OTC Special Sales Processes

Capgemini

Lesson Objectives

- Purpose
- Use
- Challenges
- Different Special Sales Processes
  - Cash Order Sales
  - Rush Order Sales
  - Consignments
    - Consignment Fill Up
    - Consignment Issue
    - Consignment Returns
    - Consignment Pick Up
  - Free Of Charge Delivery
  - Subsequent Delivery Free Of Charge
  - Third Party Sales

Lesson Objectives

- Intercompany Stock Transfer
- Configurations
- Cash Sales
- Cash Order Sales
- Rush Order Sales
- Consignments
  - Consignment Fill Up
  - Consignment Issue
  - Consignment Returns
  - Consignment Pick Up
- Free Of Charge Delivery
- Subsequent Delivery Free Of Charge
- Intercompany Stock Transfer
- Transactions

Purpose

❑ The sole purpose of selling is to create a customer, to keep him & ensure profits follow

❑ The Business, therefore, engages itself in developing and maintaining its market, focusing on customer needs, coordinating all the activities that will affect customer end produces and thereby profiting from its satisfied customers

❑ The Business therefore needs to adopt special sales processes to meet the customers requirement and thus keeping its competitors at bay

❑ Special sales processes depend upon the nature of the goods being sold, circumstances of the sale and the customers being dealt

Add instructor notes
here.

Use

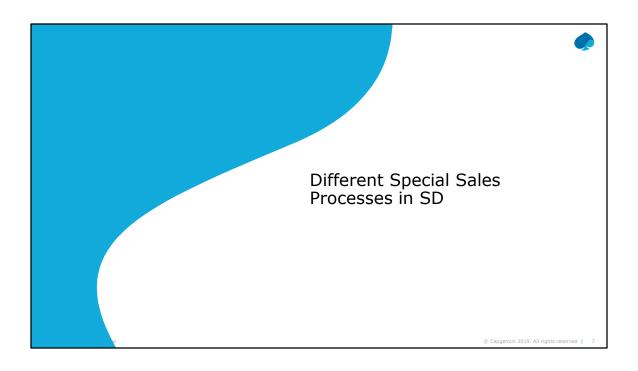- ❑ Special Sales Processes deals with specialized sales scenarios in addition to the regular sales activities being carried out
- ❑ Sales that are made for ready money, in distinction from those on which credit and where the stocks are sold and delivered on the day of transaction are represented using Cash Sales and Rush Order processes
- ❑ Scenario where the business places some of its inventory in its customer's possession and allows them to sell or consume directly from its stock is best represented through consignment sales process
- ❑ Distribution of free goods or issues related to material shortages, quality can be covered separately using Free of Charge and Subsequent deliveries option
- ❑ Scenarios where the customer places an order for a material which is not kept/available in stock but which the business procures from an external vendor or from other plant belonging to the same group are represented by the third party sales and inter company stock transfers
- ❑ Thus the business stands to –
  - ❑ Gain greater control of the process
  - ❑ Improve customer service
  - ❑ Reduce manual effort and associated errors

Challenges

- ❑ Differentiation of the different sales processes for status updates, control and monitoring
- ❑ Pricing for varied sales activities
- ❑ Confirmation of material availability and deliveries
- ❑ Monitoring and tracking of the inventory, esp. in case of consignments
- ❑ Postings-both units and valuation, to be made to FI for the goods moved
- ❑ Automatic synchronization and updates of trading documents

Different Special Sales
Processes in SD
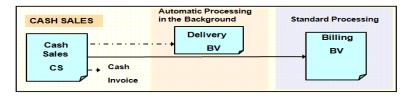
Cash Sales

❑ Cash sales is a sales process wherein the customer orders, picks up and pays for the goods immediately

❑ The delivery is processed as soon as the order is placed and the customer picks up the goods from the stores on the same day.

❑ Cash payment is taken from the customer and cash invoice is printed.

❑ The customer payment is entered into the cash account

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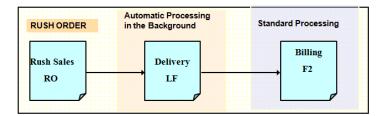
Rush Order Sales

❑ Rush order is used when the customer wants to picks up the goods immediately or when the goods have to be delivered the same day

❑ The delivery document is created automatically as soon as the order is placed.

❑ Billing is processed in the standard way-based on the delivery

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Consignments

❑ Refers to those goods which are stored at the customer's location but are owned by the business

❑ Consignment quantity is monitored and controlled separately from the rest of the stock

❑ Customer pay's only for those goods used or consumed from the consignment stock

❑ Customer can usually return consignment goods which are not required

❑ 4 main transactions for processing consignment stock

▪Consignment Fill Up   ▪Consignment Returns

▪Consignment Issue   ▪Consignment Pick Up

Consignment Fill Up

❑ When consignment stock is shipped to the customer, the transaction is referred to as consignment fill-up

❑ In consignment fill-up, goods are delivered to the customer but they remain the property of the business

❑ The transaction is not relevant for pricing and billing. Hence no invoice is generated

Consignment Fill-up

Business

Customer

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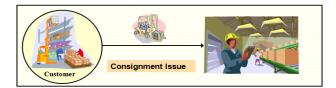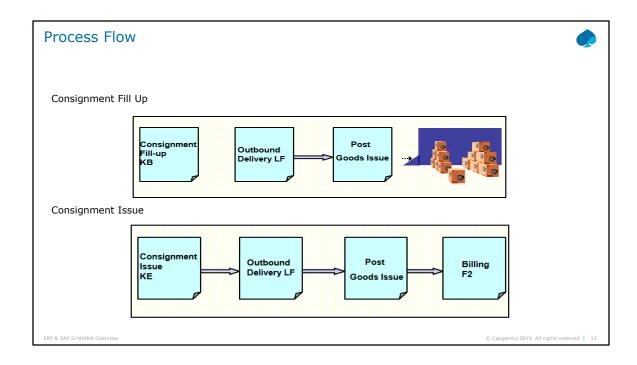
Consignment Issue

- ❑ Consignment issue enables the customer to take consignment goods from the special stock for their use
- ❑ Customer or the consignee may use the stock at his site and indicates the business of the same
- ❑ Consignment stock that is used now becomes the property of the customer
- ❑ Customer pays only for those quantity of goods consumed by him

Process Flow

Consignment Fill Up

Consignment Issue

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Consignment Returns

❑ Consignment Return involves the return of already issued consignment goods, by the customer, back to the consignment stock because either they are damaged or they don't need it

❑ The transaction is relevant for billing as the stock changes ownership and is again regarded as part of business inventory

❑ The customer may then request for a credit note for returns

Consignment Returns

Customer
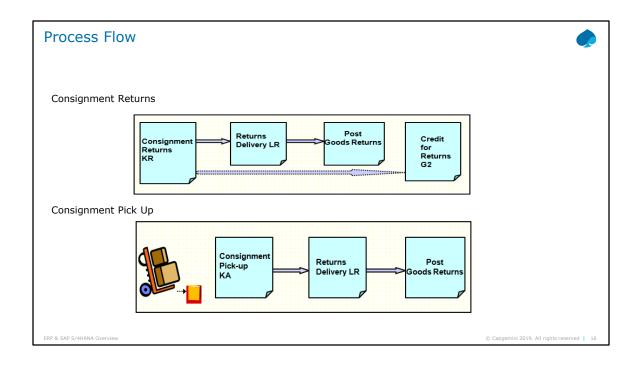
Consignment Pick Up
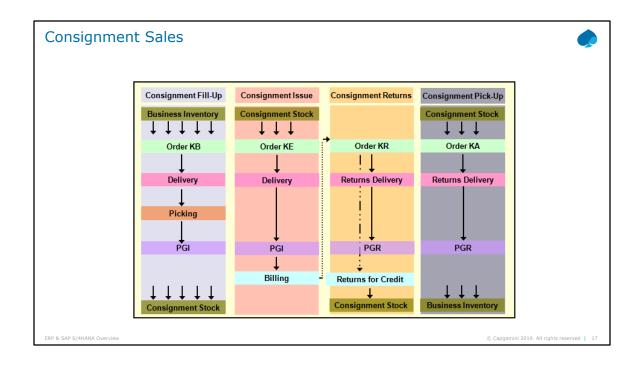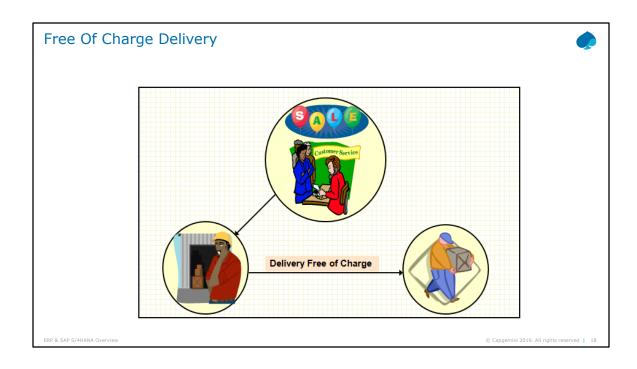
❑ Consignment Pick-up involves the return or reposting of any unused consignment goods stored at the customer's place, back to the business warehouse.

