



Streamline Your Cosmetics Batch Manufacturing Process with **NetSuite MRP Software**

Zabe Siddique
CEBA Solutions CEO



NetSuite for
Cosmetics Retailers



For decades, NetSuite has been a leading cloud MRP for the manufacturing sector, however it is especially well suited to manufacturers who produce batches of cosmetic products whose inputs and raw materials need to be tracked and traced at a granular level.

In this article, we will uncover less commonly discussed functionality that has led to NetSuite being the #1 choice for both emerging and established beauty and personal care brands.

Challenges of Batch Manufacturing for the Cosmetics Industry

Batch manufacturing is a production method where products are manufactured in groups or batches, rather than individually. It involves the creation of a set number of products at one time, following a specific sequence of operations. At the work order completion stage, this “batch” is divided into individual packaged items. This method allows for efficient use of resources and streamlines the production process, as multiple products can be made simultaneously. Batch manufacturing is also commonly used in industries such as pharmaceuticals, food processing, chemical production.



Challenge 1: Tracking Individual Inputs in Raw Materials and Finished Cosmetic Products

Tracking inputs in cosmetics can be a challenge for a cosmetics manufacturer for several reasons. Cosmetics brands rely on a wide range of specialty ingredients sourced from various suppliers, making it difficult to keep track of each finished good's inputs and their origins. This complexity is further compounded by the fact that many ingredients undergo multiple processing stages before being incorporated into the final product.

Managing A Complex Network of Suppliers

Beauty products often contain natural extracts and botanicals, which can vary in quality and composition depending on factors such as geographical location and seasonal variations. Ensuring consistent sourcing of these inputs becomes a challenge as manufacturers need to maintain strict quality control (QC) standards.

Adhering to Regulatory Requirements Regarding Batch Tracing

Regulatory requirements play a significant role in tracking inputs in cosmetics. Manufacturers must comply with labeling regulations that require them to accurately list all ingredients used in their products.

This necessitates meticulous record-keeping and traceability throughout the supply chain.

Providing Detailed Product Information to an Increasingly Discerning Consumer-base

Consumer demands for transparency in cosmetics have intensified, leading to expectations for detailed product information. Buyers now seek knowledge about ingredients, origins, and potential allergens. To meet these needs, manufacturers must adopt advanced tracking systems for precise data on each component. This strategy aligns with customer expectations and enhances trust and brand loyalty, making consumers feel more confident about their purchases.

"In the cosmetics industry, managing a diverse array of specialty ingredients, sourced globally, presents a significant challenge. NetSuite's functionality adeptly supports brands in navigating this complexity by providing precise tracking and traceability of raw materials at every stage."

- Zabe Siddique, CEBA Solutions, CEO

How NetSuite Supports the Tracking of Batch Ingredients with Single and Multi-level Bill of Materials (BOM)

With NetSuite's BOM management capabilities, you can easily create BOMs that define the components required for each batch. The system enables you to accurately track the quantities, costs, origins of each ingredient at every stage of production. Item/inventory records can also be customized with new fields for any information that may need to be referenced later, whether the BOM is for a finished product, or an input that is manufactured by the company as an ingredient for finished products.

Single Level BOMs for Cosmetics Products Manufacturing

When it comes to single-level BOMs, NetSuite allows you to specify the exact quantities and units of measure for each ingredient. This ensures precise tracking and accurate calculation of costs associated with producing each batch, as well as the ability to trace each ingredient back to its original purchase order. You can also access a comprehensive history of every interaction that product has had after being received from the supplier. Examples of this could include storage temperature readings, internal product testing or transfers between facilities.

Multi-Level BOM Management

For more complex manufacturing processes involving multi-level BOMs, NetSuite excels in providing comprehensive visibility into all supply chain activities for both raw materials and internal ingredients created through internal work orders. With its integrated functionality, you can effortlessly manage sub-assemblies, intermediate products, and final finished goods.

NetSuite automatically adjusts inventory levels based on production activities across multiple levels in real-time, and provides a simple way to backflush inventory data upon completion of a work order. This eliminates the need to manually adjust inventory records, and ensures accuracy and transparency over live stock levels. This not only saves you time and effort but also helps prevent stock outs or overstocks.



Challenge 2: Tracking Cross Contamination Risks

In the cosmetics manufacturing industry, tracking and managing cross-contamination risks is a critical concern. The potential for contamination can arise at various stages of the production workflow, from the sourcing of raw ingredients to the final packaging of products. NetSuite, with its advanced tracking capabilities, offers a powerful solution to address this challenge effectively.

