SAP Training
Source To Pay

STP352: Release Process with SNC
Course Introduction

This course is targeted for Suppliers and has information about the Supplier activities in the Release Process within Supply Network Collaboration (SNC). This course also explains viewing a release.

After completing this course, you will be able to:

- Describe the Release Process in SNC.
- Describe the Release Process against a Scheduling Agreement (SA).
- Explain how to manage alerts.
Supply Network Collaboration
Module Objectives

After completing this module, you will be able to:

- Explain which business processes integrate with your 3M work using SNC.
- Log on to SNC.
Introduction to Supply Network Collaboration

3M implemented SAP as its Enterprise Resource Planning (ERP) system to support end-to-end processes.

- SAP software enables a better Supplier experience. It links business processes, people, and information with one global, seamlessly-integrated platform of standardized business processes.

- As part of this implementation, 3M Sourcing Operations uses SAP SNC as a tool to improve communications and productivity for both 3M and our key Suppliers.

- You access the SNC portal through 3M Supplier Direct.
3M wants:

- More data sharing with our key Suppliers.
- Key Suppliers to take greater responsibility and act proactively to work as a Business Partner.

SNC is a web-based component within the SAP Supply Chain Management suite that:

- Supports collaboration between Suppliers and Customers. 3M primarily uses SNC with Suppliers who do not utilize operational transactions or share data electronically.
- Improves process efficiency. SNC helps both 3M and our Suppliers save on cost and time.
SNC Overview

SNC offers a web-based platform for real-time collaboration with internal and external Business Partners.

Note: 3M’s implementation of Supplier Collaboration with SNC includes:

- Purchase Orders (POs)
- Scheduling Agreement (SA) Releases
- Advance Shipping Notifications (ASNs)
- Invoicing
- Order Forecast Monitoring (OFM)
- Supplier Managed Inventory (SMI)
- Kanban

Supplier Collaboration
  - SMI
  - Forecasts
  - Purchase Orders
  - SA Releases
  - Kanban
  - ASNs
  - Invoices
  - Shipment

Customer Collaboration
  - VMI
  - Forecasts
  - Promotions
  - Replenishment
  - ASNs

Outsourced Manufacturing
  - Sub Con PCs
  - ASNs
  - Invoices
  - Shipment
  - Work Order/WIP
  - Multi-tier Visibility
Suppliers collaborate with 3M for the following processes:

- Advance Shipping Notification
- Inventory Collaboration
- Subcontracting Collaboration
- Demand Collaboration
- Invoice Collaboration
- Release Process Collaboration
- Kanban
- Purchase Order Collaboration
- Supplier-Managed Inventory Collaboration
- Supply Network Inventory
SNC Strategies (continued)

- Keeps 3M and Suppliers updated about PO fulfillment and Delivery Schedules for the POs.
- Lets Suppliers respond to requirements quickly and accurately.

- Facilitates accurate and real-time execution between 3M and our Suppliers—keeps the Supplier updated about:
  - Scheduling Agreements
  - Delivery Schedules
  - Cumulative received quantities
  - Any exceptions

SNC Purchase Order Collaboration

SNC Release Process Collaboration
By using the Order Forecast Monitor in SNC, Demand Collaboration is enabled between 3M’s and Suppliers’ planning data.

- It compares the data in a one-window environment.
- Deviations between 3M’s plan and the Supplier’s plan are shown as absolute numbers, percentages, and color codes.
- OFM provides alerts to all parties so they can quickly adapt planning and delivery capacity to mitigate critical situations.

- Allows Suppliers to provide 3M with the details of a shipment through SNC in advance of, or at the time of, the actual shipment.
- Communicates shipment information, vehicle details, transporter, and contact details to 3M in real time.
SNC Strategies (continued)

- Enables adoption of different inventory management strategies for a smoother flow of inventory from a Supplier to the shop floor. This includes providing a 3rd-Party Logistics Provider (3PL), which stores Supplier inventory, with the capability to send ASN data to 3M for the Supplier.

- The benefits of Inventory Collaboration are:
  - Quick replenishment of supply
  - Help planning multiple deliveries over the planning horizon
  - Higher demand visibility
SNC Strategies (continued)

Subcontracting Collaboration

- Allows 3M to release POs for Subcontractors in SAP and communicate them to the Subcontractors through SNC.
- This process:
  - Keeps 3M and Subcontractors updated about PO fulfillment and Delivery Schedules.
  - Lets Subcontractors respond to requirements quickly and accurately.