❑ The transaction is not relevant for billing as the returned stock is regarded as part of business inventory

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Process Flow

Consignment Returns

Consignment Pick Up

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Consignment Sales

Free Of Charge Delivery

Delivery Free of Charge
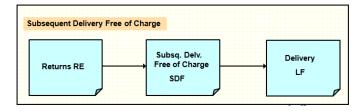
Free Of Charge Deliveries

- ❑ A Free of Charge Delivery is used to send samples or free products to the customer free of charge
- ❑ The customer is not billed for the goods delivered
- ❑ For example we get free shampoo samples in newspapers

Free of Charge Delivery

Free of Charge Delivery FD → Delivery LF
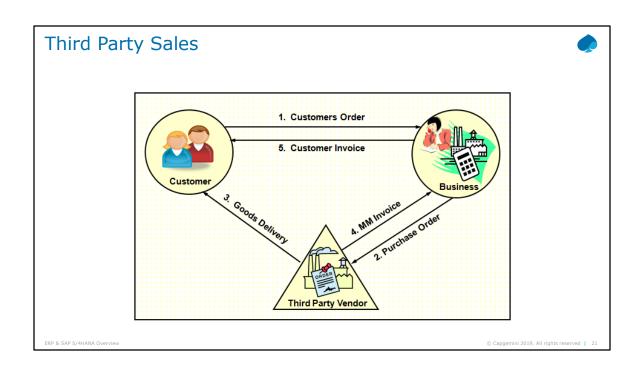
Subsequent Delivery Free Of Charge

❑ When a customer receives lesser number of goods than that ordered, or if the goods have been damaged in the shipment, businesses provide free-of-charge subsequent delivery of goods

❑ A subsequent delivery of charge is usually created with reference to the previous order

