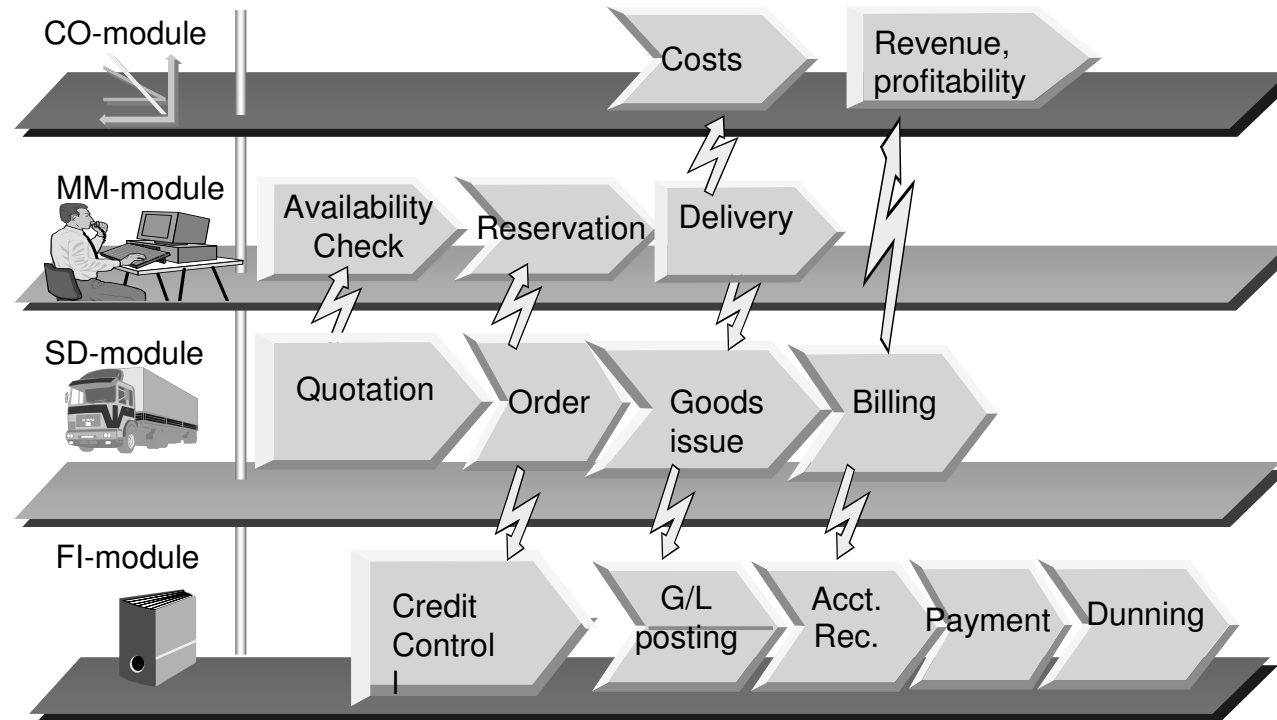
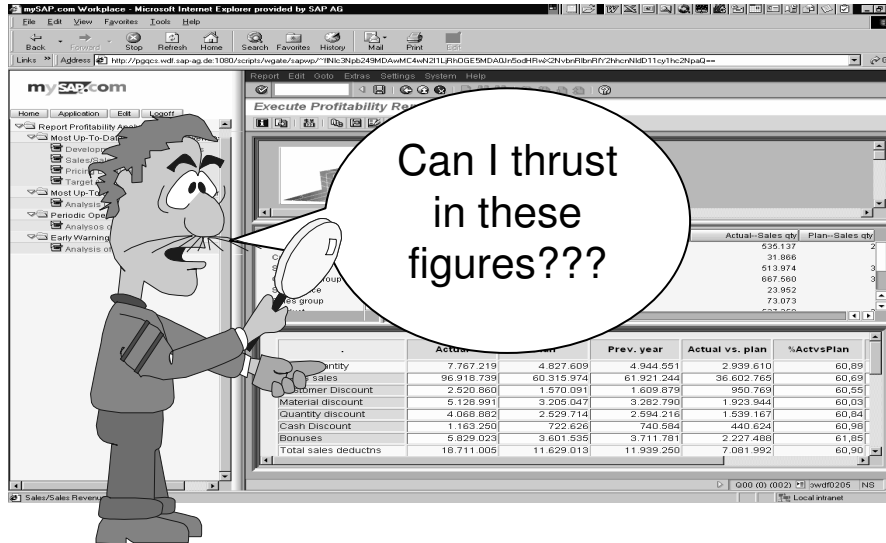


