

Consignment Stock In-Transit Process in SAP



Applies to:

Consignment Stock In Transit. SAP SD Module. For more information, visit the [Enterprise Resource Planning homepage](#).

Summary

This article explains about monitoring of stocks in transit for consignment fill up process. In this case the stocks will be directly reflected in the consignment stock type once we confirm the transaction.

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Consignment Process in SAP

Consignment goods are goods which are stored at the customer location but which are owned by your company. The customer is not obliged to pay for these goods until they remove them from consignment stock. Otherwise, the customer can usually return consignment goods which are not required.

In SAP the consignment process consist of four small processes

- a) Consignment Fill-up: In this step we send materials to customer consignment.
- b) Consignment Issue: In this step we issue materials from customer consignment to the customer.
- c) Consignment Return: In this step the material is returned from customer ownership to customer consignment.
- d) Consignment Pickup: In this step the material is picked up from consignment stock to plant stock.

So as per the above process the stocks are directly reflected in consignment stock type with out giving the in transit as standard SAP thinks that the consignment stock ownership lies with the plant.

We have a situation where the consignee is located outside the plant and the stock movements between the plant and consignee needs to be monitored with a 2 step i.e Goods Issue from Plant and GR at Consignee. And also show the in transit when material moves out of plant to consignee.

Consignment Stock in Transit

We have a situation where the consignee is located outside the plant and the stock movements between the plant and consignee needs to be monitored with a 2 step i.e Goods Issue from Plant and GR at Consignee. And also show the in transit when material moves out of plant to consignee.

To Achieve stock in transit for consignment fill up below are the steps in SAP by which we can achieve stock in transit and GR in the consignees location once the material is received in consignee.

Steps in SAP

- 1) Create a storage location as Consignee and assign it to the respective plant.
- 2) ME21N → Create an Storage location to Storage location STO by entering the supplying plant as the current plant and enter the material, quantity and enter the receiving plant as same as supplying plant and receiving location as consignee location also the issuing storage location (Not Mandatory). Save the STO.
- 3) VL10B → Create the outbound delivery by giving the STO Number. Outbound Delivery Created.
- 4) VL02N → Do the picking and then carry out PGI. Here in this step the stocks are moved out of plant

To report the stock in transit for the consignment process, modify the T-Code MB5T to ZMB5T.

Logic to implement ZMB5T

Add Issuing storage location in the selection criteria

Modify the parameters to function module MB_ADD_TRANSFER_QUANTITY to add additional parameter XRESLO with issuing storage location.

Display the output with issuing storage location

Receipts at the Consignee end

Once the material reaches to the consignee then do the **GR using MIGO** Transaction code with respect to Outbound Delivery Number. After confirmation the material and stocks comes to unrestricted stock type and Consignee location Plant will as in the STO. In this transaction the accounting document will be created but without any General Ledger impact as the stocks are moving within the same plant.

After GR Confirmation the user can carry out the normal sales order process to sell the material from consignee's location. Here in this case an extra step of picking has to be done as this will be treated like a normal sales not standard SAP consignment issue.

Configuration Steps

- 1) Define Number ranges for the new STO Document Type
SPRO→Material Management→Purchase Order→Define Number Ranges
- 2) Create a new document type from standard sap UB as ZCON (CON refers to consignee) for this new document type assign the internal number range based on business requirement and also assign the
SPRO→Material Management→Purchase Order→Define Document Types
- 3) Define Sales Order Type: This step is to define the pseudo order type for deliveries that do not refer to existing order. And also mark this sales document as blocked as this is a dummy order sales order is not relevant.
SPRO→Sales and Distribution→Sales→Define Sales Document
- 4) Define New Delivery Document and assign the sales document type as in step 3
SPRO→Logistics Execution→Shipping→Deliveries→Define Delivery Types
- 5) Define and Assign Item categories for deliveries
SPRO→Logistics Execution→Shipping→Deliveries→Define Item Category Determination in Deliveries.
- 6) Define Shipping Data for plants: In this step, you maintain the shipping data for plants for stock transfer processing. In this case we need to update the customer number for the supplying plant.
SPRO→Material Management→Purchase Order→Set up Stock Transport Order→Define Shipping Data for plants.
Pre-requisites: Create customer XD01 with proper sales area
- 7) Activating Stock transfer between storage locations: This is already active in the configurations.
SPRO→Material Management→Purchase Order→Set up Stock Transport Order→Set up Stock transfer Between storage locations→Activate Stock Transfer between storage locations.
- 8) Assign the delivery type to the issuing storage location and supplying plant.
SPRO→Material Management→Purchase Order→Set up Stock Transport Order→Set up Stock transfer Between storage locations→Activate Stock Transfer between storage locations→Assign Delivery Type and checking rule according to storage location.

Related Content

For more information, visit the [Enterprise Resource Planning homepage](#).

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