❑ The transaction is not relevant for pricing and hence no billing takes place

Subsequent Delivery Free of Charge

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Returns RE  →  Subsq. Delv.  →  Delivery
                Free of Charge     LF
                    SDF
```

Third Party Sales
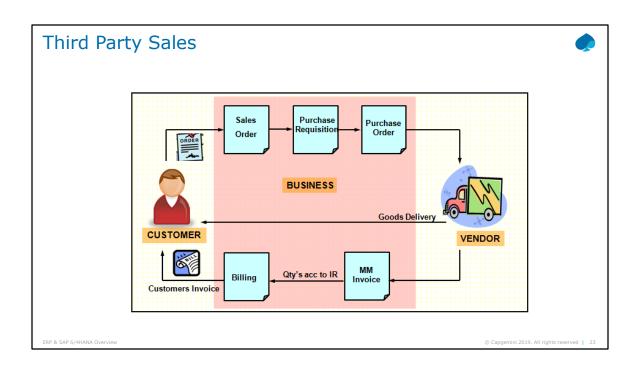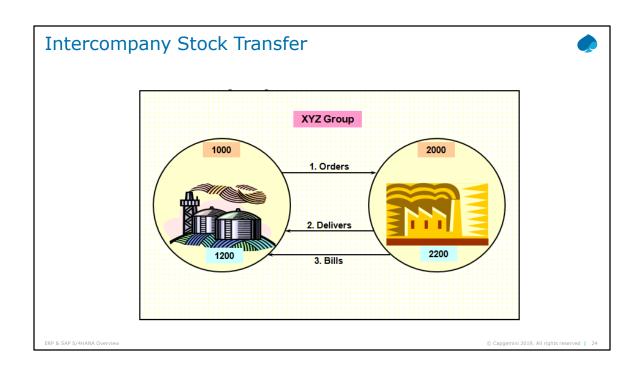
Third Party Order

❑ The business passes the order from the customer, to a third-party vendor who then ships the goods directly to the customer and bills the business

❑ When a third party order is saved, purchase requisition is automatically created and forwarded to the purchase department

❑ The purchase department then creates the purchase order on the third-party vendor indicating that all goods are to be delivered directly to the customer

❑ The vendor delivers the goods to the customer and bills the business for the same

❑ The business then bills the customer for the goods delivered by the vendor after verifying the invoice receipt

Third Party Sales

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Intercompany Stock Transfer
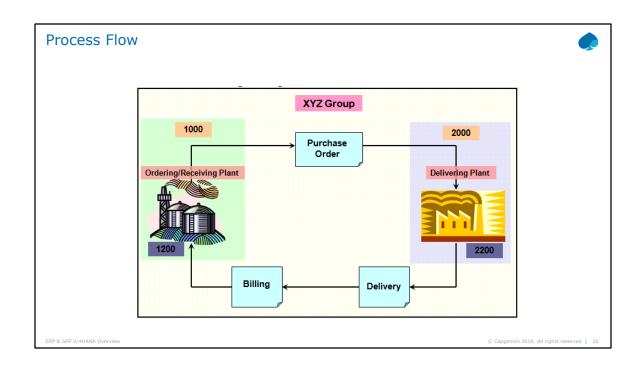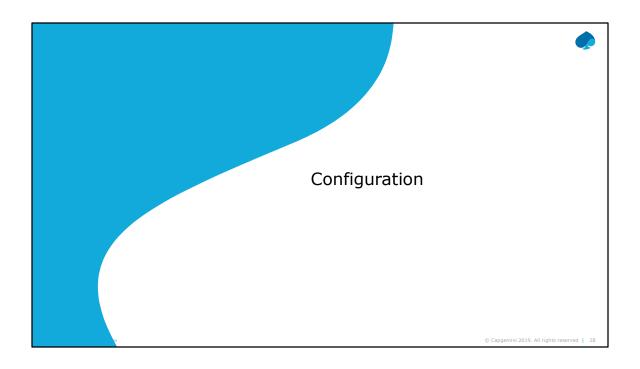
Intercompany Stock Transfer(Continued…)

❑ Involves transfer of stock from one plant to another wherein the plants belong to different company codes

❑ Ordering/receiving plant places a stock transport order on the delivering plant

❑ Delivering plant then creates a delivery document on the basis of the purchase order received

❑ Delivering plant then bills the receiving plant by means of inter company billing.

❑ An incoming invoice with reference to the purchase order can be posted in the following ways -
  ❑ Manually, after the invoice has been checked
  ❑ Automatically, with an internal billing document via SAP EDI

Process Flow
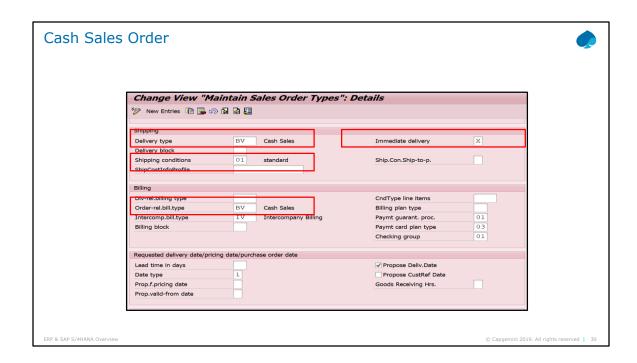
Pre-requisites

❑ The ordering sales organization and delivering plant must belong to different company codes

❑ Required combination of Sales Area and Delivering Plant have to be maintained

❑ Material must exist in all the sales areas and plants participating in Inter Company Stock Transfer

❑ An internal customer number must be created and assigned to the ordering plant , and this internal customer number must be extended to the sales area of the supplying plant

❑ Purchasing document type is to be assigned to the respective supplying and receiving plants

❑ Delivery type is to be assigned to the replenishment delivery

Configuration
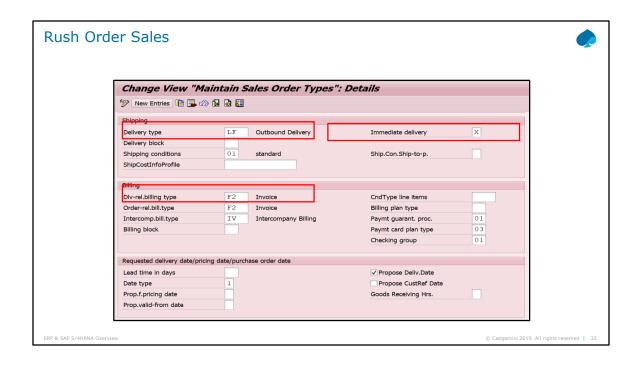
Cash Order Sales

❑ Represented by the document type- CS

❑ Delivery type-BV and order related billing type-BV are configured

❑ Immediate Delivery-X and shipping conditions-10 auto trigger immediate creation of the delivery in the background

❑ The system automatically proposes the current date as the date for delivery and billing

❑ Cash sale is billed using order related billing process

Cash Sales Order

Change View "Maintain Sales Order Types": Details

New Entries

Shipping

Delivery type	BV	Cash Sales
Delivery block		
Shipping conditions	01	standard
ShipCostInfoProfile		

Immediate delivery	X
Ship.Con.Ship-to-p.	

Billing

Div-rel.billing type		
Order-rel.bill.type	BV	Cash Sales
Intercomp.bill.type	IV	Intercompany Billing
Billing block		

CndType line items	
Billing plan type	
Paymt guarant. proc.	01
Paymt card plan type	03
Checking group	01

Requested delivery date/pricing date/purchase order date

Lead time in days	
Date type	1
Prop.f.pricing date	
Prop.valid-from date	

✓ Propose Deliv.Date	
☐ Propose CustRef Date	
Goods Receiving Hrs.	

Rush Order Sales

- ❑ Represented by the document type- RO/SO
- ❑ Delivery type-LF and delivery related billing type-F2 are configured
- ❑ Immediate delivery option is switched on ensuring automatic creation of the delivery document in the background
- ❑ Billed using delivery related billing process

Rush Order Sales

Change View "Maintain Sales Order Types": Details

New Entries

Shipping

Delivery type	LF	Outbound Delivery
Delivery block		
Shipping conditions	01	standard
ShipCostInfoProfile		

Immediate delivery	X
Ship.Con.Ship-to-p.	

Billing

Dlv-rel.billing type	F2	Invoice
Order-rel.bill.type	F2	Invoice
Intercomp.bill.type	IV	Intercompany Billing
Billing block		

CndType line items	
Billing plan type	
Paymt guarant. proc.	01
Paymt card plan type	03
Checking group	01

Requested delivery date/pricing date/purchase order date

Lead time in days	
Date type	1
Prop.f.pricing date	
Prop.valid-from date	

☑ Propose Deliv.Date	
☐ Propose CustRef Date	
Goods Receiving Hrs.	

Cash Order Vs Rush Order

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Cash Order Vs Rush Order

Cash Order Vs Rush Order

Consignment Fill Up

❑ Represented by the order document type – CF/KB

❑ Standard delivery type – LF is used

❑ The document is not relevant for billing. Hence no values are maintained for delivery and order-related billing types

❑ The standard item category used by consignment fill-up – KBN is not relevant for pricing and billing

Consignment Fill-up

Change View "Maintain Sales Order Types": Details

New Entries

Sales document type	KB	Consignment Fill-up
SD Document Category	C	Sales Document Block
Indicator		

Shipping

Delivery type	LF	Outbound Delivery	
Delivery block		Immediate delivery	
Shipping conditions		Ship.Con.Ship-to-p.	
ShipCostInfoProfile			

Billing

Dlv-rel.billing type		CndType line items	
Order-rel.bill.type		Billing plan type	
Intercomp.bill.type		Paymt guarant. proc.	
Billing block		Paymt card plan type	
		Checking group	

Requested delivery date/pricing date/purchase order date

Lead time in days		✓ Propose Deliv.Date	
Date type		☐ Propose CustRef Date	
Prop.f.pricing date		Goods Receiving Hrs.	
Prop.valid-from date			

Change View "Maintain Item Categories": Details

New Entries

Item category	KBN	Consignment Fill-up

Business Data

Item Type		✓ Business Item	
Completion Rule		✓ Sched.Line Allowed	
Special Stock		☐ Item Relev.for Dlv	
Billing Relevance	J	☐ Returns	
Billing Plan Type		✓ Wght/Vol.Relevant	
Billing Block		☐ Credit Active	
Pricing		☐ Determine Cost	
Statistical Value			
Revenue Recognition			
Delimit. Start Date			

Consignment Fill-up – Schedule Line Category

❑ The consignment fill-up uses the schedule line category E0 or E1

❑ Schedule line category E1 is used with MRP and uses availability checking

❑ Availability check is carried against the stock in the delivering plant.

❑ Movement Type-631 enables the posting of the goods into a special consignment category in the delivering plants stock for that particular customer and material