# Simplified sales process in R/3



When a sales order is placed, the availability is checked and the material is reserved. In FI the creditworthiness of the customer is checked. No postings are generated, but the profit center is determined at this point. At goods issue, the change of the inventory costs is posted to accounting and controlling. At billing the revenues are posted. If the profitability analysis is in use, the sales transaction is valuated with products costs and eventual calculatory costs. A receivable is posted. When the customer pays, the payment is recorded in accounting. In case of no payment the customer is dunned and this is recorded in credit control.

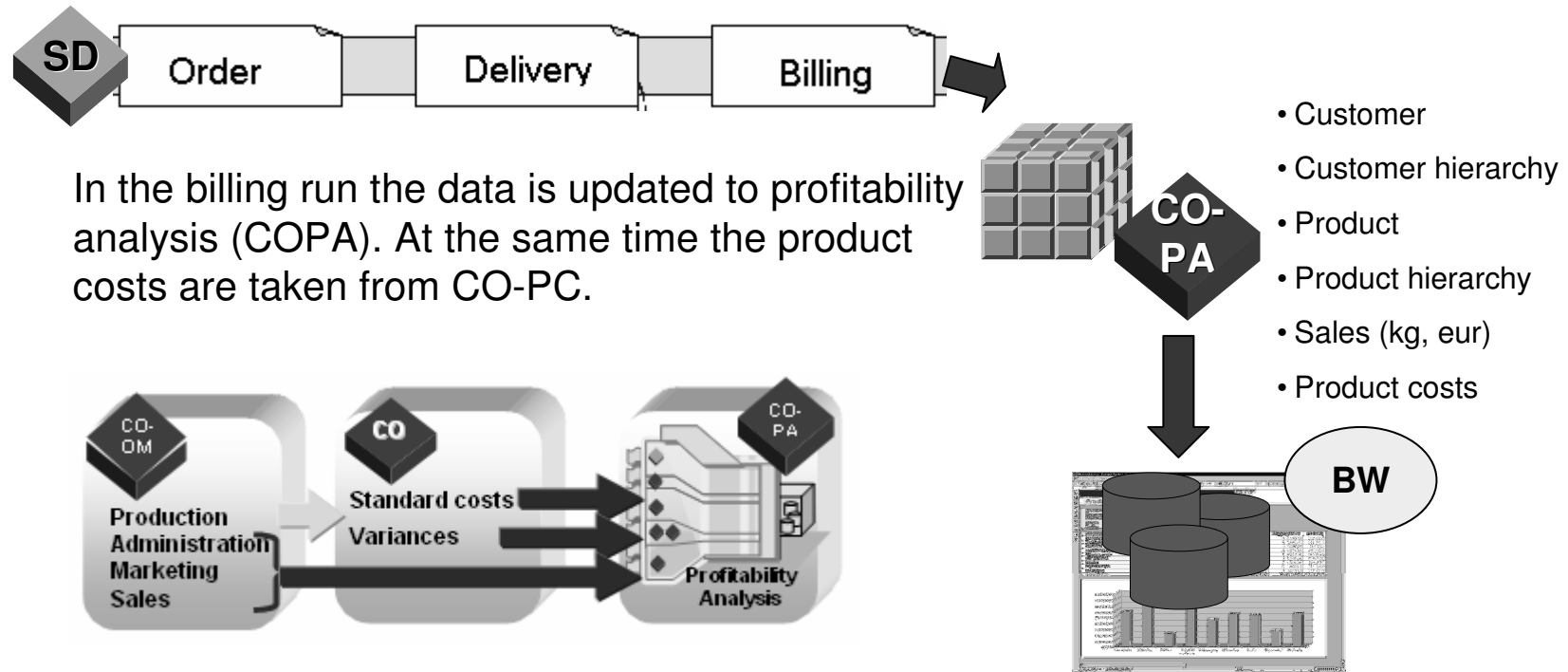
# Sales reporting



There are not very good sales reports in SD. The standard info structures are performance consuming and don't offer any profitability data.

