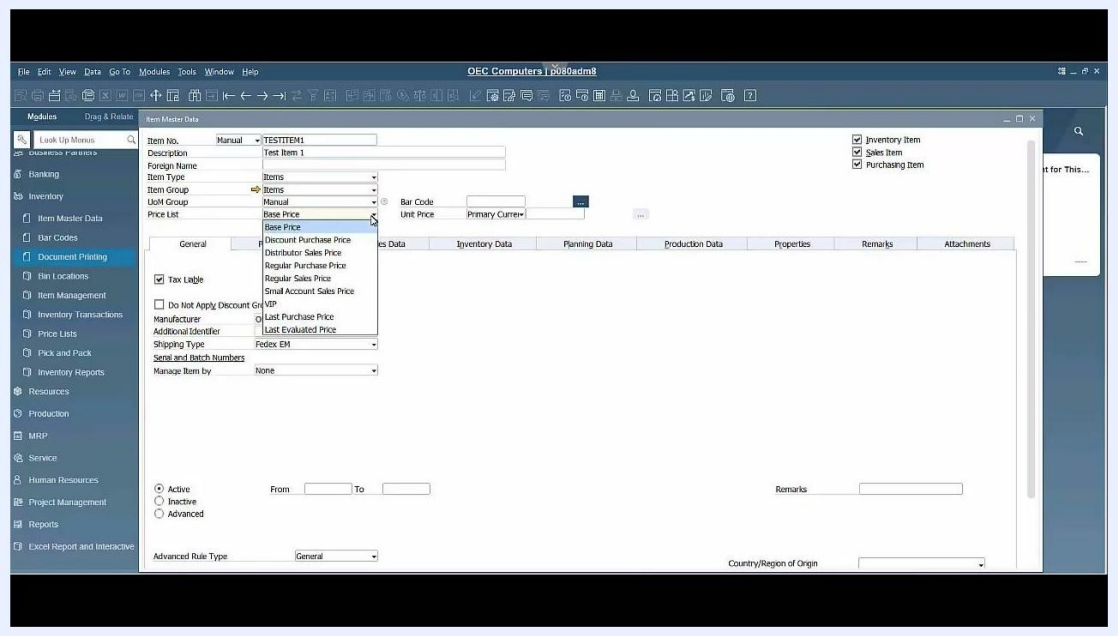
Step 9: Select the UoM group

Select the appropriate **UoM Group** for your item, for example Manual. You can create and manage UoM groups separately if needed.

Step 10: Review the price list field

The **Price List** field displays the available price lists, for example Base Price, Discount Purchase Price, Regular Sales Price, and VIP.

This field does not set the item's price. It shows what the price would be if one were defined. Select the relevant price list for display purposes.



Price List dropdown expanded, showing options such as Base Price, Discount Purchase Price, Regular Sales Price, and VIP.

Tips for this section:

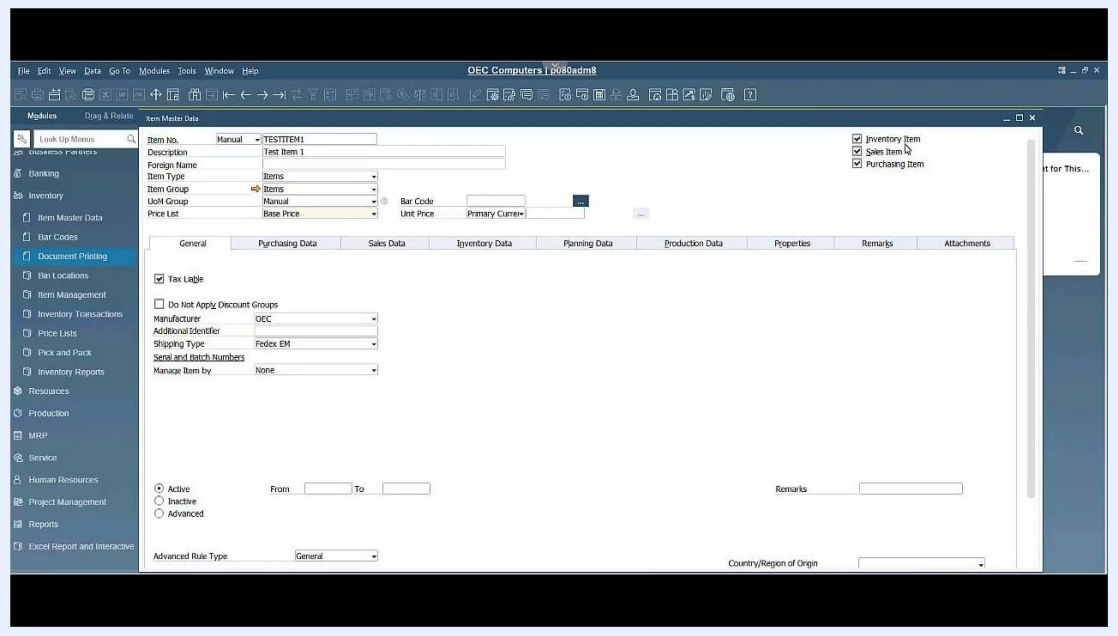
- Hide unused fields through UI Configuration to simplify the form.
- Use item groups and types to organize and track your inventory more effectively.
- The Price List field is informational. You manage actual pricing elsewhere.

Step 11: Set tracking and availability checkboxes

At the top right of the Item Master Data screen, locate these checkboxes:

- **Inventory Item**: Enables inventory tracking. The system increases stock when you purchase the item and decreases stock when you sell it.
- **Sales Item**: Allows the item on sales documents such as sales orders and invoices. If you clear it, you cannot sell the item.
- **Purchasing Item**: Allows the item on purchasing documents such as purchase orders. If you clear it, you cannot purchase the item.

For most standard items, leave all three checkboxes selected.