Consignment Fill Up

Change View "Maintain Schedule Line Categories": Details

New Entries

Sched.line cat.	E1	StoTranToCons. w. AC

Business data

Delivery Block			
Movement type	631	GI consgmt: lending	☑ Item rel.f.dlv.
Movement Type 1-Step			
Order Type			☐ P.req.del.sched
Item category			☐ Ext.capa. planning
Acct Assgmt Cat			
Update Sched. Lines		No Update	☐ Upd. Sched
MvT Iss. Val. SiT			
Spec.Iss. Val. SiT			

Transaction flow

Incompl.Proced.	30	General Sched. Line
☑ Req./Assembly		
☑ Availability		
☐ Prod.allocation		

Change View "Assign Schedule Line Categories": Overview

New Entries

	ItCa	Typ	SchLC	MSLCa	MSLCa	MSLCa	
	KBN		E1	🔍			
	KBN	ND	E0				

Consignment Fill-up-order Processing

- The transaction wherein the business delivers stock to a customer on consignment is recorded using order type CF/KB
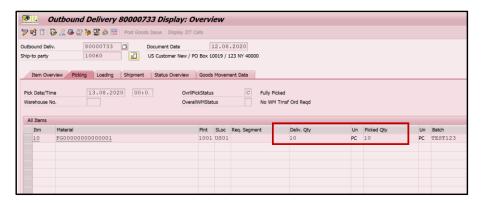
Consignment Fill Up – Delivery Processing

- The consignment fill-up order type is then followed by a standard delivery – LF

- The document is relevant for Picking and PGI as it ensures the creation of consignment special stock for the customer

Consignment Fill-up - Stock Overview

- ❑ When the goods issue is posted –
    - ❑ A special stock is created for the customer
    - ❑ The order quantity is moved from unrestricted use stocks in the plant and added to the special stock for the customer
- ❑ The goods remain in the possession of the customer, but not the property of the customer
- ❑ The total valuated stock for the plant remains the same

Consignment Fill-up - Stock Overview

Stock Overview: Basic List

Selection

Material	FG0000000000001			
	PVC Pipes X22			External Manufacturer
Material Type	FERT	Finished Product		
Unit of Measure	PC	Base Unit of Measure	PC	

Stock Overview

Detailed Display

Client/Company Code/Plant/Storage Location/Batch/Special Stock	Unrestricted use	Qual. inspection	Reserved	Rcpt reservation	On-Order Stock	Consgt
▼ Full	862,000				1,000	
▼ 1000 ABC Company US	862,000				1,000	
▼ 1001 Plant US Florida	862,000				1,000	
▼ Customer Consignment	58,000					
· TEST123	58,000					
FL01 Raw Mat Sloc					1,000	
▼ US01 FG Storage	862,000					
· TEST12	44,000					
· TEST123	618,000					
· TESTXXX	100,000					
· TEST_123	100,000					

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Consignment Issue – Order Type

❑ Standard sales order document type – CI/KE

❑ Followed by standard delivery type – LF

❑ Delivery related billing type – F2 is defined for this order type

Change View "Maintain Sales Order Types": Details

🖉 New Entries 🗐 🖫 🐼 🖫 🔁 🖫

Sales document type	KE	Consignment Issue		
SD Document Category	C		Sales Document Block	
Indicator				

Shipping

Delivery type	LF	Outbound Delivery	Immediate delivery	
Delivery block				
Shipping conditions			Ship.Con.Ship-to-p.	
ShipCostInfoProfile				

Billing

Dlv-rel.billing type	F2	Invoice	CndType line items	
Order-rel.bill.type	F2	Invoice	Billing plan type	
Intercomp.bill.type	IV	Intercompany Billing	Paymt guarant. proc.	
Billing block			Paymt card plan type	
			Checking group	

Requested delivery date/pricing date/purchase order date

Lead time in days			☑ Propose Deliv.Date	
Date type			☐ Propose CustRef Date	
Prop.f.pricing date			Goods Receiving Hrs.	
Prop.valid-from date				

Consignment Issue - Item Category

❑ The standard item category used is KEN

❑ The item is relevant for pricing & billing-delivery related

❑ Special stock indicator-W is maintained

Change View "Maintain Item Categories": Details

New Entries

Item category	KEN	Consignment Issue

Business Data

Item Type		☑	Business Item
Completion Rule		☑	Sched.Line Allowed
Special Stock	W	☐	Item Relev.for Dlv
Billing Relevance	A	☐	Returns
Billing Plan Type		☑	Wght/Vol.Relevant
Billing Block		☑	Credit Active
Pricing	X	☑	Determine Cost
Statistical Value			
Revenue Recognition			
Delimit. Start Date			
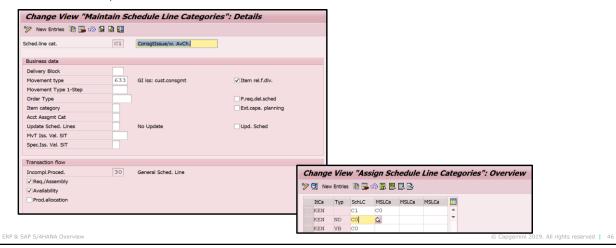
Consignment Issue - Schedule Line Category
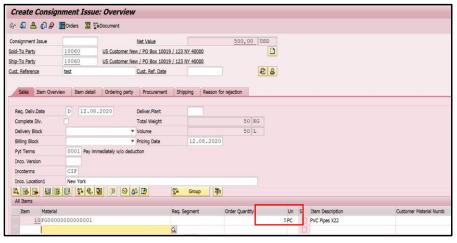
- ❑ Standard schedule line categories - C0 and C1
- ❑ Schedule line C1 performs MRP and availability check
- ❑ Goods movement type-633 checks for the available consignment stock at the customers place

Change View "Maintain Schedule Line Categories": Details

🖉 New Entries 🗋 🔜 🐼 🔛 🗐 🔳

| Sched.line cat. | C1 | ConsgtIssue/w. AvCh. |

Business data

Delivery Block			
Movement type	633	GI iss: cust.consgmt	☑ Item rel.f.dlv.
Movement Type 1-Step			
Order Type			☐ P.req.del.sched
Item category			☐ Ext.capa. planning
Acct Assgmt Cat			
Update Sched. Lines		No Update	☐ Upd. Sched
MvT Iss. Val. SiT			
Spec.Iss. Val. SiT			

Transaction flow

Incompl.Proced.	30	General Sched. Line
☑ Req./Assembly		
☑ Availability		
☐ Prod.allocation		

Change View "Assign Schedule Line Categories": Overview

🖉 🗐 New Entries 🗋 🔜 🐼 🔛 🗐 🗐 🗐

ItCa	Typ	SchLC	MSLCa	MSLCa	MSLCa	
KEN		C1	C0			▲
KEN	ND	C0	🔍			▼
KEN	VB	C0				

Consignment Issue – Order Processing

❑ The business issues the sale, for the quantity consumed, to the customer thru the order type – CI/KE

Consignment Issue – Delivery Processing

- ❑ The consignment issue order type is followed by a standard delivery – LF

- ❑ LF is not relevant for Picking as the goods being dealt are from the special stock already marked for the customer

- ❑ The goods issue triggers the transfers of goods ownership from the business to the consignment consumer
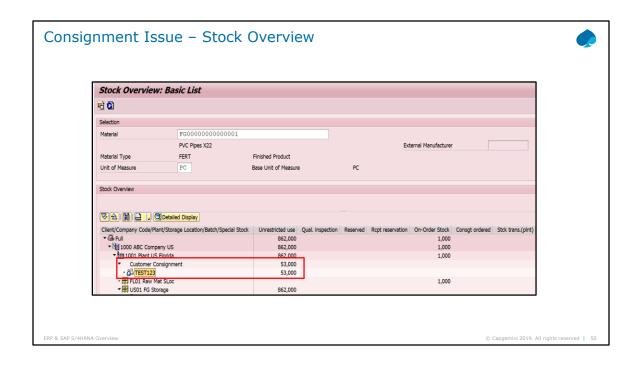
Consignment Issue – Stock Overview
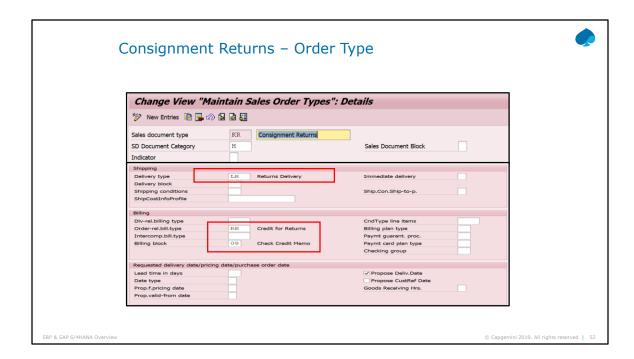
❑ When the goods issue is posted –

    ❑ The order quantity is deducted from both the customer's special stock and the business own total valuated stock

    ❑ The goods become the property of the customer

Consignment Issue – Stock Overview

Stock Overview: Basic List

Selection

Material	FG00000000000001			
	PVC Pipes X22		External Manufacturer	
Material Type	FERT	Finished Product		
Unit of Measure	PC	Base Unit of Measure	PC	

Stock Overview

Detailed Display

Client/Company Code/Plant/Storage Location/Batch/Special Stock	Unrestricted use	Qual. inspection	Reserved	Rcpt reservation	On-Order Stock	Consgt ordered	Stck trans.(plnt)
▼ Full	862,000				1,000		
▼ 1000 ABC Company US	862,000				1,000		
▼ 1001 Plant US Florida	862,000				1,000		
▼ Customer Consignment	53,000						
· TEST123	53,000						
· FL01 Raw Mat SLoc					1,000		
▼ US01 FG Storage	862,000						

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Consignment Returns – Order Type

- ❑ Sales order document type – CONR/KR
- ❑ Order is assigned returns delivery document type – LR
- ❑ Order is relevant for order related billing type-RE
