



SAP Material Management Case Study

SpeedMoto "SM" is a car agency that works on importing cars from Europe; exclusively from [Italy, France and Germany]. The company has two branches; the main branch is located in Cairo, while the other branch is in Alex.

The imported cars are first shipped to Alex through ships from Europe then usually stored in the company stores in Alex from 5 to 30 days until they are moved to Cairo to be sold there.

The company operates its business under 3 main categories of material (cars, spare parts and oils).

First Category (Cars):

The company deals with several brands of cars (from Italy: FIAT, from France: Renault & Peugeot, and from Germany: BMW & Volkswagen).

The company stores those cars by using UOM called 'CAR'. And stores a large amount of data about each car, for each car the company stores some detailed specifications:

Year of manufacture

Dimensions:

- weight in Kg
- Size(Small Car, Family Car or Sport car)

Color

Max power: measured in HP

Engine capacity: measured in CC

Care Image (Bonus)

Second Category (spare parts):

- That are only stored and valued in Cairo branch. And the parts are evaluated according to the original country of manufacture.

Ex: the car side mirror for BMW if was made in Germany, it would be of double the price of the same one imported from China

- Some spare parts are stored in the following types (New, Refurbished and Damaged) to keep tracking from value and quantity
- Other spare parts are stored in serial numbers.
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Third Category (oils):

That are only stored and valued in Cairo branch and with every good receipt, the company record the expiry date and sells the oils according to the first expiry date.

Purchasing Department:

The company follows a centralized purchase management policy. This department is in the main branch. The department is operated by one manager and 6 employees. These employees are divided as one manager assistant and 3 responsible for purchasing the cars according to the vendor country. One is responsible for purchasing spare parts. One responsible for purchasing any needed services (ex: security which is measured by people/hr, Electricity which is measured by day and other maintenance)

Special case:

The company sometimes gets high demand on the FIAT cars. To deal with this case the company tends to buy some FIAT cars from its competitors (local vendor) in the market to satisfy its customer needs. The responsibility of such a case goes under a special purchase order (local PO).

The department can receive any purchase requisitions from any other departments in the company (ex: marketing, sales, and HR). These PRs are converted to specific PO (local, foreign, and service).

Any PO must be signed by the manager and the assistant to be send to the vendor.

Inventory Department:

The company owns two warehouses in Alex & Cairo .Alex (Borg el Arab) and Cairo (main one in Abo Rawash and small one at 5th district).

The Alex warehouse works 7 days a week to cope with the circumstances of the ships movements. But the Cairo warehouse works for 5 days a week. According to company policy the first day in the year is off and the end of every quarter is ON.



Implement and configure this company in SAP system ECC6 then make these business scenarios:

1. The company makes a long-term deal with BMW for 1-year for supplying our company with BMW car models [###] this with predefined price and freight conditions agreed with them on it, this deal is central deal (that is, for an entire corporate group).
2. The company arranges a long-term arrangement with Peugeot Company covering the supply of Peugeot car models subject to predetermined conditions. The conditions are valid for a predefined period and a predefined total purchase quantity and to be delivered over four predefined deliveries.
3. The department also allocates a sum of money [10000] for the supplying the department with office materials [eg. paper, pins, ink...].
4. Implement End to End Scenario for transfer cars from Alex to Cairo.
5. Implement End to End Scenario for scrapping some cars as result of damage in accident.
6. Implement End to End Scenario for Reservations and show the availability check effect. (Configure batch determination FIFO (MVT 201) for oils)
7. Implement End to end Scenario for MRP Procedure. **Use predefined PR type for MRP output (Bonus)**
8. Implement planned Delivery Costs and unplanned Delivery costs.
9. Display some reports
 - Display the goods movement in the company.
 - Display stock overview for each car.
 - Display all PO of this company between 2023 & 2024.
 - Display the current value of each car brand.

Information Technology Institute ITI

Hints:

Make new number range for every document type you use.

Make all necessary GL account you use.

Make all necessary valuation classes used in MM.

For each step in any scenario write the accounts that are updated in this step.

Create at less 5 cars for every brand.