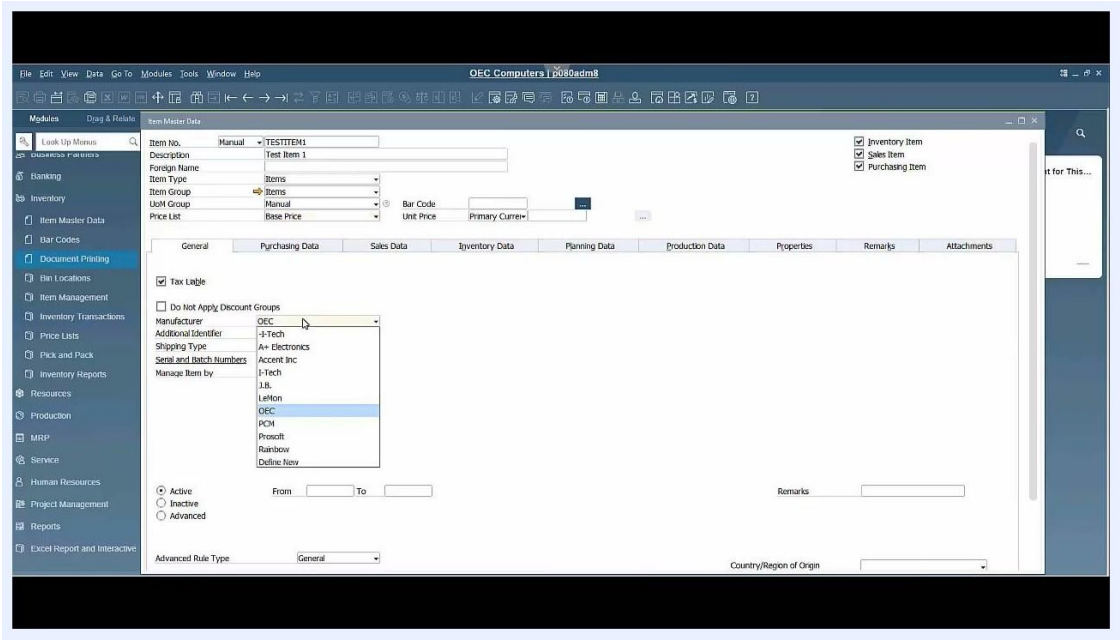
Item Master Data screen with the Inventory Item, Sales Item, and Purchasing Item checkboxes all selected in the header.

Step 12: Configure the General tab

On the **General** tab, review and set these options:

- **Tax Liable**: Select this if the item is subject to tax.
- **Do Not Apply Discount Groups**: Select this if you do not want discount groups to apply to the item.
- **Manufacturer**: Select the manufacturer from the dropdown list. To add a new manufacturer, select **Define New**.
- **Additional Identifier**: Enter an alternate identifier or alias for the item, similar to the Foreign Name field.
- **Shipping Type**: Select the typical shipping method for the item, for example Fedex EM.
- **Serial and Batch Numbers**: If the item requires serial or batch number tracking, select the appropriate option. Otherwise, leave it as **None**.

- **Manage Item by**: Choose how the item is managed, for example by serial, batch, or none.



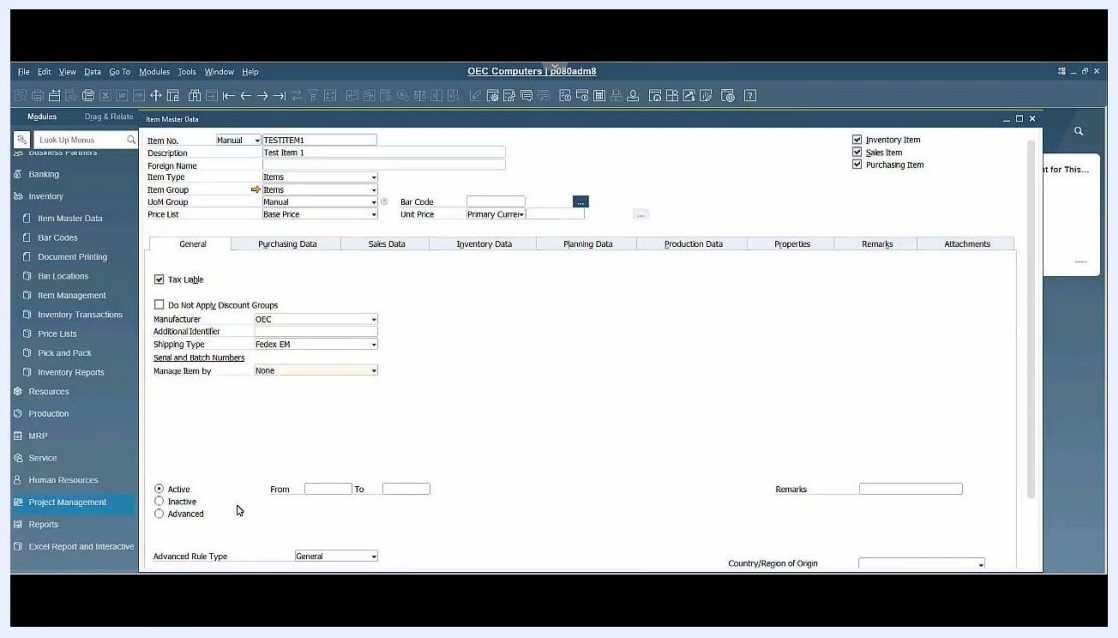
General tab of Item Master Data with Tax Liable selected, the Manufacturer dropdown open, and other fields visible.

Step 13: Set the item status

At the bottom of the General tab, choose the item's status:

- **Active**: Makes the item available for use.
- **Inactive**: Makes the item unavailable for transactions.
- **Advanced**: Lets you set specific active or inactive date ranges.

If you select **Advanced**, enter the **From** and **To** dates for the active and inactive periods. Then use the **Advanced Rule Type** dropdown to specify the rule behavior, for example General. This automates item availability based on date ranges.



General tab showing the Active, Inactive, and Advanced status options with date range fields.

Tips for this section:

- Use the header checkboxes to control whether the item is tracked in inventory, available for sale, or available for purchase.
- Use the General tab to specify tax status, manufacturer, shipping, and serial or batch tracking as needed.
- Set the item status to control when the item is available for use in the system.