- ❑ Billing block is proposed to check if the credit is authorized and valid

Consignment Returns – Order Type

Change View "Maintain Sales Order Types": Details

🖉 New Entries

Sales document type	KR	Consignment Returns		
SD Document Category	H		Sales Document Block	
Indicator				

Shipping

Delivery type	LR	Returns Delivery	Immediate delivery	
Delivery block				
Shipping conditions			Ship.Con.Ship-to-p.	
ShipCostInfoProfile				

Billing

Dlv-rel.billing type			CndType line items	
Order-rel.bill.type	RE	Credit for Returns	Billing plan type	
Intercomp.bill.type			Paymt guarant. proc.	
Billing block	08	Check Credit Memo	Paymt card plan type	
			Checking group	

Requested delivery date/pricing date/purchase order date

Lead time in days		✓ Propose Deliv.Date
Date type		☐ Propose CustRef Date
Prop.f.pricing date		Goods Receiving Hrs.
Prop.valid-from date		

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Consignment Returns – Item Category

❑ Consignment returns uses item category - KRN

❑ Special stock indicator – W is maintained indicating consignment process

❑ The item is relevant for pricing and order relevant billing based on the order quantity

Consignment Returns – Item Category

Change View "Maintain Item Categories": Details

New Entries

Item category	KRN	Consignment Returns

Business Data

Item Type		☐ Business Item
Completion Rule		☑ Sched.Line Allowed
Special Stock	W	☐ Item Relev.for Dlv
Billing Relevance	B	☑ Returns
Billing Plan Type		☑ Wght/Vol.Relevant
Billing Block		☐ Credit Active
Pricing	X	☑ Determine Cost
Statistical Value		
Revenue Recognition		
Delimit. Start Date		

General Control

☐ Autom.batch determ.	☐ Rounding permitted	☐ Order qty = 1
RBA Control		

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Consignment Returns – Schedule Line Category

❑ The standard schedule line category used for consignment returns is D0

❑ The schedule line used standard movement type – 634

❑ No transfer of requirements and availability check are carried out as the goods are being received back to the consignment stock at the customers site

Consignment Returns – Schedule Line Category

Change View "Maintain Schedule Line Categories": Details

New Entries

Sched.line cat.	DO	Consignment Returns

Business data

Delivery Block			
Movement type	634	GI rcpt:cust.consgmt	☑ Item rel.f.dlv.
Movement Type 1-Step			
Order Type			☐ P.req.del.sched
Item category			☐ Ext.capa. planning
Acct Assgmt Cat			
Update Sched. Lines		No Update	☐ Upd. Sched
MvT Iss. Val. SiT			
Spec.Iss. Val. SiT			

Transaction flow

Incompl.Proced.	30	General Sched. Line
☐ Req./Assembly		
☐ Availability		
☐ Prod.allocation		

Change View "Assign Schedule Line Categories": Overview

New Entries

ItCa	Typ	SchLC	MSLCa	MSLCa	MSLCa	
KRN		DO				▲
LAN		F3	F2			▼

Consignment Returns – Order Processing
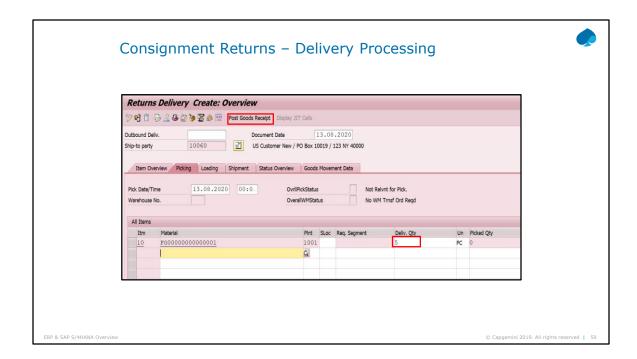
❑ The faulty materials returned back by the customer is represented by the sales order document type- CONR/KR

Consignment Returns – Delivery Processing

❑ The returns are recorded in the standard returns delivery document type– LR

❑ PGR causes the stock to move back into the customers consignment stock

❑ The ownership of the goods is passed from the customer back to the business

Consignment Returns – Delivery Processing

Returns Delivery Create: Overview

Post Goods Receipt   Display JIT Calls

| Outbound Deliv. | | Document Date | 13.08.2020 |
| Ship-to party | 10060 | US Customer New / PO Box 10019 / 123 NY 40000 |

Item Overview | Picking | Loading | Shipment | Status Overview | Goods Movement Data

| Pick Date/Time | 13.08.2020 | 00:0_ | OvrllPickStatus | | Not Relvnt for Pick. |
| Warehouse No. | | | OverallWMStatus | | No WM Trnsf Ord Reqd |

All Items

Itm	Material	Plnt	SLoc	Req. Segment	Deliv. Qty	Un	Picked Qty
10	FG00000000000001	1001			5	PC	0

59

Consignment Returns - Stock Overview

❑ When goods receipt is posted, the returns quantity is added to the customer's special stock at the plant where the goods are returned

❑ Thus the customers consignment stock will increase by the returns quantity

Consignment Returns - Stock Overview

Stock Overview: Basic List

Selection

Material	FG00000000000001		Ext
	PVC Pipes X22		
Material Type	FERT	Finished Product	
Unit of Measure	PC	Base Unit of Measure	PC

Stock Overview

Detailed Display

Client/Company Code/Plant/Storage Location/Batch/Special Stock	Unrestricted use	Qual. inspection	Reserved	Rcpt reservation
▼ Full	862,000			
▼ 1000 ABC Company US	862,000			
▼ 1001 Plant US Florida	862,000			
▼ Customer Consignment	58,000			
TEST123	58,000			
FL01 Raw Mat SLoc				
▼ US01 FG Storage	862,000			
TEST12	44,000			
TEST123	618,000			
TESTXXX	100,000			
TEST_123	100,000			

Consignment Pick-up – Order Type

❏ Represented by the order document type – CP/KA

❏ Standard returns delivery type – LR is configured

❏ The transaction is not relevant for billing. Hence no values are maintained for delivery and order-related billing types

Consignment Pick-up – Order Type

Change View "Maintain Sales Order Types": Details

New Entries

Sales document type	KA	Consignment Pick-up
SD Document Category	C	Sales Document Block
Indicator		

Scheduling Agreement

Corr.delivery type		Delivery block	
Usage			
MRP for DlvSchType			

Shipping

Delivery type	LR	Returns Delivery	Immediate delivery
Delivery block			
Shipping conditions		Ship.Con.Ship-to-p.	
ShipCostInfoProfile			

Billing

Dlv-rel.billing type		CndType line items
Order-rel.bill.type		Billing plan type
Intercomp.bill.type		Paymt guarant. proc.
Billing block		Paymt card plan type
		Checking group

Consignment Pick-up - Item Category

- Uses the standard item category – KAN
- The item is not relevant for billing & pricing as the stock is coming back into the warehouse and hence there is no change of the ownership

Change View "Maintain Item Categories": Details		
New Entries 📋 📖 💠 📙 📑 🖼		

Item category   KAN   Consignment Pick-up

Business Data

Item Type		☑ Business Item
Completion Rule		☑ Sched.Line Allowed
Special Stock		☐ Item Relev.for Dlv
Billing Relevance	J	☑ Returns
Billing Plan Type		☑ Wght/Vol.Relevant
Billing Block		☐ Credit Active
Pricing		☐ Determine Cost
Statistical Value		
Revenue Recognition		
Delimit. Start Date		

General Control

☐ Autom.batch determ.	☐ Rounding permitted	☐ Order qty = 1
RBA Control		

Consignment Pick-up – Schedule Line Category

❑ Uses the standard schedule line categories – F0 and F1
❑ Schedule line category F1 is relevant for transfer of requirements and availability check
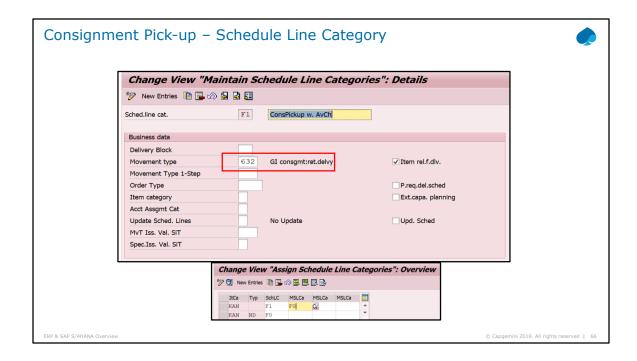❑ Availability check is carried against the stock on the customers consignment