Supply Network Inventory

- Complements Subcontracting Collaboration.
- Supports Customers, Subcontractors, and Suppliers of the first level and up (suppliers of the Supplier), and other Partners in monitoring stock levels and requirements for products at selected locations in the supply chain.
**SNC Strategies (continued)**

**Invoice Collaboration**
Enables a Supplier to create invoices for goods the Supplier provided to 3M.

**Supplier Managed Inventory (SMI)**
A process that allows gross requirements planning and execution to be managed by a company’s Suppliers. The Customer (3M) no longer needs to perform MRP planning.

**Kanban**
Allows 3M Suppliers to review Purchase Orders and create Advance Shipping Notifications.
Working with SNC

Using SNC, Suppliers can:

- Access 3M PO, Subcontracting PO, Scheduling Agreement, Delivery Schedule, and Release data.
- Provide 3M with PO confirmation, Delivery Schedule acknowledgements, and ASN data, either online or by using a file upload process.
- Access and download 3M planning, demand, and forecast data.
- Upload planned production data.
- Create and publish invoices and view invoice payment statuses.
Log in to SNC

Access the 3M Supplier Direct Global Landing area by going to 3M.com/supplierdirect in your web browser.

Under Select Your 3M Supplier Direct Location, select your location from the list.
Log in to SNC (continued)

On the selected location’s 3M Supplier Direct home page, click **Please Sign In** (or the person icon) in the upper right on the Supplier Direct website.
Log in to SNC (continued)

On the Enterprise Network Login window, enter your **Username** and **Password** and click **Login**.
Log in to SNC (continued)

Under the *Quick Links* section on the right of the page, click **3M ERP** to access SNC.

Note: You can also find the **3M ERP** link on the *Source to Pay Transactions* page under the *Suppliers* tab.
Log in to SNC (continued)

The ERP Portal opens in a new browser window.

Under the Supplier tab, then Supplier Network Communication tab, the default Alert Monitor page displays.
The key points covered in this module are:

- 3M provides Suppliers with a web tool called SNC.
- Access SNC using the 3M Supplier Direct Portal.
- Suppliers collaborate with 3M for these processes:
  - Purchase Order Collaboration
  - Release Process Collaboration
  - Demand Collaboration using OFM
  - Advance Shipping Notification
  - Inventory Collaboration
  - Subcontracting Collaboration
  - Invoice Collaboration
Release Process with SNC
Module Objectives

After completing this module, you will be able to:

- Understand the Release Process Collaboration flow.
- View a new release in SNC.
- Recognize common release alerts.
Release processing in SNC supports the procurement Scheduling Agreement process.

For Suppliers, it increases visibility to the quantities and schedules required by 3M and it helps them to:

- View 3M’s material requirements.
- Plan procurement based on 3M’s level of commitment.
- Plan shipment schedules to 3M.
- Communicate with 3M frequently and accurately regarding the quantity and Delivery Schedules of the materials.
Uses of the Release Process within SNC

The Release Process is used for procurement requirements with short-term and long-term scheduled orders (instead of individual Purchase Orders). These scheduled orders are called Scheduling Agreements.

- The SA creates Delivery Schedules and Schedule Lines as required (daily or weekly), based on the Master Data setup, which is transmitted to the SNC Release Process.
- It is also applicable for scenarios where 3M is in close collaboration with long-term Vendors in managing demand and supply schedules.
The Release Process is suitable for stable, frequently ordered, and large volume materials.

The SA replaces multiple Purchase Orders as a reference for Vendor invoice payments.

