SAP® Certified
Integration with SAP NetWeaver®

Windows Server 2012 Certified

INVENTORY MANAGEMENT

Overview

This company has been supplying customers with high quality fuels, oil, chemical and lubricant products for every application since 1985 and has become one of the largest petroleum marketers in the nation, with annual revenues exceeding $1 billion. They also have a nationally recognized Emergency Fueling Response Division; a Fluids Purification & System Decontamination Unit; an Oil & Water Removal and Reclaiming Section; and a proprietary delivery fleet. They are also a supplier of Diesel Exhaust Fluids (DEF).

The Challenge

Customer has their SAP system defined with a limited number of storage locations in order to keep things simple for shop floor users. By doing so, the shop floor users will not need to look for inventory for tank accessories in SAP; since all tank accessories will be stored in the same storage location. However, this causes a problem when month end inventory count is performed. SAP will only display the total inventory for any given material in a storage location. Physically, the material is stored in multiple areas, and tracked by multiple UPC codes (which means materials are stored by multiple Unit of Measure (UOM) denominations) in the same storage location.

Consequently, Month end inventory count is very time consuming as workers need to count EACH MATERIAL in each physical location by UPC (e.g. Cases, gallons, etc.), sum the total count by a common UOM, and then enter the total count into SAP by their root Material ID.

The customer wanted to automate the entire process through the use of bar codes and mobile computers in order to remove errors and to reduce time spent performing month end physical inventory counts. Additionally, the customer wanted to streamline and simplify the steps required by the users in this activity.

The Solution

The *NLINK® ADC to SAP Solution* was installed on a central server running Windows Server 2003 and a single combination SAP data collection transaction for Physical Inventory Count and Re-Count was delivered. Concurrently, Junot's hardware partner installed a wireless network and provided all the required bar coding hardware along with the necessary user training.

Hand-Held Devices

Motorola Symbol MC9090s

Intermec CK71s

Problem Summary:

Inventory for a given material is stored in multiple places within a single Storage Location in SAP.

Inventory for a given material is tracked by different Unit of Measure (UOM).

Inventory for a given material is stored by multiple UPC codes.

Solution:

The MI04 / MI05 (Physical Inventory Count/Recount) interface gives the users the ability to simply go through the physical locations, scan each item by material or UPC as they are stored at that location, then post to SAP. Now, users no longer need to be concerned with count totals, UOM conversions, material id lookup by UPC codes, or any other SAP related requirements for cycle counts (count document number, document item, etc.), as all of these functions are performed in the background by the interface. The interface also provides a means for users to verify all of their count entries by UOM before posting.

Some of the features incorporated included:

- Automatically looks up current month's inventory count document for each material scanned; thus, users only need to focus on material to be counted.
- Automatically looks up root material ID and corresponding UOM if UPC code is scanned.
- Automatically tally the total count by material as users scan each material / UPC Code in each physical location
- Automatically converts count entry to UOM that matches UOM in total count (e.g. converts gallons to a fraction of "cases")
- Total count converted to different UOM automatically when user selects a different UOM before posting
- Displays SAP system total inventory for the material being counted on the hand held as a visual indicator to alert users to look for possible missing counts or count errors if the count disparity is significant.
- When the user posts the count to SAP, the interface automatically determines if the post count is a new count, or a recount.

Benefits

Although this customer is physically located just a few miles from Junot's corporate offices in Houston, Texas, all work was performed remotely, and Junot Systems' personnel did not ever need to visit the customer site, keeping their costs down and boosting efficiency.

The delivered solution was able to replace an inefficient, error-prone and time consuming manual inventory count process that was growing increasingly frustrating to the warehouse personnel as the company grew and increased its inventory. Automation and streamlining of the business process has resulted in more accurate inventory counts produced in much shorter times which of course leads to more accurate inventory and higher operational efficiency.

About Junot Systems

Junot Systems, Inc. is a specialist provider of SAP integration solutions for the manufacturing and process industries. Headquartered in Houston, Texas, Junot Systems, Inc. has deployed and supported its NLINK product suite for over 15 years in a variety of vertical markets, both in the US and overseas.

About Junot Systems' Solutions

NLINK® is a configuration-based product suite that installs in minutes and requires absolutely no custom coding to be deployed. NLINK's patented and SAP Certified Interfaces work with any version of SAP and require no additional SAP components to be purchased or installed into the SAP landscape.

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