Configure purchasing data

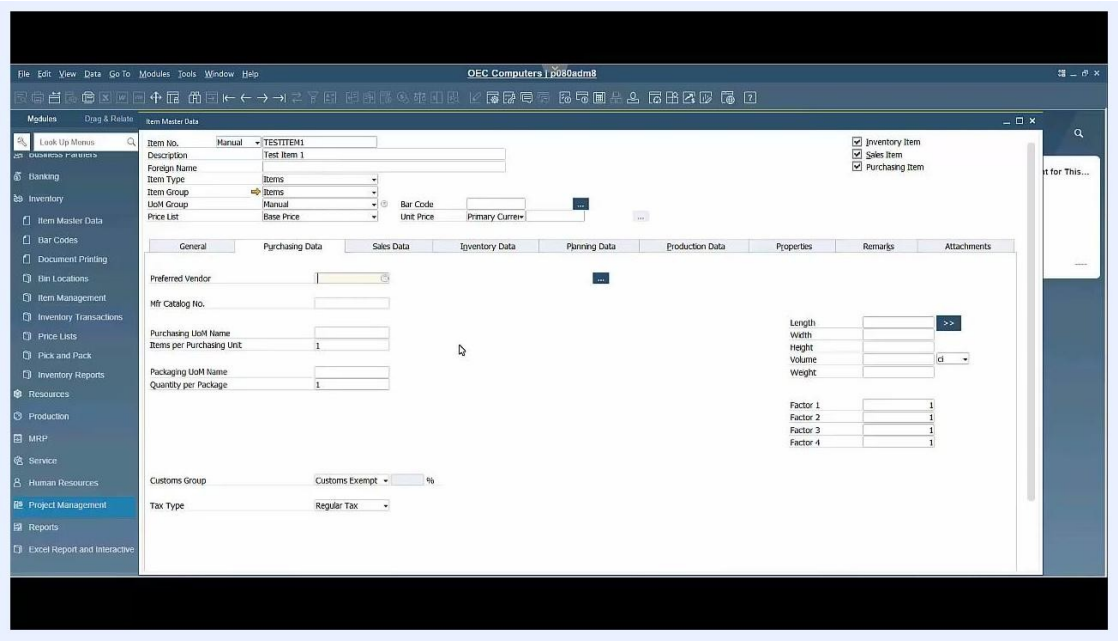
Step 14: Open the Purchasing Data tab

Make sure you are in the Item Master Data window for the item you are creating, for example Item No. TESTITEM1 with the description Test Item 1. Then click the **Purchasing Data** tab.

The tab displays these fields:

- Preferred Vendor
- Manufacturer Catalog No.
- Purchasing UoM Name
- Items per Purchasing Unit
- Packaging UoM Name
- Quantity per Package
- Customs Group
- Tax Type

The left navigation menu confirms you are in the Inventory > Item Master Data section. The item is marked as an Inventory Item, Sales Item, and Purchasing Item.

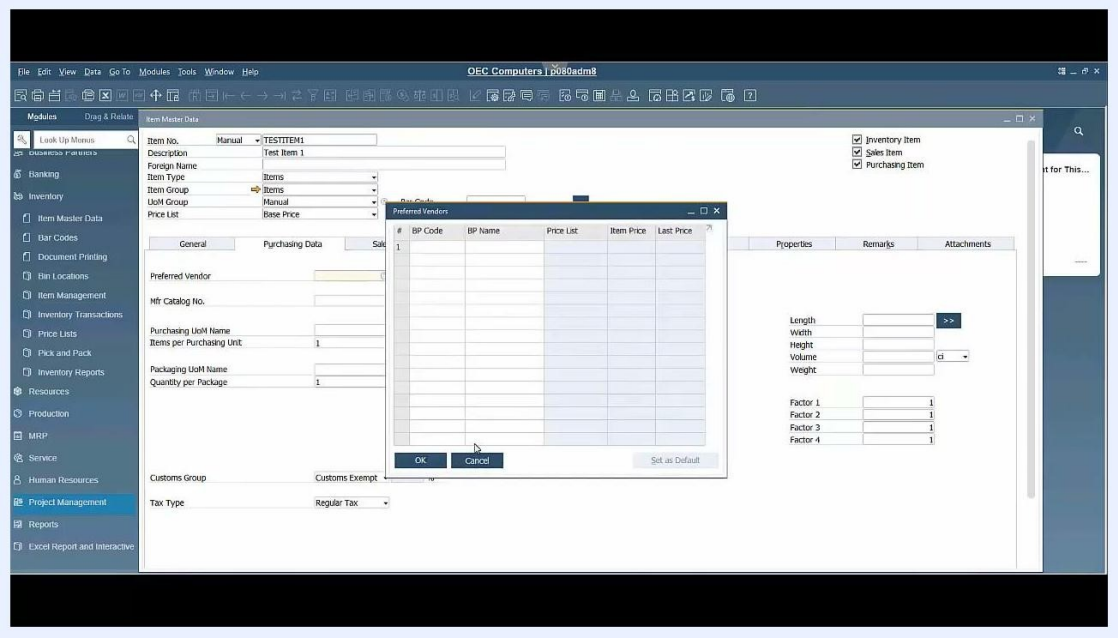


Item Master Data window with the Purchasing Data tab selected, showing the Preferred Vendor, Manufacturer Catalog No., Purchasing UoM Name, Items per Purchasing Unit, Packaging UoM Name, and Quantity per Package fields.

Step 15: Specify preferred vendors

In the **Preferred Vendor** field, enter the vendor code or select a vendor from the list of available vendors.

To add multiple preferred vendors, click the selection button (**...**) next to the field. The **Preferred Vendors** dialog opens, where you can add several vendors with details such as BP Code, BP Name, Price List, Item Price, and Last Price. Click **OK** to confirm, or **Cancel** to exit without changes.