It provides short-term requirements for delivery on a daily basis, as required. A forecast is also generated for Suppliers so they plan their own material procurement and production per 3M’s short-term to long-term requirement.
The Release Collaboration Process is displayed below:

3M

- Create Release
- Send Release
- Check Alert Monitor

Supplier

- Checking Release Details
- Due List - Purchasing Documents
3M updates a new release to the Supplier:
- 3M triggers the process by making a release from an SA in SAP ECC.
- The release specifies the quantities of the material required and the date and time for delivery in one or several Scheduling Lines.
3M sends a new release to the Supplier:
This transfer creates an alert in the Alert Monitor for the Supplier to view a new Schedule Line Release.
Supplier checks for a new release in the Alert Monitor:
- When the Supplier logs on to SNC, the Alert Monitor displays by default.
- The new SA release appears on the Release Alerts tab.
- The level of commitment indicates the Schedule Line type and how binding it is.
- If there is an update in a release, the Supplier can use the release comparison function to see the difference between the releases.
- The Supplier can choose to acknowledge the release in this step or the next.
Supplier displays details of new release:

- The Supplier navigates to the *Release Overview* window and checks the Schedule Lines of the release.
- If the Supplier has not acknowledged the release in the previous step, the Supplier should do it now.
Supplier displays Due List for purchasing documents:

- The data in Due List is used by the Supplier to plan shipments to 3M.
- The Supplier can view the data on the Schedule Lines that are due for shipments.
- The Supplier navigates to the Due List menu to create the ASN.
- If the Commitment Level is **Material Go-Ahead** or **Forecast** for a given Scheduling Line, then the Supplier is not able to create an ASN for it.
Alert Monitor: On the Alert Monitor window, click Go to view the latest alerts.
Alert Monitor: Alerts are grouped by Alert Type. Supplier checks for alerts in the SA New Release row to check for new SA.
View a New Release in SNC (continued)

**Release Overview:** In the SA New Release row, click the **number** to display the Release Details window.
View a New Release in SNC (continued)

**Release Overview:** The new SA releases display in the section above the older SA releases.
View a New Release in SNC (continued)

**Release Overview:** Check the *Commitment Level* for the SA releases before creating an ASN.
Release Overview: Select the new SA line and click Acknowledge to send an acknowledgement for the release.
View a New Release in SNC (continued)

Release Overview: In the *Release Overview* window, check the *Schedule Lines* of the release.
Release Details – Due List for Purchasing Documents: Supplier can use the data in the Due List to plan shipments to 3M.
Release Comparison: The Schedule Lines of two releases may differ in terms of quantities and dates. The system displays the comparison between the latest SA Release and the previous one.
View a New Release in SNC (continued)

Release Overview: Select the latest SA release and click Display SL to view the release details.
Alerts in Release Process with SNC

These are the common release process alerts delivered with SNC:

- **Fiscal Year Change**: The release has a different fiscal year compared to the prior release.

- **Unacknowledged Release**: A new release update is not flagged or acknowledged within three days.

- **Unloading Point Change**: The unloading point has been changed in the new release compared to the prior release.
Cumulative GR Quantity Less than Last Update: The accumulated Goods Receipt is less in the new release compared to the prior release.

Release with Requirement that cannot be Covered (Supplier): The delivery date is within the shipping lead time and no prior shipment can cover the release. Release indicates demand that cannot be satisfied by the Supplier.

Release with Requirement that cannot be Covered (Customer): The delivery date is within shipping lead time and no prior shipment can cover the release. Release indicates demand that cannot be satisfied by the Supplier.
The following are the possible Commitment Levels:

- **Fixed dates and quantities:** The quantity and date of the Schedule Line are fixed and will remain unchanged.

- **Production and Material go-ahead:** The Schedule Line belongs to a Forecast (FRC) Delivery Schedule that is relevant for ASN delivery and is in the production and material go-ahead period.

- **Material go-ahead:** The Schedule Line belongs to a Forecast (FRC) Delivery Schedule that is not relevant for ASN delivery and is within the material go-ahead period.

- **Forecast:** The Schedule Line belongs to a FRC (FRC) Delivery Schedule that is not relevant for delivery.
Module Summary

The key points covered in this module are:

- The Release Process Collaboration flow
- Viewing new releases in SNC
- Common release alerts
Conclusion

The key points covered in this course are:

- The release specifies the quantities of the material required and the date and time for delivery in one or several Scheduling Lines.

- If there is an update in a release, the Supplier can use the release comparison function to see the difference between the releases.

- If the Commitment Level is **Production** and **Material Go-Ahead**, an ASN can be created for the Delivery Schedule Line.

- If the Commitment Level is **Material Go-Ahead** or **Forecast**, an ASN cannot be created for the Delivery Schedule Line.