Real-time Visibility with NetSuite

NetSuite's inventory tracking system provides cosmetics manufacturers with real-time visibility into their entire production lifecycle. This means that at any given moment, you can monitor and trace the movement of ingredients, sub-assembly items, and finished goods. This level of visibility is invaluable when it comes to identifying potential sources of contamination quickly.

Immediate Risk Mitigation

Using NetSuite's inventory tracking system, you can quickly identify cross-contamination risks and immediately act to mitigate them. For example, monitor temperature controls during transportation of sensitive ingredients, ensuring they stay within specified limits. You can also maintain proper storage conditions in warehouses to prevent contamination.

Granular Batch and Lot Tracking

One standout feature of NetSuite's tracking solution is its ability to capture granular details about each batch or lot of products. This includes crucial information such as supplier data, manufacturing dates, expiration dates, and results of any QC tests conducted. With this level of data granularity, you have the tools needed to easily identify any potential cross-contamination issues that may arise. It enables you to pinpoint the exact source of contamination quickly and take corrective actions.

Advanced Inventory and Manufacturing Reporting

NetSuite's robust reporting capabilities play a vital role in managing cross-contamination risks. These reporting tools allow you to generate comprehensive reports that cover cross-contamination risks throughout internal manufacturing facility locations. These reports provide valuable insights into areas where improvements can be made to enhance product safety and integrity. Moreover, they help ensure compliance with regulatory requirements, which is essential in the cosmetics industry.



"NetSuite's comprehensive BOM management and real-time inventory tracking are pivotal for cosmetics manufacturers, enabling precise ingredient tracking and mitigating cross-contamination risks at every production stage."

- Zabe Siddique, CEBA Solutions, CEO

Challenge 3: Capacity Planning and Production Scheduling

Cosmetics businesses operate in a fast-paced environment where the uptime of their production line directly affects profitability. Unlike some other industries, cosmetics products have unique variables such as color and fragrance that are crucial to ensuring the quality and appeal of finished products.

"Light to Dark" manufacturing presents a specific challenge in the cosmetic manufacturing industry for several compelling reasons. Firstly, the transition from producing lighter shades to darker ones demands precision and expertise in formulation and blending techniques. Each shade must be carefully calibrated to achieve the desired color intensity and tone consistently.

Precision in Formulation and Blending

Achieving consistent color variations from light to dark shades is not a simple task. It requires precise formulation and blending techniques. Companies that manufacture cosmetics must meticulously adjust the ingredients, pigments, and formulations to ensure that the transition from light to dark shades is seamless.

Maintaining Product Quality Control

Maintaining product quality is a top priority for cosmetics companies. Any variation in color, texture, or fragrance can be immediately noticeable to consumers and may lead to dissatisfaction. In light to dark manufacturing, the challenge is to achieve these transitions without compromising on quality. This requires stringent QC measures at every stage of production.



How NetSuite Supports Complex Constraints and Production Scheduling Optimization

In the cosmetics manufacturing industry, efficient production scheduling is of utmost importance, ensuring that operations run smoothly and products are crafted with precision. However, due to the intricate nature of the cosmetics production process, scheduling can be a complex task, often managed outside of systematic frameworks.

NetSuite offers a practical solution to address these challenges, particularly within the cosmetics manufacturing facility. Its advanced scheduling capabilities ensure the availability of suitable resources and introduce tailored scheduling codes designed to meet the industry's unique requirements, including techniques like light-to-dark sequencing.

Managing Multiple Constraints with Precision

Cosmetics production involves numerous constraints and variables, from ingredient availability to equipment limitations. NetSuite's advanced scheduling engines are designed to navigate these complexities efficiently, optimizing resource allocation.

Tailored Scheduling Codes for Precision Sequencing

NetSuite's advanced scheduling engines generate specialized scheduling codes that align with the specific needs of cosmetics manufacturing. These codes empower cosmetics manufacturers to implement advanced sequencing strategies, facilitating smooth transitions between different shades and product variations in a cosmetic product.

Real-time Updates through MES Integration

NetSuite's Manufacturing Execution Systems (MES) plays a pivotal role in ensuring the optimization of cosmetics manufacturing processes. NetSuite ensures that real-time updates and streamlined data is available to shop floor managers, enhancing agility and responsiveness in adapting to evolving production requirements.





How to Successfully Implement NetSuite MRP into Your Cosmetics Manufacturing Workflow

Implementing NetSuite MRP into your cosmetics manufacturing workflow can greatly optimize your operations and enhance your supply chain management. By leveraging the power of this comprehensive software solution, you can streamline your manufacturing processes, improve inventory management, and ensure efficient resource planning.

