Rules Based Product Substitution (Down Binning) With CTM (Capable to Match)

Applies to:
SCM 5.1 For more information, visit the Supply Chain Management homepage.

Summary
The CTM planning Tool offers mid level planning and order based planning. Rules based Product Substitution or Down Binning (often found in High Tech Industries) scenarios is used when a product of lower quality can be substituted by higher quality product.

Author: Pavan Verma
Company: Netage Systems
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Author Bio
Pavan Verma has 9 years of experience in SAP and has worked in field of GATP, SNP and SD. Pavan is presently working with Netage systems Inc. as Senior SCM Solution Architect.
Introduction

This white paper explains CTM Down Binning and Rules Based Product Substitution configuration.

In the CTM planning run, the system looks at the available receipts and supplies for the product A replacement stock. Let us say there is a demand for Product B, and there is no stock available for Product B then before creating Planned order (for in house Production) of Product B, system creates substitute order (SNP: Receipt from substitution: EO) for Product A.

Scenario

We have a product KL500 (produced in house) having valid PDS in place. There is a demand (forecast) of KL500 for 7000 pc at VMI location 0000100181. This VMI location is sourced from Plant 1000. There is no stock of KL500 at production Plant 1000. There are 5000 pc available of another product KL600 at Plant 1000. CTM will first create substitute order for 5000 pc of KL600 then CTM will create planned order for balance 2000 pc.

Product View: KL500, Planning Version 000

Master Data:

We have set up Rules using T code /SAPCND/AO11 - Master Data -> Rule Maintenance -> Create Rule Determination.

Change Rule Base CTM (CTM) : Fast Entry

Valid on 18/18/2009

<table>
<thead>
<tr>
<th>Product</th>
<th>Text</th>
<th>Rule</th>
</tr>
</thead>
<tbody>
<tr>
<td>KL500</td>
<td></td>
<td>1KL600CTM</td>
</tr>
</tbody>
</table>
The Rule 1KL600CTM has a product substitution procedure 1KL600 assigned to it.

**Maintain Product Substitution Procedure**

**Configuration**

Required configuration for CTM

Menu Path: APO --> Supply chain Planning --> Multilevel Supply & Demand Matching --> CTM --> Make settings for Rules Based

Where CM is the technical scenario and action type.
Now define Rules Strategy (Procedure) eg. CTM is the strategy and CTM is the condition type, having access sequence CTM.

This access sequence has one condition table 333 (field Product number)
Assign Rule Strategy to Technical scenario, Business Transaction and Action type.

Change View "Assign Rule Strategy or Rule Strategy Sequence": Details

- In the CTM Profile, enable the Rules

CTM - Capable-to-Match

There is a demand (forecast) of KL500 for 7000 pc at VMI location 0000100181. There is no stock of KL500 at production Plant 1000. There are 5000 pc available of another product KL600 at Plant 1000.
After the CTM planning run: CTM will first create substitute order for 5000 pc of KL600 then CTM will create planned order for balance 2000 pc.

Product View: KL500, Planning Version 000

Product View: KL600, Planning Version 000
Results after CTM planning run at VMI location.

**Product View: KL500, Planning Version 000**

<table>
<thead>
<tr>
<th>Product</th>
<th>KL500</th>
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<td>6660100131</td>
</tr>
<tr>
<td>Acct Assignment</td>
<td></td>
</tr>
<tr>
<td>Days' sup ID</td>
<td>0,000.00</td>
</tr>
<tr>
<td>Rpt days ID</td>
<td>0,000.00</td>
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</tbody>
</table>

**KL500 in 0000100131 (Make-to-Stock Production)**

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Category</th>
<th>ReceiptFrom</th>
<th>Rec Qty</th>
<th>Conf Qty</th>
<th>Available</th>
<th>Surplus</th>
<th>PP-Firmed</th>
<th>Conv Ind</th>
</tr>
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<td>12:00:00</td>
<td>PurRqs</td>
<td>172040/1/1</td>
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<td></td>
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<tr>
<td>10/1/2009</td>
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<td>FC req</td>
<td></td>
<td>7,000</td>
<td>0</td>
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Related Content

https://wiki.sdn.sap.com/wiki/display/SCM/Rules-Based%20ATP%20Check

For more information, visit the Supply Chain Management homepage.
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