



SmartChain[™] – SAP R/3

General

To succeed in today's competitive landscape, companies need real-time information about what is happening across the entire order-fulfillment network. Without this knowledge, current customers could be left frustrated leading potential buyers to the competition. As a result, Collaborative Fulfillment has become a critical criterion in today's Supply Chain Management (SCM) solutions.

Within any SCM solution, the integration of Logistics Execution processes is important to ensure quality delivery. This requires tight integration between systems to ensure:

- Efficient store and move processes for goods and materials;
- Smooth execution of picking and packing processes; and
- Reliable information about goods stored and moved through various warehouse locations and along the transportation network

Integration of the Savi SmartChain ERP-S Interface Module with the mySAP Supply Chain Management, adds the value of alert monitoring and broadcasting to the supply chain solution. SmartChain uses Radio Frequency Identification (RFID) and GPS devices to track transportation goods and materials. This capability provides an extended value link in the supply chain by monitoring events and processes across the network. The integrated solution allows the support and advanced modeling of business rules to automate responses to situations in which actual values deviate from plans and schedules.

SmartChain – mySAP Supply Chain Integration

The Savi SmartChain ERP-S Interface Module allows companies to directly interface their Savi suite of applications with SAP R/3. The Savi SmartChain application works as an inventory transportation and event tracking HUB in a supply chain network. The integration touch points utilize the inventory and shipping functionality and integrate them with mySAP Supply Chain Management Logistics Execution (SCM-LE).

Within the SAP SCM-LE the Savi integration provides external warehouse functions not only for the storage of goods but also for the distribution of goods. The integration represents the link between internal and external logistics, providing a solution for the entire logistics process. In addition, in order to achieve the flexibility required, Savi SmartChain is able to carry out these warehouse processes independently.

Implementation Considerations

Internal and external logistics process integration is characterized by high throughput and requires the insurance of quick response times. A reliable and smooth interaction between mySAP SCM-LE and SAVI SmartChain is essential to ensure the required response times. The Logistics Execution Integration comprises the following business processes.



Inbound Delivery Process

Within SAP Purchasing:

Purchase Orders or Advanced Shipping Notifications trigger the creation of an Inbound Delivery.

Within SAP Production Planning:

Production Orders trigger Inbound Deliveries from adjacent plants or inventories.

Within SAP Inventory Management:

Material Transfers or Inventory Transport Orders create Inbound Deliveries.

Inbound Deliveries are distributed to Savi to indicate the related incoming shipment.

Inbound Delivery Confirmation Processing

Within Savi:

Inbound Delivery is informed about an incoming shipment. Receiving in the warehouse is notified and the information is distributed to SAP.

Within SAP:

The confirmation from Savi contains all relevant information for SAP inbound confirmation processing and is therefore processed as an inbound delivery confirmation.

Outbound Delivery Process

Within SAP:

Sales Order processing is fulfilled through the initiation of the shipment process. The essential part of this data transaction is the creation of an Outbound Delivery. Outbound Deliveries are distributed to SAVI indicating the related outgoing shipment.

Outbound Delivery Confirmation Processing

Within Savi:

Outbound delivery informs SAP about an outgoing shipment.

Within SAP:

The confirmation contains all relevant information for the SAP outbound confirmation processing and is therefore processed in SAP as outbound delivery confirmation.

Special Processing

All four integration touch points, Inbound Delivery processing and its confirmation as well as Outbound Delivery processing and its confirmation, fully support SAP's

- Packaging business process as Handling Units;
- Handling Unit categories (groups, types, etc.), multiple Handling Unit level of packaging hierarchies, etc.
- Processing of batch and serial number management

All required Handling Unit information is distributed between SAP and Savi.

Inventory Management

All types of movement within warehouses, such as cycle count, usage restrictions and unrestricting, and stock placements for quality management are:

- Distributed from Savi to SAP when initiated through the warehouse;
- Distributed from SAP to Savi when initiated through SAP; and
- Confirmed and distributed as confirmation from Savi to SAP.

Reference Data

The SAP - Savi integration contains a set of reference data distributed from SAP to Savi including:

- Complete or partial SAP Material Master Data
- Vendor Master Data
- Customer Master Data

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