Preferred Vendors dialog showing the BP Code, BP Name, Price List, Item Price, and Last Price columns and the OK and Cancel buttons.

Step 16: Enter the manufacturer catalog number

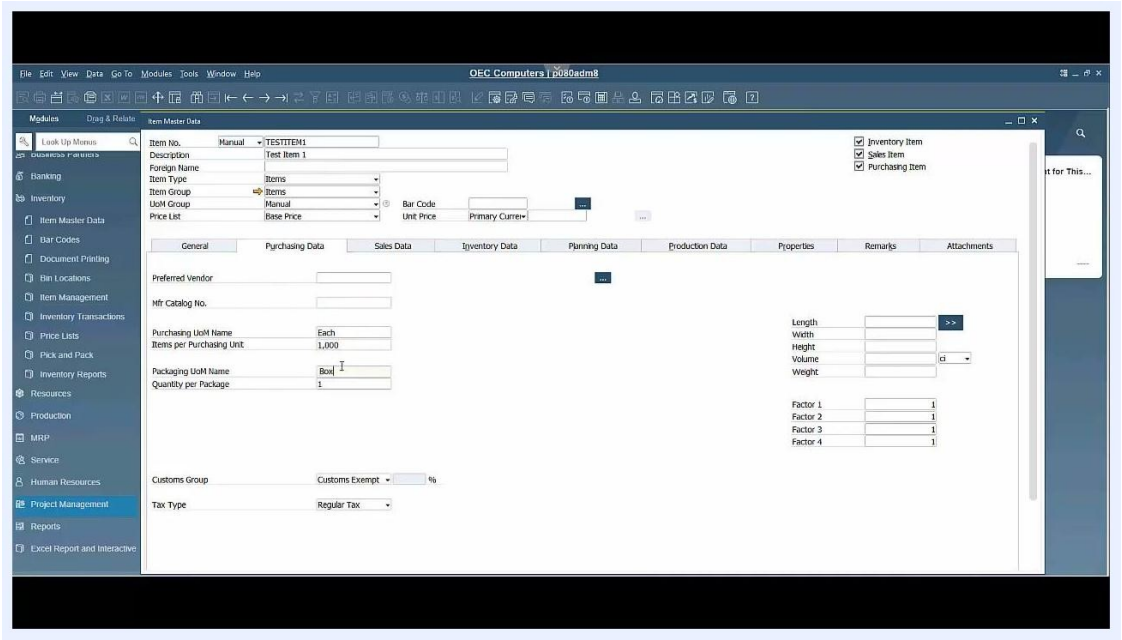
In the **Mfr Catalog No.** field, enter the unique catalog number the manufacturer assigned to the item. This number can differ from your internal item number. It is useful for cross-referencing with vendor catalogs.

Step 17: Configure purchasing units of measure

Fill in these fields, using the example values:

- **Purchasing UoM Name**: Enter the unit of measure you use when purchasing the item, for example Each.
- **Items per Purchasing Unit**: Enter the quantity in one purchasing unit, for example 1,000 if a box contains 1,000 items.
- **Packaging UoM Name**: Enter the packaging unit, for example Box.
- **Quantity per Package**: Enter how many purchasing units are in each package, for example 1.

With this configuration, the system recognizes that purchasing one box adds 1,000 items to inventory.



Purchasing Data tab with Purchasing UoM Name set to Each, Items per Purchasing Unit set to 1,000, Packaging UoM Name set to Box, and Quantity per Package set to 1.

Step 18: Set customs and tax information

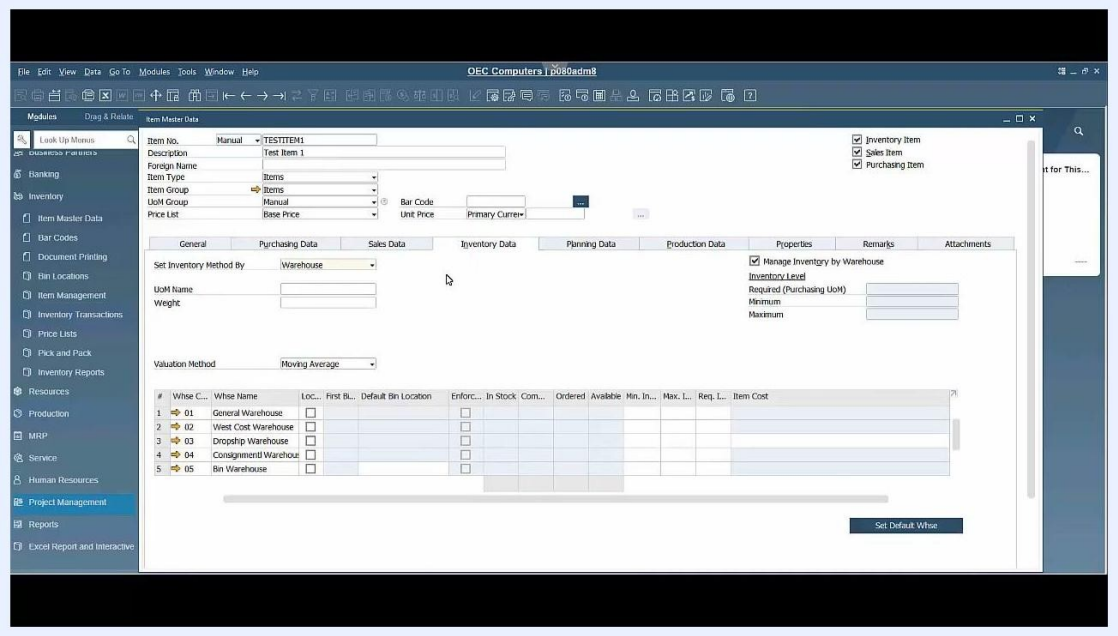
- In the **Customs Group** field, select the appropriate customs group, or indicate that the item is customs exempt.
- In the **Tax Type** field, choose the applicable tax type, for example Regular Tax.

This setup helps the system track purchasing units, vendor relationships, and packaging details accurately. It is essential for correct purchase order processing and inventory management.