It is a good idea to combine SD, COPA and BW. In the billing run the data is updated to profitability analysis (COPA). At the same time the product costs are fetched from product costing. The data is updated from COPA to BW every night. In the morning the reports are available for the sales in the intranet.


# Sales reporting



The data is updated from COPA to BW every night. In the morning the sales reports are available for the sales managers in the intranet or portal.

# Audit trail?


There is no drill down from BW reports to original transactions in R/3, but with a COPA-report you can track the transaction chain.



The margin is wrong again”#¤%!!

Selection: Contribution Margin Analysis

Attributes	
Report selections	
Product	R-1180 ROM Drive
ProdHier01-2	
ProdHier01-1	
Material Group	



From COPA-report I can find the answer.

# Drill down

Navigation	P	N	ProdHier01-2	Actual--Net Rev...	Plan--Net R...	Actual--Margin %
Division			0012500100	PC 22.795,57	0,00	19-
Material Group			Result	22.795,57	0,00	19-
ProdHier01-1						
ProdHier01-2						

COPA report shows that the margin for this product group is negative.

From the COPA-report the drill down continues to the line items, which in this case are SD-invoices. You can edit the display. For example you can add new characteristics like billing type and new value fields (CoGs, revenue).

Crcy	C...	R	Period	Doc. no.	Created on	Ref.doc.no	Rf.itm	Created by	CoCd	Curr.	BillT	CoGs	Revenue
EUR	B0	F	010.2006	100053908	05.10.2006	90036209	000010	MMUELLER	1000	EUR	F2	1.234,77	1.120,50
EUR	B0	F	011.2006	100054018	05.11.2006	90036219	000010	MMUELLER	1000	EUR	F2	1.234,77	1.120,50
EUR	B0	F	012.2006	100054128	08.12.2006	90036247	000010	MMUELLER	1000	EUR	F2	1.234,77	1.120,50
<b>EUR</b>												<b>3.704,31</b>	<b>3.361,50</b>

Often you can see the cause to the problem already here. There can be big credit notes or returns. Here you can see that the Cost of goods sold is higher than the revenue. Select a row and continue the drill down.

# Copa document - characteristics

## Display Line Items

Integration		
Document number	Item number	Record Type
100053908		F
Posting date	Period	Fiscal Year
05.10.2006	10	2006
Characteristics		
Characteristic	Char. value	Text
Customer	1460	C.A.S. Computer Application Systems
Product	R-1180	CD ROM Drive
Company Code	1000	IDES AG
Plant	1200	Dresden
Sales Org.	1000	Germany Frankfurt
Distr. Channel	10	Final customer sales
Division	07	High Tech
Customer group	06	Competition
ProdHier01-1	00125	Hardware
Material Group	002	Electronics

Next you come to the COPA-document.

COPA collects from the SD-billing characteristics like customer and product. Besides that it derives other characteristics like plant, customer and product hierarchies.

Here you can check that nothing is missing.

# Copa document - values

**Display Line Items**

Integration

Document number	100053908	Item number		Record Type	F
Posting date	05.10.2006	Period	10	Fiscal Year	2006

Characteristics Value fields Origin data Administrat.data

Characteristic	Char. value	Text
Customer	1460	C.A.S. Computer Application Systems
Product	R-1180	CD ROM Drive
Company Code	1000	IDES AG
Plant	1200	Dresden
Sales Org.	1000	Germany Frankfurt
Distr. Channel	10	Final customer sales
Division	07	High Tech
Customer group	06	Competition
ProdHier01-1	00125	Hardware
Material Group	002	Electronics

Values are updated from SD billing data.