❑ It has standard movement type - 632

Consignment Pick-up – Schedule Line Category

Change View "Maintain Schedule Line Categories": Details

New Entries

Sched.line cat.	F1	ConsPickup w. AvCh

Business data

Delivery Block			
Movement type	632	GI consgmt:ret.delvy	☑ Item rel.f.dlv.
Movement Type 1-Step			
Order Type			☐ P.req.del.sched
Item category			☐ Ext.capa. planning
Acct Assgmt Cat			
Update Sched. Lines		No Update	☐ Upd. Sched
MvT Iss. Val. SiT			
Spec.Iss. Val. SiT			

Change View "Assign Schedule Line Categories": Overview

New Entries

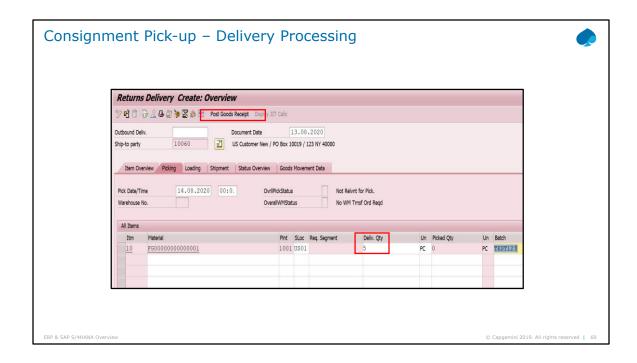| ItCa	Typ	SchLC	MSLCa	MSLCa	MSLCa
KAN		F1	F0		
KAN	ND	F0			

Consignment Pick-up – Order Processing

- All the excess material lying unconsumed and any faulty material at the customers site are brought back to the business using the order document type –CP/KA

Consignment Pick-up – Delivery Processing

❑ Delivery is carried out using the standard returns document type-LR

❑ Goods receipt posts the stock back to the business warehouse

Consignment Pick-up – Delivery Processing

Returns Delivery Create: Overview

Post Goods Receipt   Display JIT Calls

Outbound Deliv.		Document Date	13.08.2020
Ship-to party	10060	US Customer New / PO Box 10019 / 123 NY 40000	

Item Overview | **Picking** | Loading | Shipment | Status Overview | Goods Movement Data

Pick Date/Time	14.08.2020	00:0.	OvrllPickStatus		Not Relvnt for Pick.
Warehouse No.			OverallWMStatus		No WM Trnsf Ord Reqd

All Items

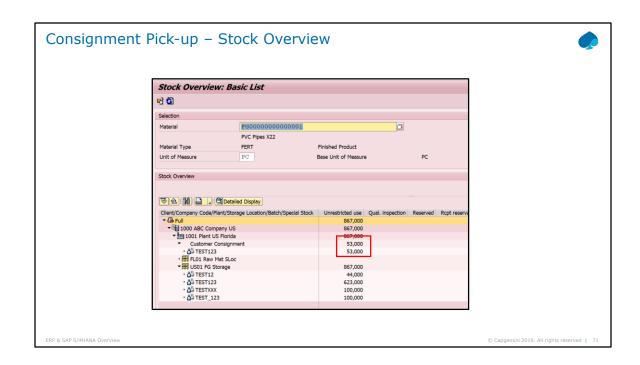| Itm	Material	Plnt	SLoc	Req. Segment	Deliv. Qty	Un	Picked Qty	Un	Batch
10	FG00000000000001	1001	US01		5	PC	0	PC	TEST123

Consignment Pick-up – Stock Overview

❑ With the PGR the quantity gets deducted from the customer's special stock and is added back into the regular stock at the plant where the goods are returned

❑ The total valuated stock remains the same since the returned stock was regarded as part of the business own inventory even while it was at the customer's premises

Consignment Pick-up – Stock Overview

Stock Overview: Basic List

Selection

Material	FG00000000000001		
	PVC Pipes X22		
Material Type	FERT	Finished Product	
Unit of Measure	PC	Base Unit of Measure	PC

Stock Overview

Detailed Display

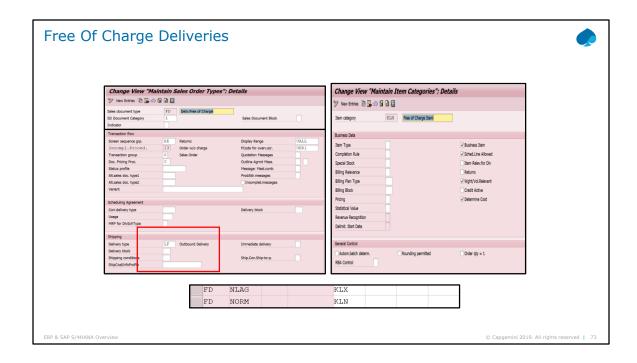| Client/Company Code/Plant/Storage Location/Batch/Special Stock	Unrestricted use	Qual. inspection	Reserved	Rcpt reserva
Full	867,000			
1000 ABC Company US	867,000			
1001 Plant US Florida	867,000			
Customer Consignment	53,000			
TEST123	53,000			
FL01 Raw Mat SLoc				
US01 FG Storage	867,000			
TEST12	44,000			
TEST123	623,000			
TESTXXX	100,000			
TEST_123	100,000			

Free Of Charge Deliveries

❑ The transaction wherein the business send samples or free products, free of charge, is recorded using the order document type – FD

❑ The order is actually only relevant for deliveries and not invoicing. The delivery type used is the standard delivery type- LF

❑ The item category – KLN is not relevant for billing and pricing

Free Of Charge Deliveries

Change View "Maintain Sales Order Types": Details

New Entries

Sales document type	FD	Deliv.Free of Charge
SD Document Category	I	Sales Document Block
Indicator		

Transaction flow

Screen sequence grp.	RE	Returns	Display Range	UALL
Incompl.Proced.	13	Order w/o charge	FCode for overv.scr.	UER1
Transaction group	0	Sales Order	Quotation Messages	
Doc. Pricing Proc.	C		Outline Agrmt Mess.	
Status profile			Message: Mast.contr.	
Alt.sales doc. type1			ProdAttr.messages	
Alt.sales doc. type2			☐ Incomplet.messages	
Variant				

Scheduling Agreement

Corr.delivery type		Delivery block	
Usage			
MRP for DlvSchType			

Shipping

Delivery type	LF	Outbound Delivery	Immediate delivery
Delivery block			
Shipping conditions			Ship.Con.Ship-to-p.
ShipCostInfoProfile			

Change View "Maintain Item Categories": Details

New Entries

Item category	KLN	Free of Charge Item

Business Data

Item Type		✓	Business Item
Completion Rule		✓	Sched.Line Allowed
Special Stock		☐	Item Relev.for Dlv
Billing Relevance		☐	Returns
Billing Plan Type		✓	Wght/Vol.Relevant
Billing Block		☐	Credit Active
Pricing		✓	Determine Cost
Statistical Value			
Revenue Recognition			
Delimit. Start Date			

General Control

☐ Autom.batch determ.	☐ Rounding permitted	☐ Order qty = 1
RBA Control		

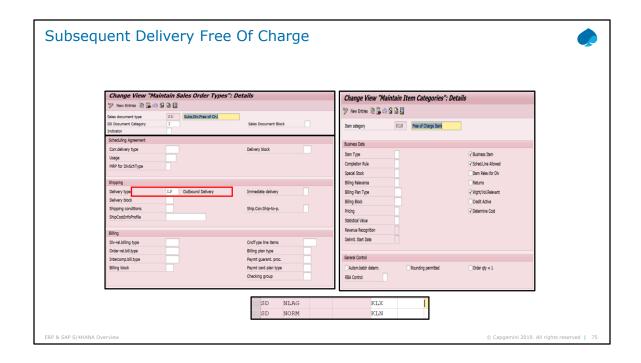|					
FD	NLAG		KLX		
FD	NORM		KLN		

Subsequent Delivery Free Of Charge

❑ A free of charge subsequent delivery document-SDF is used to send products later to the customer free of charge against any complaints made by the customer

❑ The standard delivery type – LF is configured for this transaction

❑ The transaction is not relevant for billing as the items are free

❑ The standard item category- KLN is used which is not relevant for billing and pricing

Subsequent Delivery Free Of Charge

Change View "Maintain Sales Order Types": Details

New Entries

Sales document type	SD	Subs.Dlv.Free of Ch
SD Document Category	I	Sales Document Block
Indicator		

Scheduling Agreement

Corr.delivery type		Delivery block
Usage		
MRP for DlvSchType		

Shipping

Delivery type	LF	Outbound Delivery	Immediate delivery
Delivery block		
Shipping conditions		Ship.Con.Ship-to-p.
ShipCostInfoProfile		

Billing

Dlv-rel.billing type		CndType line items
Order-rel.bill.type		Billing plan type
Intercomp.bill.type		Paymt guarant. proc.
Billing block		Paymt card plan type
		Checking group

Change View "Maintain Item Categories": Details

New Entries

Item category	KLN	Free of Charge Item

Business Data

Item Type	☑ Business Item
Completion Rule	☑ Sched.Line Allowed
Special Stock	☐ Item Relev.for Dlv
Billing Relevance	☐ Returns
Billing Plan Type	☑ Wght/Vol.Relevant
Billing Block	☐ Credit Active
Pricing	☑ Determine Cost
Statistical Value	
Revenue Recognition	
Delimit. Start Date	

General Control

☐ Autom.batch determ.	☐ Rounding permitted	☐ Order qty = 1
RBA Control		

SD	NLAG		KLX
SD	NORM		KLN

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Third Party Order

❑ The processing of third-party orders is controlled via material types which define whether a material is produced only internally, can be ordered only from third-party vendors, or whether both are possible

❑ If a material is always delivered from one or more third-party vendors, material is maintained as third-party item. BANS is entered in the *Item category group* field in the *Sales 2* screen of the material master record. System determines the item category as TAS while processing the material in the order