Step 19: Enter physical measurements

On the right side of the **Purchasing Data** tab, locate the **Length**, **Width**, **Height**, **Volume**, and **Weight** fields. Enter the item's physical dimensions and weight if you want to store them.

These fields are optional but useful for logistics, shipping, and storage calculations.



Purchasing Data tab with the Length, Width, Height, Volume, and Weight fields visible and ready for data entry.

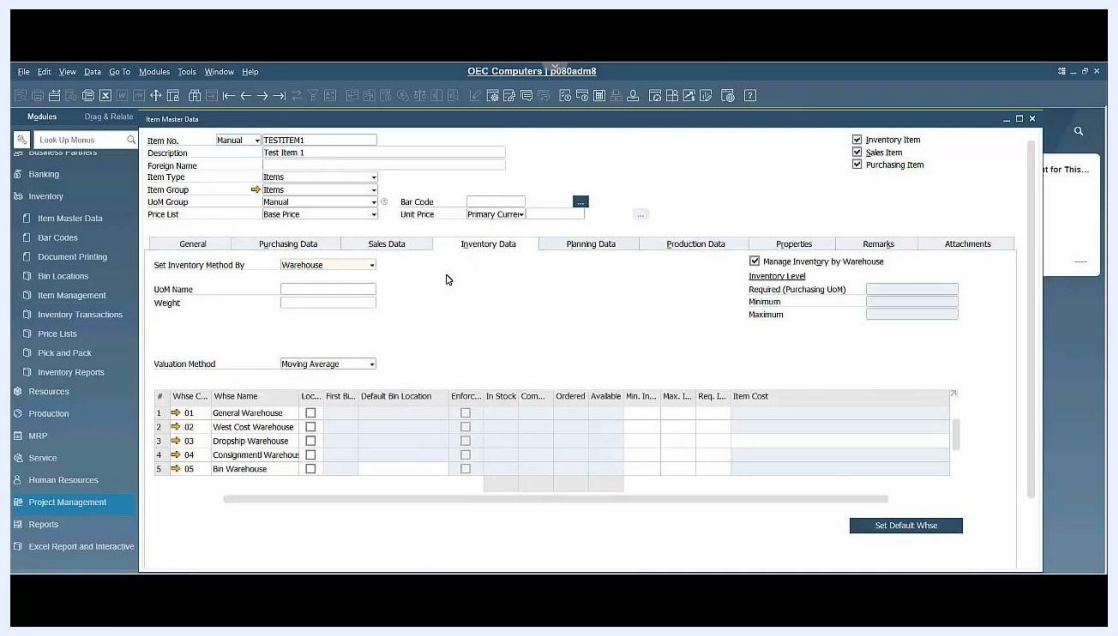
Configure sales, inventory, and planning data

Step 20: Configure sales units of measure

Click the **Sales Data** tab and enter these fields as needed:

- **Sales UoM Name**: The unit of measure used for sales, for example Each.
- **Items per Sales Unit**: The number of items in one sales unit. The default is 1.
- **Packaging UoM Name**: The packaging unit for sales, for example Box.
- **Quantity per Package**: The number of sales units per package. The default is 1.

These settings ensure accurate sales order processing and packaging calculations.



Sales Data tab showing the Sales UoM Name, Items per Sales Unit, Packaging UoM Name, and Quantity per Package fields ready for entry.

Step 21: Set inventory management parameters

Click the **Inventory Data** tab and configure these options:

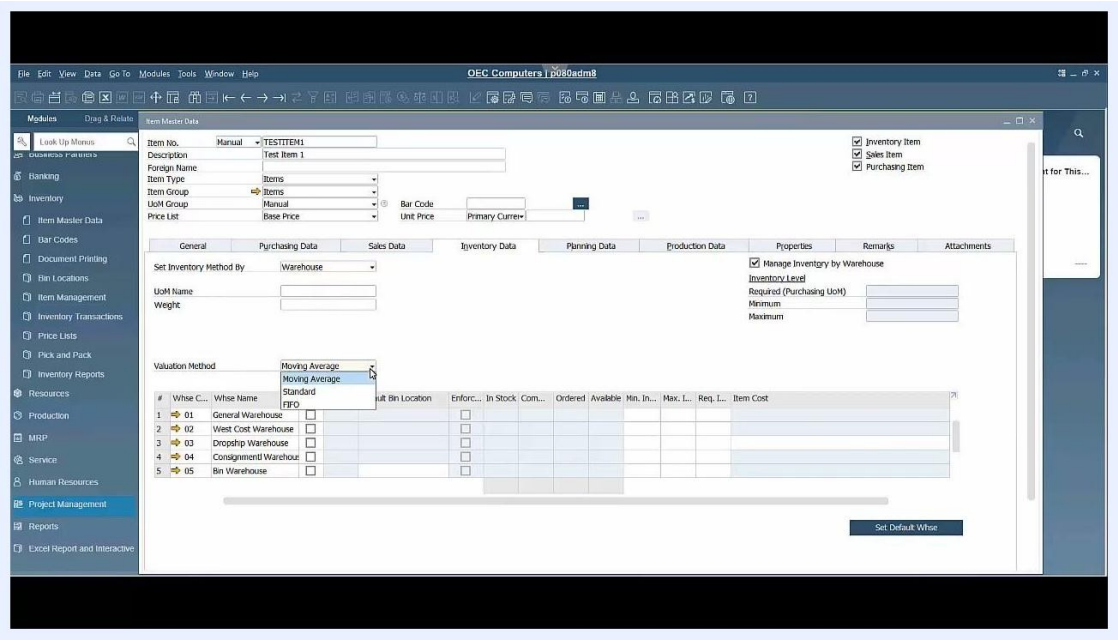
- **Set Inventory Method By**: Use the dropdown to choose how inventory is tracked: Warehouse, Item Group, or Item Level.
- **Manage Inventory by Warehouse**: Select this to track inventory separately for each warehouse.
- **UoM Name**: Enter the unit of measure for inventory tracking.
- **Weight**: Enter the item's weight if applicable.
- **Valuation Method**: Use the dropdown to select how inventory value is calculated: Moving Average, Standard, or FIFO. Choose the method that suits your business.
- **Inventory Level**: Enter the required, minimum, and maximum inventory levels in the specified purchasing UoM.