Document the Process of Manufacturing Each Product in Your Cosmetics Line

To successfully implement NetSuite MRP, it is essential to have a clear understanding of your cosmetics manufacturing workflow. Evaluate each step of your current processes for each cosmetics product in your line and identify areas that can be enhanced or automated using the capabilities of NetSuite MRP.

Create a Taskforce to Provide Subject Matter Expertise

Collaboration between different departments within your organization is crucial during the implementation process. Engage key stakeholders from production, inventory management, procurement, and finance to ensure a seamless integration of NetSuite MRP into your existing workflows.

Build a Culture That Prioritizes Training and Knowledge Sharing

Prioritize training and education for your team members to maximize the benefits of implementing NetSuite MRP. Invest in comprehensive training programs that cover all relevant functionalities and provide ongoing support to address any challenges or questions that may arise during the transition period.

Customize Item, Work Order and Routing Records and Templates to Match Your Existing Systems and Spreadsheets

Take advantage of the customization options offered by NetSuite MRP to tailor the software specifically to the needs of your cosmetics manufacturing business. Configure workflows, set up alerts and notifications, and establish automated processes that align with your unique requirements.

Ready to Optimize Your Cosmetics Manufacturing with NetSuite MRP Software for Cosmetics Manufacturers?

In the cosmetics manufacturing industry, the need for precision, efficiency, and compliance with industry standards is non-negotiable. NetSuite MRP (Material Requirements Planning) software offers a comprehensive solution to address these complex challenges and streamline operations.

From tracking individual inputs and managing cross-contamination risks to optimizing production scheduling and resource allocation, NetSuite has been designed to meet the unique demands of the cosmetics industry.

NetSuite's capabilities extend beyond traditional manufacturing systems, allowing you to gain a competitive edge, uphold product quality, and navigate the complexities of cosmetics production with confidence. This is why more cosmetics companies are choosing NetSuite than any other cloud business management platform.

Take Action with CEBA Solutions: Your Cosmetics ERP Experts

To harness the full potential of NetSuite MRP and optimize your cosmetics manufacturing workflow, partner with CEBA Solutions. With expertise in cosmetics ERP (Enterprise Resource Planning) solutions, CEBA Solutions offers tailored guidance, implementation, and ongoing support to ensure a seamless integration of NetSuite into your accounting, sales, warehousing, lab and shop floor operations.

[Contact CEBA Solutions](#) today to how NetSuite can provide enhanced efficiency, automated compliance, and overall excellence in cosmetics production. We are here to help.

Frequently Asked Questions

What is a batch in cosmetics?

In cosmetics manufacturing, a batch refers to a specific quantity of a product that is manufactured at one time, following a predetermined set of production steps. This process involves creating a defined number of units of cosmetic products as finished saleable goods within a single production cycle. Batching is a crucial practice in cosmetics manufacturing as it allows businesses to efficiently utilize resources while ensuring consistent QC throughout production.

Which process is used to manufacture cosmetic products?

The manufacturing process of beauty goods typically comprises several essential steps. Firstly, there is the formulation stage, where the product's formula is developed. This includes selecting the appropriate ingredients and determining their precise proportions to achieve the desired product characteristics. Subsequently, the mixing phase involves combining these selected ingredients according to the formulated recipe. Afterward, the filled product is packaged for distribution. Quality control plays a vital role, involving thorough testing and inspections to guarantee the product's safety and quality. Lastly, regulatory compliance is critical, encompassing adherence to labeling requirements and comprehensive documentation throughout the manufacturing process.

What is a batch code in cosmetics?

A batch code, often referred to as a lot number or batch number, is a unique alphanumeric identifier assigned to a specific batch of cosmetic products during the manufacturing process. This code serves a critical role in tracking and tracing the production history of the product. It includes essential information such as the ingredients used, the manufacturing date, and other relevant data. Batch codes are indispensable for maintaining quality control standards, facilitating product recalls if necessary, and ensuring compliance with regulatory requirements.

What are the challenges for the cosmetic industry today?

The cosmetic industry faces a range of significant challenges in today's dynamic market environment. One pressing challenge is the growing demand from consumers for clean and sustainable beauty products. Additionally, keeping up with evolving regulatory requirements and ensuring the safety of ingredients is an ongoing concern. The industry must also grapple with disruptions in the global supply chain and secure reliable sourcing of raw materials. Furthermore, cosmetic companies must strike a balance between maintaining product quality and consistency while meeting the ever-changing demands and preferences of consumers.

What are the business problems in the beauty industry?

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