❑ In the case of a material that business delivers itself but occasionally orders from a third-party vendor, the item category of the material is manually changed from TAN to TAS during sales order processing

Third Party Order- Material Master

Grouping terms		
Matl statistics grp		
Volume Rebate Group		
Commission Group		
Pricing Ref. Matl		
Material Price Grp		
Product hierarchy		
Acct Assmt Grp Mat.		
Item category group	BANS	Third-party item
Gen. item cat. grp	NORM	andard item
Tax Data		

Third Party Order –Item Category

❑ The item Category TAS is relevant for order related billing, quantity as per the goods receipt

❑ The item is also relevant for pricing

OR	BANC		TAB		
OR	BANS		TAS	TAN	TANN
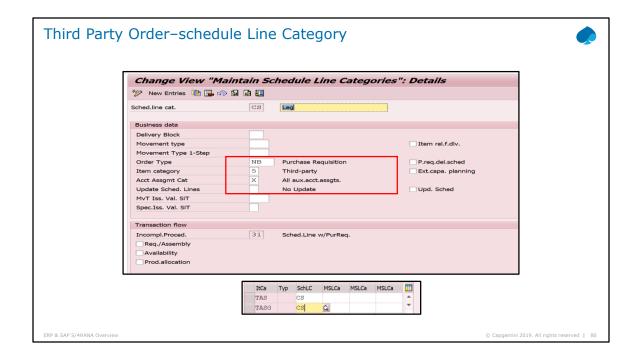
Third Party Order–schedule Line Category

❑ Standard third party schedule line – CS

❑ The schedule line is not relevant for any goods movement type as the physical goods issue does not take place from the business

❑ The standard purchase requisition-NB, Third party item category – 5 and third party account assignment Category – 1 are configured to enable the system to automatically create a purchase requisition for the schedule line

Third Party Order–schedule Line Category

Change View "Maintain Schedule Line Categories": Details

New Entries

Sched.line cat.	CS	Leg

Business data

Delivery Block			☐ Item rel.f.dlv.
Movement type			
Movement Type 1-Step			
Order Type	NB	Purchase Requisition	☐ P.req.del.sched
Item category	5	Third-party	☐ Ext.capa. planning
Acct Assgmt Cat	X	All aux.acct.assgts.	
Update Sched. Lines		No Update	☐ Upd. Sched
MvT Iss. Val. SiT			
Spec.Iss. Val. SiT			

Transaction flow

Incompl.Proced.	31	Sched.Line w/PurReq.
☐ Req./Assembly		
☐ Availability		
☐ Prod.allocation		

ItCa	Typ	SchLC	MSLCa	MSLCa	MSLCa	
TAS		CS				
TASG		CS				

Third Party Order Sales

❑ Third-party items are processed by creating a normal sales order

❑ The system uses TAS as the standard third party item category

❑ A sales order may consist partly or wholly of third-party items

Third Party Order Sales
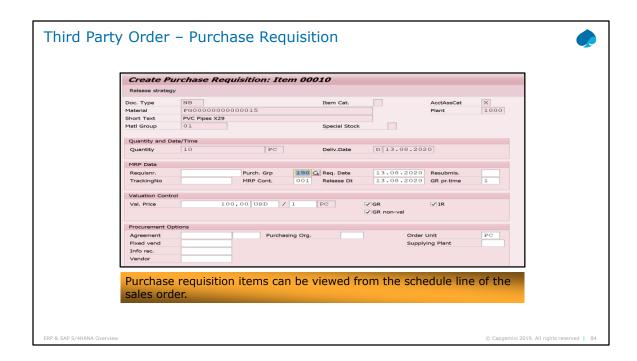
Third Party Order – Purchase Requisition
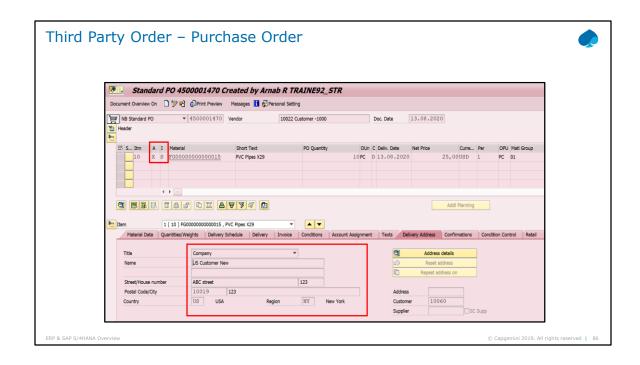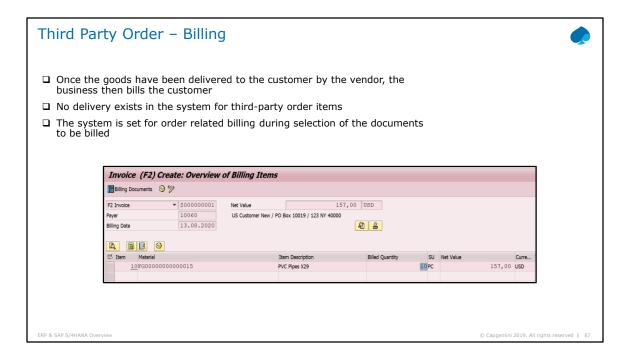
❑ Purchase requisition is automatically created in purchasing once the sales order is saved
❑ Each third-party item in a sales order automatically generates a corresponding purchase requisition item
❑ If a third-party order item has more than one schedule line, the system creates a purchase requisition item for each schedule line

Third Party Order – Purchase Requisition

Create Purchase Requisition: Item 00010

Release strategy

Doc. Type	NB		Item Cat.		AcctAssCat	X
Material	FG0000000000015				Plant	1000
Short Text	PVC Pipes X29					
Matl Group	01		Special Stock			

Quantity and Date/Time

Quantity	10	PC	Deliv.Date	D 13.08.2020

MRP Data

Requisnr.		Purch. Grp	190	Req. Date	13.08.2020	Resubmis.
TrackingNo		MRP Cont.	001	Release Dt	13.08.2020	GR pr.time 1

Valuation Control

Val. Price	100,00 USD / 1	PC	☑ GR	☑ IR	
			☑ GR non-val		

Procurement Options

Agreement		Purchasing Org.	Order Unit PC
Fixed vend			Supplying Plant
Info rec.			
Vendor			

Purchase requisition items can be viewed from the schedule line of the sales order.

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Third Party Order – Purchase Order

❑ Purchase order is created with reference to the purchase requisition

❑ The system automatically adopts the delivery address of the recipient from the sales order

❑ Third-party order items in purchase orders are marked with item category S

❑ Any quantity and date changes made in the purchase order are automatically copied into the sales order

Third Party Order – Purchase Order

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Third Party Order – Billing

❑ Once the goods have been delivered to the customer by the vendor, the business then bills the customer

❑ No delivery exists in the system for third-party order items

❑ The system is set for order related billing during selection of the documents to be billed

Invoice (F2) Create: Overview of Billing Items

Billing Documents ⊙ 🦜

F2 Invoice	▼ $000000001	Net Value	157,00	USD
Payer	10060	US Customer New / PO Box 10019 / 123 NY 40000		
Billing Date	13.08.2020		🔁 🛠	

Item	Material	Item Description	Billed Quantity	SU	Net Value	Curre...
10	FG00000000000015	PVC Pipes X29	10	PC	157,00	USD

Inter Company Stock Transfer-configuration for Order Types

❑ As the supplying and receiving plants belong to different company codes, document type – NB, is configured for the required combination of supplying and receiving plants

❑ A physical stock transfer is then carried out with delivery and billing document

❑ Depending on the supplying and issuing plants, the stock transfer can be executed according to the one-step or two-step procedure

  ❑ With the one-step-procedure, the goods receipt in the receiving plant is posted at the same time as the goods issue in the issuing plant

  ❑ With the two-step procedure is to be used, the goods receipt is posted as soon as the goods are received in the receiving plant

Intercompany Stock Transfer-Configurations

- ❑ Configurations are done to determine whether an SD delivery is to be created in the case of a PO for the required combination of supplying plant and document type

- ❑ Delivery type is assigned to replenishment delivery for cross-company stock transfer

- ❑ The delivery type determines how a delivery is to be handled

- ❑ In case, stock transfers are created with a billing document, the delivery type 'NLCC' is used. The delivery type 'NL' is used for stock transfers without a billing document

NB	Standard PO	3000	Plant 0001					
NB	Standard PO	4444		NLCC	Replen.Cross-Comp. 01	Checking rule 01	☐	☐
NB	Standard PO	5550	Tata tea & Coffee	NLCC	Replen.Cross-Comp. 01	Checking rule 01	☐	☐
NB	Standard PO	6767	Plant US	NLCC	Replen.Cross-Comp. 01	Checking rule 01	☐	☐
NB	Standard PO	PD01	Plant US	NLCC	Replen.Cross-Comp. 01	Checking rule 01	☐	☐
NB2	Enh. Rets to Vendor	0001	Plant 0001				☐	☐
NB2	Enh. Rets to Vendor	0002	Werk 0001				☐	☐
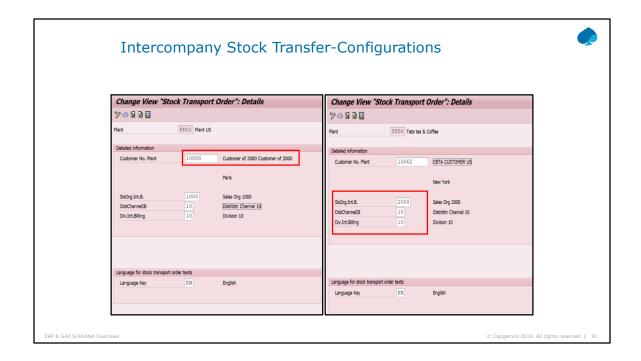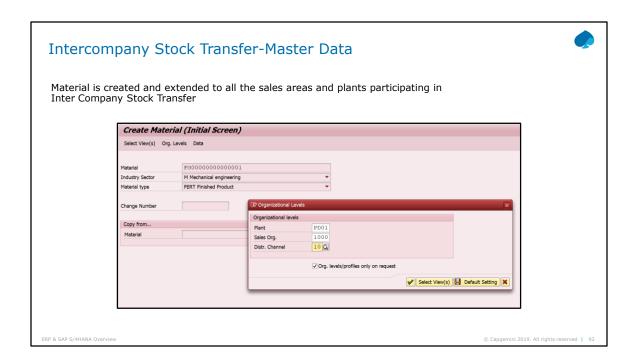
Intercompany Stock Transfer-Configurations

❑ Assign Internal Customer number
  ❑ An internal customer number for the particular sales area is assigned to the receiving plant. This customer number is used to represent the plant when an inter company invoice is created

❑ Define Shipping Data for Plants
  ❑ The shipping data is maintained for plants for stock transfer processing. Sales area is defined for the supplying plant, with the help of which the system determines the shipping data for the material to be transferred (e.g. the shipping point)