Then review and configure the warehouse-specific settings in the warehouse table:

- Warehouse Code and Name
- Default Bin Location

- Enforce Bin Location
- In Stock, Committed, Ordered, and Available quantities
- Minimum Inventory, Maximum Inventory, Required Inventory, and Item Cost

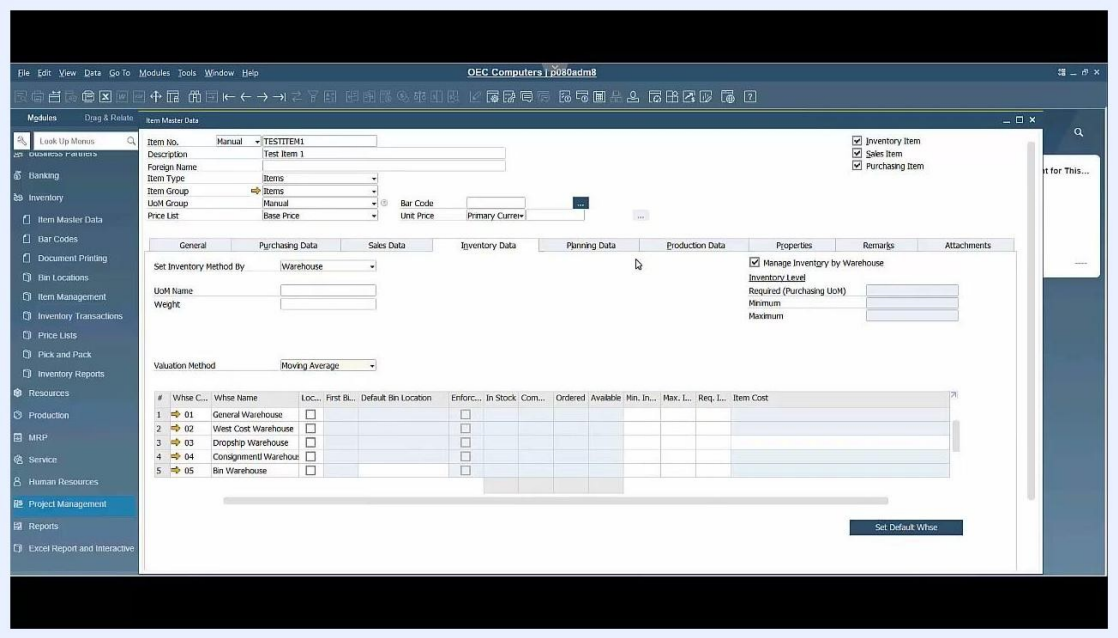
If needed, click **Set Default Whse** to designate a default warehouse.



Inventory Data tab showing Set Inventory Method By, Manage Inventory by Warehouse, Valuation Method, and a table of warehouses with inventory columns.

Step 22: Access Material Resource Planning settings

If you use Material Resource Planning (MRP), click the **Planning Data** tab. Configure the planning parameters you need for automated procurement and production planning.



Planning Data tab selected and ready for MRP configuration.

Configure production data, properties, and attachments

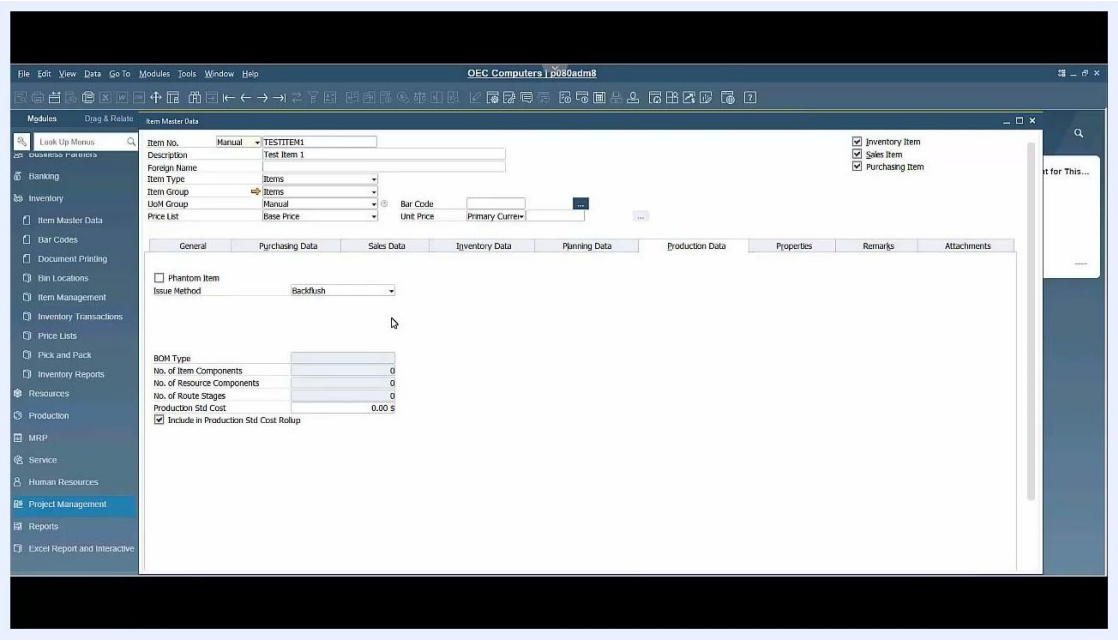
Step 23: Configure production data

Click the **Production Data** tab. If the item is a production item that you manufacture in-house, configure these fields:

- **Phantom Item**: Select this if the item is a phantom item, which is used only in BOMs and not stocked.
- **Issue Method**: Select the issue method from the dropdown, for example Backflush.
- **BOM Type**: Specify the Bill of Materials type if applicable.
- **No. of Item Components**: Enter the number of item components in the BOM.
- **No. of Resource Components**: Enter the number of resource components.
- **No. of Route Stages**: Enter the number of route stages.