The product costs are taken from the product costing data.

Check that all the necessary data is updated.

# Integration with billing

From COPA-document you can continue the SD invoice.

Integration: Selection of Transactions

- Display Material R-1180
- Display Customer (Centrally)
- Display Sales Order
- Display Billing Document
- Accounting documents
- Relationship Browser

To be able to drill down, you need an authorization to SD data.

**Invoice (F2) 90036209 (F2) Display: Overview of Billing Items**

Accounting Billing documents

F2 Invoice (F2): 90036209 Net Value 1.120,50 EUR  
Payer 1460 C.A.S. Computer Application Systems / Chemnitzer Stra:  
Billing Date 05.10.2006

Item	Description	Billed Quantity	SU	Net value	Material	Tax amount
10	CD-ROM Laufwerk		15 PC	1.120,50	R-1180	179,28

You are now in SD.



# Billing conditions

Look next at the billing conditions.

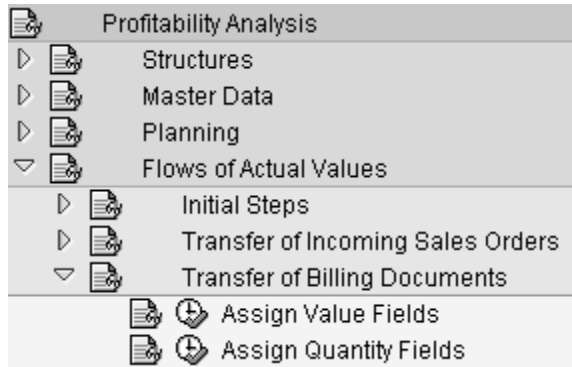


Here you can see that the sales price is lower than the sales price.

Qty	15	PC	Net	1.120,50	EUR		
			Tax	179,28			
Pricing Elements							
N	CnTy	Name	Amount	Crcy	per	U...	Condition value
		<input checked="" type="radio"/> PR00 Price	74,70	EUR	1	PC	1.120,50

N	CnTy	Name	Amount	Crcy	per	U...	Condition value	Curr.
		<input checked="" type="radio"/> WPRS Cost	82,32	EUR	1	PC	1.234,77	EUR
		<input type="radio"/> Profit Margin	7,62-	EUR	1	PC	114,27-	EUR

# Invoice items



The invoice items contains several conditions, such as price, discounts, standard cost, taxes.

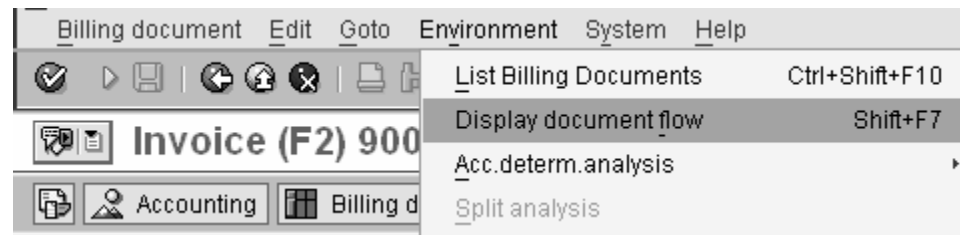
In COPA configuration the SD conditions are assigned to COPA value fields.

Op. concern		IDEA	Op. Concern IDES Worldwide			
CTyp	Name		Val. fld	Description	Transfer +/-	
PR00	Price <b>SD</b>		VV010	Revenue <b>COPA</b>	<input type="checkbox"/>	
PR01	Price incl.Sales Tax		VV010	Revenue	<input type="checkbox"/>	
PR02	Price Increased		VV010	Revenue	<input type="checkbox"/>	
R100	100% discount		VV060	Other rebates	<input type="checkbox"/>	
RA00	% Discount from Net		VV030	Customer discount	<input type="checkbox"/>	
SKT0	Cash Discount		VV070	Cash discount	<input type="checkbox"/>	
SKTV	Cash Discount		VV070	Cash discount	<input type="checkbox"/>	
VA00	Variants		VV010	Revenue	<input type="checkbox"/>	
VA01	Variants %		VV010	Revenue	<input type="checkbox"/>	
VPRS	Cost		VV140	Cost of goods sold	<input checked="" type="checkbox"/>	

The functioning of SD condition types is controlled by SD customizing. The most important is the pricing procedure

# Document flow

All SD related documents are assigned to each other in the document flow. It does not only show the relationships but also allows you to jump to the documents.



