# Maintaining Product Hierarchy

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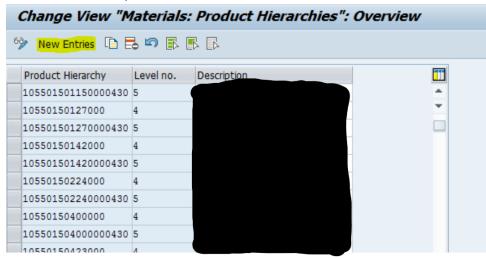
### Maintaining Product Hierarchy

There are 5 product hierarchy levels maintained in SAP. Generating numbers for these levels is a manual process; product hierarchy levels 4 and 5 are the majority of the new hierarchies. Any new hierarchy for a new product is required to be maintained in 3 transactions:

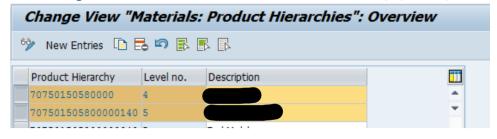
T-Code	Description		
V/76	Create a new hierarchy level with description		
KES1	If a new hierarchy level is created, maintain it as characteristic in COPA.  **This step is required since COPA is not able to read from source tables due to some problems faced in Wave 1 implementation.		
MM02	Change material master		
	Assign product hierarchy in basic data and sales org segments		

#### V/76 Materials: Product Hierarchies

Start transaction V/76 and click on 'New Entries'

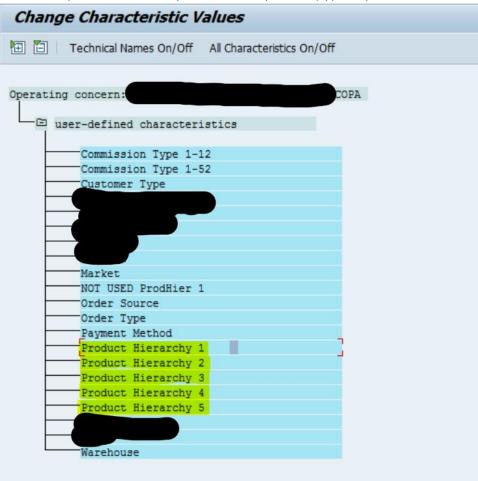


Maintain hierarchy levels and save (typically levels 4 and 5). The levels have to be maintained in descending order—level 1 has to be created before level 2, 3, 4 or 5, etc.

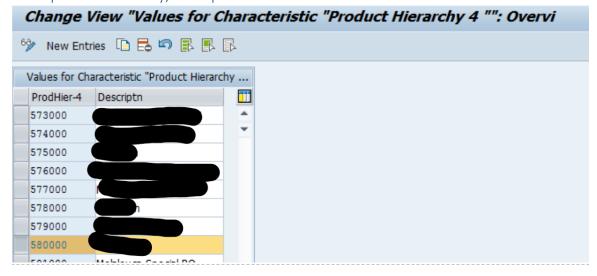


#### KES1 – Maintain Characteristics

Select the product hierarchy level to be updated (typically Product Hierarchy 4)

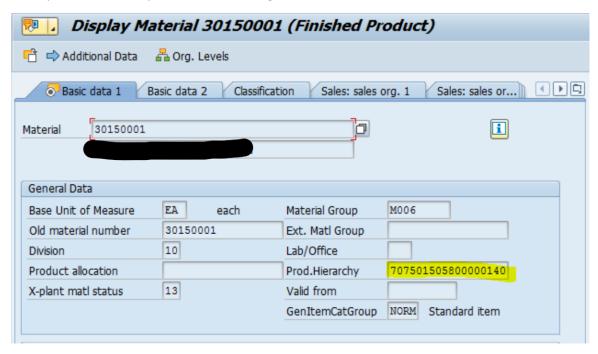


Enter product hierarchy, description and save



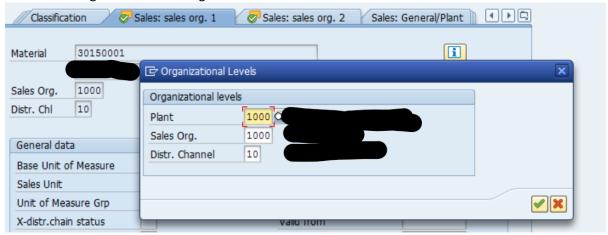
MM02 – Assign product hierarchy to materials (assignment must be maintained in both views outlined below. Filling out one field will not automatically populate the other)

Enter product hierarchy in 'Basic Data 1' segment



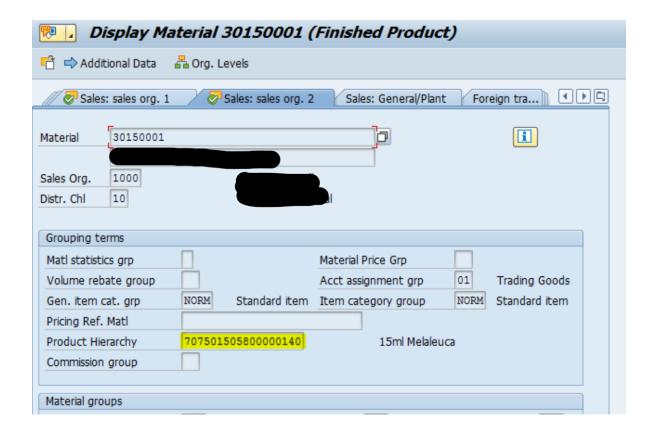
Select a Sales Organization/Distribution Channel

Select sales segment for Sales org. view.



Enter product hierarchy in 'Sales: sales org. 2' view

Technically each sales organization can have its own product hierarchy code.



Example - How COPA reads and populates product hierarchy levels

COPA reads product hierarchy from material master records & populates each level and complete hierarchy on ACDOCA table for all sales postings. The same is also populated on costing based COPA records.

Product Hierarchy	Spaces	707501505800000140				
Product Hierarchy Level 1	First 2	70	<category></category>			
Product Hierarchy Level 2	Next 3	750	<type></type>			
Product Hierarchy Level 3	Next 3	150	<company></company>			
Product Hierarchy Level 4	Next 6	580000	<ltem></ltem>			
Product Hierarchy Level 5	Next 4	0140	<sub-section></sub-section>			

#### Priority for determining product hierarchy on sales transactions

- First priority is given to Sales Area segment.
- If Sales area segment does not have product hierarchy, second priority is Basic Data 1 segment

#### Material is placed on a sales order before product hierarchy is maintained

Derivation must take place in the case that a material was placed on a sales order before the product hierarch is maintained.