- **Production Std Cost**: Enter the standard production cost.
- **Include in Production Std Cost Rollup**: Select this to include the item in the standard cost rollup.

These settings are essential for items that you use in production orders and manage through BOMs.

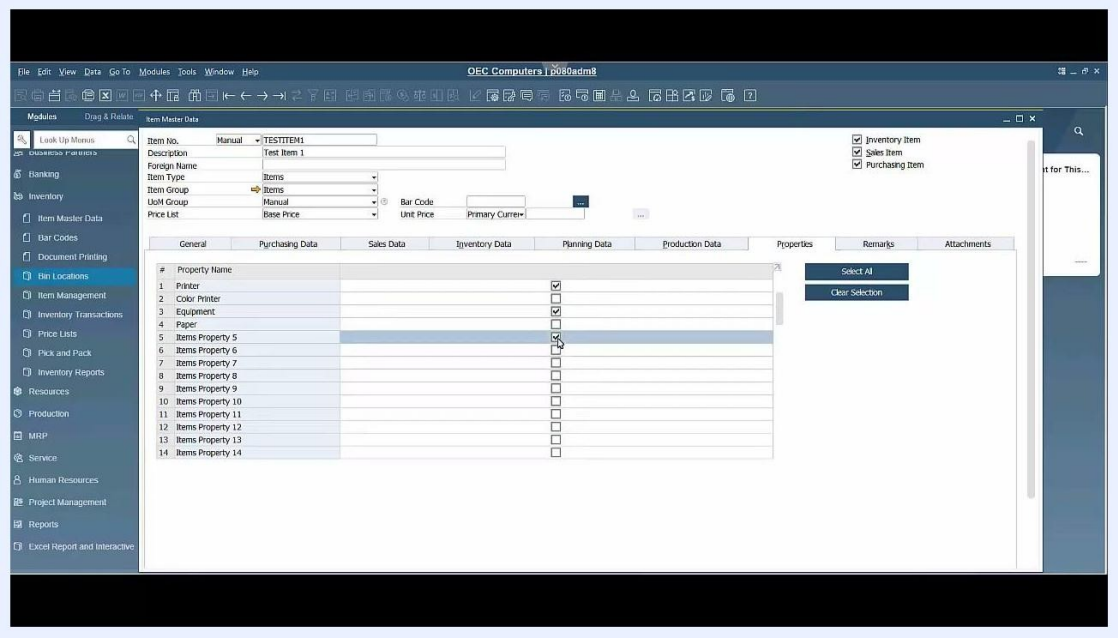


Production Data tab showing the Phantom Item, Issue Method (Backflush), BOM Type, No. of Item Components, No. of Resource Components, No. of Route Stages, Production Std Cost, and Include in Production Std Cost Rollup fields.

Step 24: Assign properties

Click the **Properties** tab. The list shows the available properties, for example Printer, Color Printer, Equipment, Paper, and Items Property 5–14.

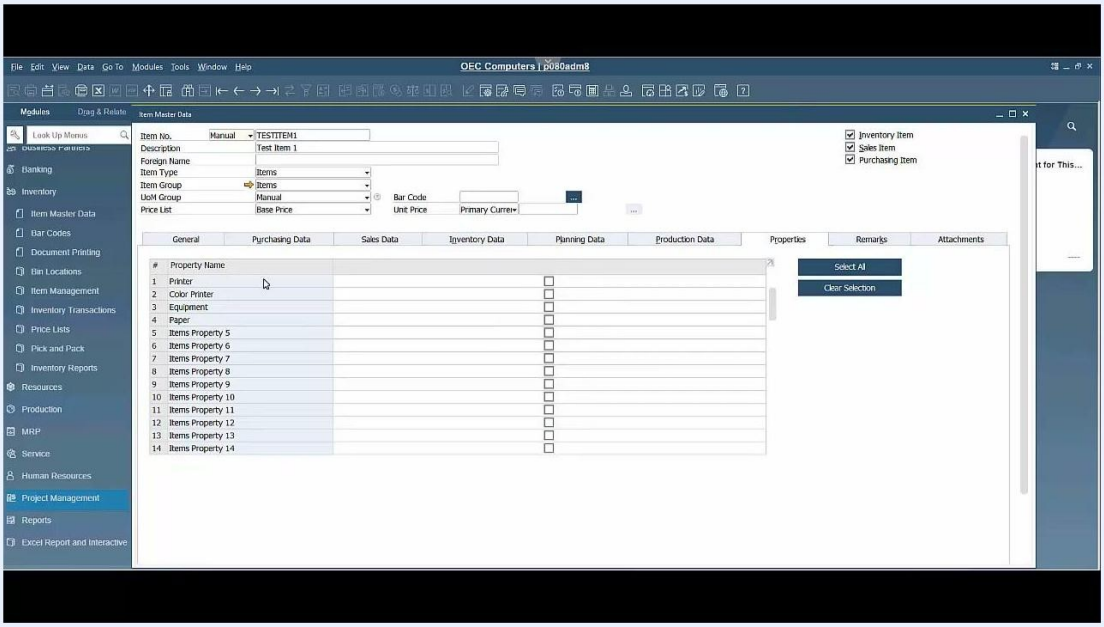
To assign a property, select the checkbox next to its name. Use **Select All** or **Clear Selection** to assign or remove all properties at once. Assigned properties allow advanced filtering and reporting on items with specific characteristics.



Properties tab showing a list of property names with checkboxes and several properties selected for the item.

Step 25: Add an image

On the **Properties** tab, locate the **Insert Image** icon at the bottom right of the properties section. Click it to upload and attach an image to the item. An image helps you identify the item visually in the system.