Intercompany Stock Transfer-Configurations

Change View "Stock Transport Order": Details

Plant   PD01   Plant US

Detailed information

Customer No. Plant   10058   Customer of 2000 Customer of 2000

           Paris

SlsOrg.Int.B.   1000   Sales Org 1000
DistChannelIB   10   Distribtn Channel 10
Div.Int.Billing   10   Division 10

Language for stock transport order texts

Language Key   EN   English

Change View "Stock Transport Order": Details

Plant   5550   Tata tea & Coffee

Detailed information

Customer No. Plant   10062   CBTA CUSTOMER US

           New York

SlsOrg.Int.B.   2000   Sales Org 2000
DistChannelIB   10   Distribtn Channel 10
Div.Int.Billing   10   Division 10

Language for stock transport order texts

Language Key   EN   English

Intercompany Stock Transfer-Master Data

Material is created and extended to all the sales areas and plants participating in
Inter Company Stock Transfer

Create Material (Initial Screen)

Select View(s)   Org. Levels   Data

Material	FG0000000000001
Industry Sector	M Mechanical engineering
Material type	FERT Finished Product

Change Number

Copy from...
Material

Organizational Levels

Organizational levels

Plant	PD01
Sales Org.	1000
Distr. Channel	10

☑ Org. levels/profiles only on request

✔ Select View(s)   💾 Default Setting   ✖

Transaction Steps – Order Processing

❑ The inter company stock transport order is recorder using the standard purchase order type NB

❑ The stock transport order is created in the receiving plant

❑ Vendor is entered in the order. The system determines the delivering plant by using the master data of this vendor

Master Data - Vendor
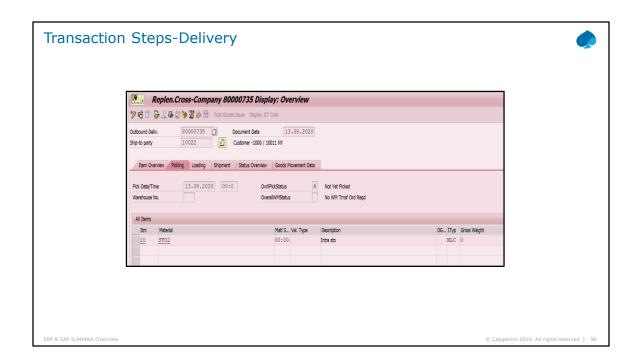
❑ A plant is assigned to the vendor in the vendor master record

❑ This plant is derived by the system from the vendor entered in the purchase order. This plant is called the delivering plant
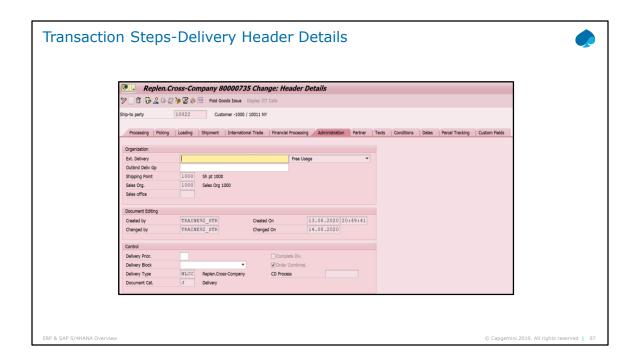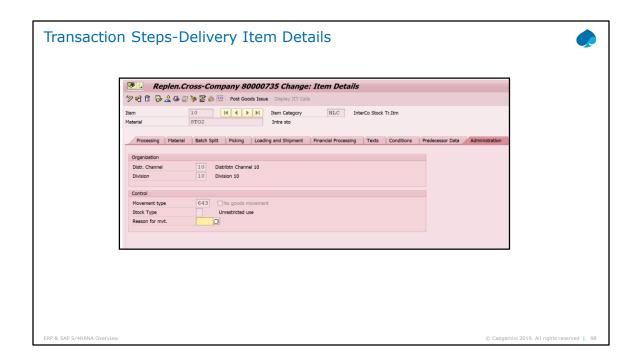
Transaction Steps-Delivery

❑ The replenishment delivery is created with respect to the stock   transport order, in the respective shipping point

❑ Replenishment delivery type - NLCC is derived from the combination of the purchase order document type – NB and the delivering Plant – 1200

Transaction Steps-Delivery

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Transaction Steps-Delivery Header Details

Transaction Steps-Delivery Item Details

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Transaction Steps –Inter Company Billing

❑ The delivering company code issues an invoice for inter company billing of the goods delivered to the receiving plant

❑ The internal invoice is created with direct reference to the replenishment delivery by the delivering sales organization

❑ An incoming invoice with reference to the purchase order can be posted in the following ways:
  ❑ Manually, after the invoice has been checked
  ❑ Automatically, with an internal billing document via SAP EDI

Transactions

VOV8	Define Sales Document Types	IMG ->Sales and Distribution -> Sales -> Sales Documents -> Sales document header -> Define sales document types
VOV7	Define Item categories for Sales Document Types	IMG ->SD-> Sales -> Sales Documents -> Sales document Item -> Define Item Categories
VOV6	Define schedule Line Categories	IMG ->Sales and Distribution -> Sales ->Sales Documents ->Schedule Lines -> Define Schedule Line Categories
VOV5	Assign Item categories	IMG ->SD-> Sales -> Sales Documents -> Sales document Item -> Assign Item Categories
VOV4	Assign Schedule Line Category	IMG ->Sales and Distribution -> Sales ->Sales Documents ->Schedule Lines -> Assign Schedule Line Categories
OVLK	Define Delivery Types	IMG ->Logistics Execution ->Shipping ->Deliveries ->Define delivery types
OVLP	Define Item categories for Deliveries	IMG ->LE ->Shipping ->Deliveries ->Define item categories for deliveries

Transcriptions

MMBE	Display Stock Overview	*Easy Access -> Logistics -> MM-> Inventory Management -> Environment -> Stock -> Stock Overview*
MB58	Display Customers Stock Overview	*Easy Access-> Logistics -> MM-> Inventory Management -> Environment -> Consignment ->Consignment at Customer*
SPRO	Change view Stock Transport Order	IMG -> MM ->Purchase Order -> Set up Stock Transport Order -> Define Shipping Data for Plants
SPRO	Assign Delivery Type and Checking Rule	IMG -> MM ->Purchase Order -> Set up Stock Transport Order ->Assign Delivery Type and Checking Rule
SPRO	Assign Document Type	IMG -> MM ->Purchase Order -> Set up Stock Transport Order ->Assign Document Type
MM01/02/03	Create / Change / Display Material	Easy Access -> Logistics -> SD -> Master Data -> Products -> Material -> Other Material -> Create / Change / Display
XD01/02/03	Create / Change / Display Customer	Easy Access -> Logistics -> SD-> Master Data -> Customer -> Create / Change / Display

Transcations

VA01 / 02 / 03	Create / Change / Display Sales Order	Easy Access -> Logistics -> Sales & Distribution -> Sales -> Order -> Create / Change / Display
VL10B	Collective processing of Delivery against Purchase Order	Easy Access -> Logistics -> Sales & Distribution -> Shipping and Transportation -> Outbound Delivery -> Collective Processing of Doc due -> Purchase Orders
ME21N / 22N / 23N	Create Purchase Order	Easy Access -> Logistics -> MM -> Purchasing -> Purchase order - > Create / Change / Display
ME51N / 52N / 53N	Create Purchase Requisition	Easy Access -> Logistics -> MM -> Purchasing -> Purchase Requistion - > Create / Change / Display
VL01N / 02N /03N	Create / Change /Display Delivery	Easy Access -> Logistics -> Sales & Distribution -> Shipping and Transportation -> Outbound Delivery -> Create / Change / Display
VF01 / 02 / 03	Create / Change /Display Billing	Easy Access -> Logistics -> SD-> Billing -> Billing document -> Create / Change / Display

Additional Info

- The cash sale can be billed only when the order quantity is the same as the goods issue quantity. Hence the cash sale document has to be adjusted so that the delivered quantity and the quantity to be billed match

- Consignment goods can also be posted to the stock of the special stock partner when goods issue is carried out by maintaining the special stock partner (SB) in the relevant customer master record

- Any changes with regards to the address data for the ship-to party can be changed only in the sales order for third-party business transactions, which then gets automatically updated into the purchase order via purchase requisition

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