## Document Flow

A screenshot of the 'Document Flow' window. It features a toolbar with 'Status overview', 'Display document', and 'Service documents'. Below the toolbar, the 'Business partner' is identified as '0000001460 C.A.S. Computer Application Systems'. A table displays the document flow hierarchy:

Document	On	Status
Standard Order 0000011960	05.10.2006	Completed
Delivery 0080015144	05.10.2006	Completed
Invoice (F2) 0090036209	05.10.2006	
Accounting document 1400000033	05.10.2006	Not cleared

# Accounting documents

**Display Document: Data Entry View**

Taxes Display Currency General Ledger View

Data Entry View

Document Number 1400000033 Company Code 1000 Fiscal Year 2006  
 Document Date 05.10.2006 Posting Date 05.10.2006 Period 10  
 Reference 0090036209 Cross-CC no.   
 Currency EUR Texts exist  Ledger Group

Accounting document table:

C...	Item	PK	S	Account	Description	Amount	Curr.	Tx	Cost Center	Order	Profit Center
1000	1	01		1460	C.A.S. Computer Applicati	1.299,78	EUR	AN			
	2	50		800000	Sales revenues - dom	1.120,50	EUR	AN			1500
	3	50		175000	Output tax	179,28	EUR	AN			

Also from accounting document you can branch to other documents

Document Edit Goto Extras Settings Environment System Help

**Display Document: Data Entry View**

Taxes Display Currency

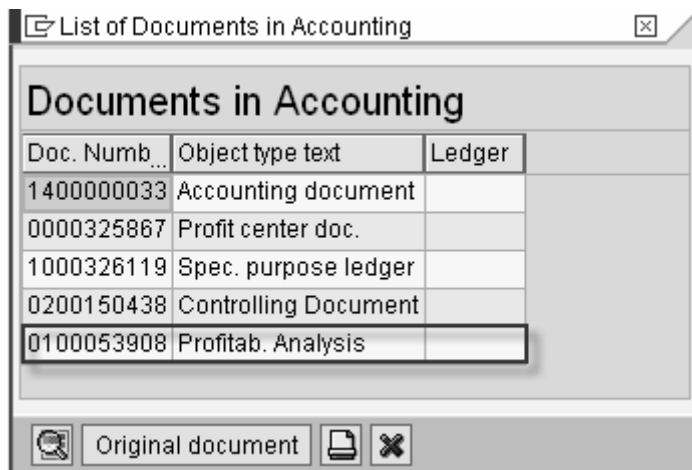
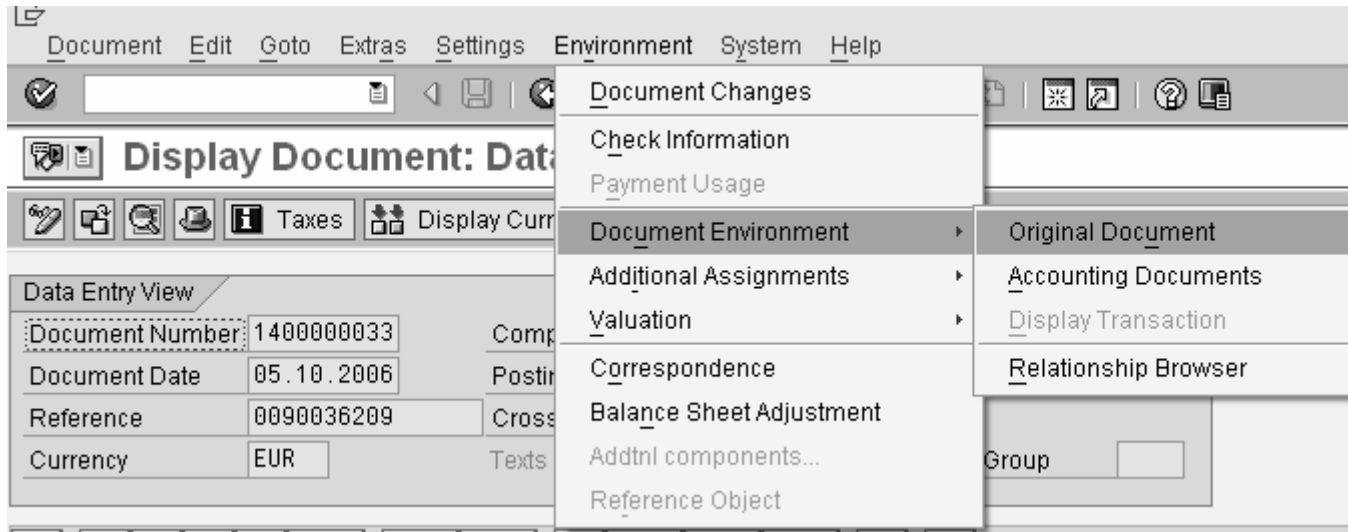
Data Entry View