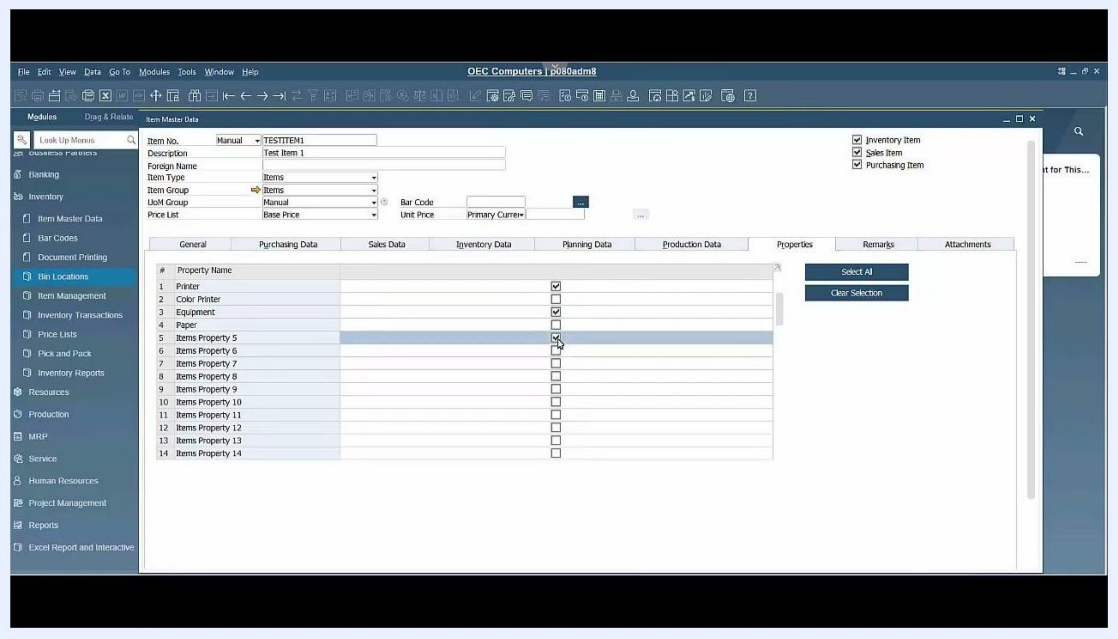


Properties tab with the Insert Image icon highlighted and ready for image upload.

Step 26: Attach supporting documents

Click the **Attachments** tab and use the **Browse** button to locate and select files, such as PDFs, Excel files, or Word documents. Attached files appear in a table with the columns Target Path, File Name, Attachment Date, and Free Text.

Click **Display** to view an attachment, or **Delete** to remove it. Attachments are useful for storing technical documents, certifications, or manuals related to the item.



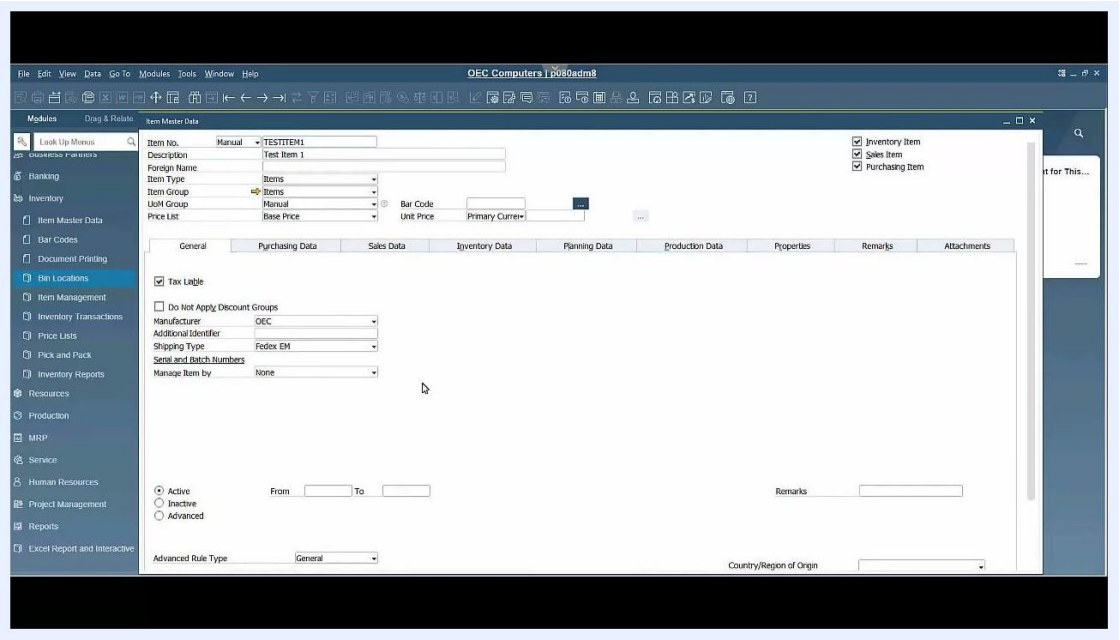
Attachments tab showing the Browse, Display, and Delete buttons and the Target Path, File Name, Attachment Date, and Free Text columns.

Review and add the item

Step 27: Add the item to the system

1. Return to the **General** tab to review everything you entered.
2. Confirm that all required fields and configurations are complete: Item No., Description, Item Type, Item Group, UoM Group, Price List, Manufacturer, Shipping Type, Serial and Batch Numbers, and Activity Status.
3. Click the **Add** button at the bottom left of the window to save the new item.

The item is now fully configured and available for purchasing, sales, inventory, production, and reporting processes.



General tab showing the main item details, ready for final review before you add the item.

Summary

You now know how to create item master data in SAP Business One, from the general item details through purchasing, sales, inventory, planning, and production data to properties, images, and attachments. This guide used these example values:

- Item No.: TESTITEM1
- Description: Test Item Number 1
- Item Type: Items
- Purchasing UoM Name: Each
- Items per Purchasing Unit: 1,000
- Packaging UoM Name: Box
- Quantity per Package: 1
- Tax Type: Regular Tax

For Preferred Vendor, Mfr Catalog No., and Customs Group, select or enter values as needed for your item.