Document Number 1400000033 Company Code 1000 Fiscal Year 2006  
 Document Date 05.10.2006 Posting Date 05.10.2006 Period 10  
 Reference 0090036209 Cross-CC no.   
 Currency EUR Texts exist  Ledger Group

Document Environment

- Original Document
- Accounting Documents**
- Display Transaction
- Relationship Browser

# Document relationship



Original document takes you back to the SD invoice. Accounting documents  
From accounting documents you can branch to the controlling documents.

The audit trail is complete from the BW sales report to the sales order and accounting document.

# All related documents

## Document Relationship Browser

Relationship Tree	Descriptn
Accounting document	1000 1400000033 2006
CustIndivBillingDoc	0090036209
Outbound Delivery	0080015144
Sales Order	0000011960
Transfer Order	012 0000004704
Material Document	4900035408 2006
Special Ledger Document	1000 1000326118 2006 S OF
Controlling Document	1000 0200150437
Accounting document	1000 4900000211 2006
Profit Center Doc.	1000 0000325866 2006 A
Special Ledger Document	1000 1000326118 2006 S BW
Special Ledger Document	1000 1000326118 2006 S U1
Special Ledger Document	1000 1000326119 2006 S OF
Controlling Document	1000 0200150438
Profit Center Doc.	1000 0000325867 2006 A
Special Ledger Document	1000 1000326119 2006 S BW
Profitab. Analysis	CustIndivBillingDoc 0090036209
Special Ledger Document	1000 1000326119 2006 S U1

The Document Relationship Browser shows all the documents that are related to this sales order.

A complete audit trail is created.



# Results from the investigation



Your margin is totally correct. It is low, because your sales price is lower than the product costs. You also have some credit notes, which lower the margin.



	Plan	Prev. year
Sales quantity	4.827.609	4.944.551
Gross sales	60.315.974	61.921.244
Customer discount	1.570.091	1.609.879
Material discount	3.205.047	3.282.790
Quantity discount	2.529.714	2.594.216
Cash discount	722.626	740.584
Rebates	3.601.535	3.711.781
Total sales deductns	11.629.013	11.939.250
Net sales	48.686.961	49.981.993
-----		
Sales commission	782.752	801.950
SalesSpecDirectCosts	843.753	865.793
Accrued shipmt costs	1.024.198	1.051.221
Total S&D dir. costs	2.650.703	2.718.963
Net revenue	46.036.258	47.263.030
-----		
Direct MaterialCosts	8.012.350	8.205.413
VarManufacturingCost	4.950.116	5.071.415
Total var. COGM	12.962.465	13.276.828
Contrib. margin I	33.073.793	33.986.203
-----		
Mat. overhead costs	4.580.426	4.694.142
Fixed manuf. costs	9.263.564	9.514.276
Total fixed COGM	13.843.990	14.208.418
Contrib. margin II	19.229.802	19.777.784