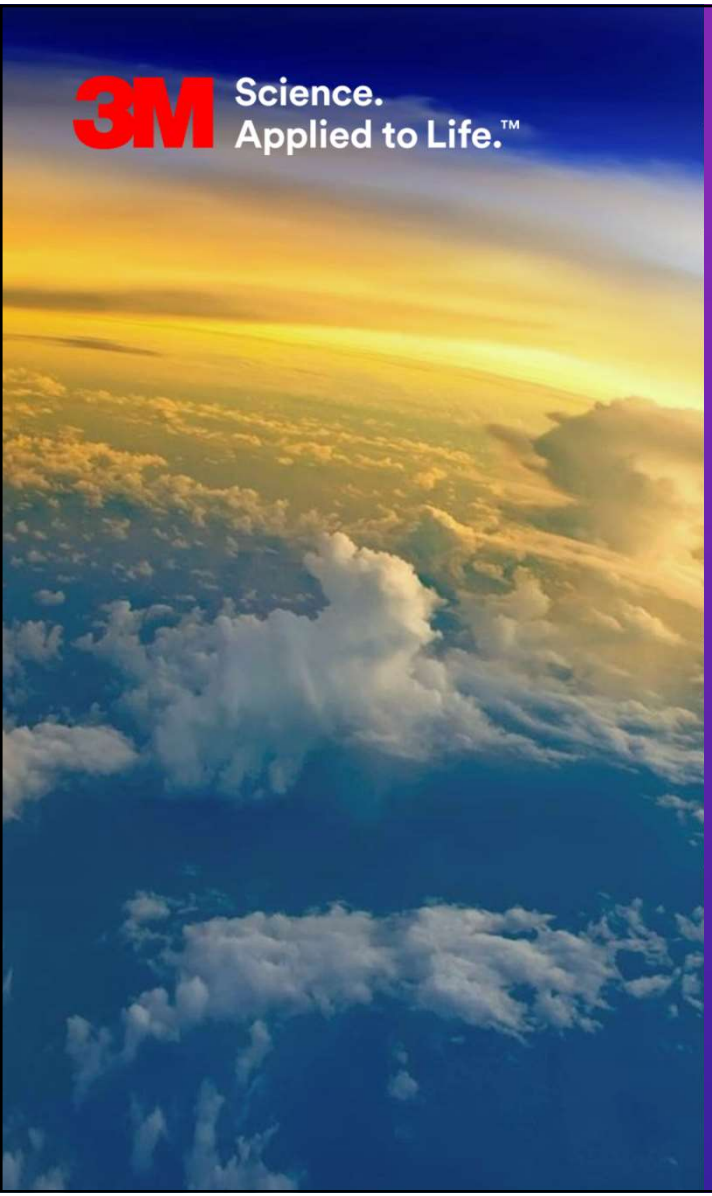

Thailand ERP Deployment Supplier Reference Guide

April 2023

We are implementing a new global Enterprise Resource Planning (ERP) system, one that will link business processes, countries, people and information through a single, integrated platform. We value the relationship with our suppliers and strive to keep you informed about the changes you will see. In this document you will find clear, accessible details about upcoming changes.

This document and additional information regarding the Thailand ERP Deployment may be found at 3M.com/Supplier : https://www.3m.co.th/3M/en_TH/suppliers-direct/

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Key: Same Process Change Process

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eCommerce: Supplier collaboration

3M is expanding the use of eCommerce supplier collaboration tools and increasing our electronic trading relationships with suppliers. The use of eCommerce to transact business with 3M is expected.

These tools will enable suppliers to view and transact electronically:

- Purchase Orders (PO) – view, download or interface directly into a Supplier's ERP system
- Purchase Order Acknowledgments (POA) – confirm and/or correct details of purchase orders
- Advanced Shipping Notices (ASN) – confirm details of shipment quantities and dates prior to shipment
- Invoices (wherever applicable) – send electronic invoices that match POs and actual shipments
- Electronic Funds Transfer – electronic payment of invoices via ACH or wire
- Online catalogs – supplier provided in collaboration with 3M

The benefits to 3M and our suppliers will be:

- Real-time communication and visibility of purchasing data
- Reduction in paper, manual data processing and lost paperwork
- Early identification and correction of errors in purchasing data
- Reduction in receiving and invoice match exception errors
- Improvement in data processing accuracy and efficiency
- Enable invoices to be paid on time

Questions? Please contact :STPeCommerceAPAC@mmm.com

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eCommerce transaction requirements

Current State	Future State
Purchase Order (PO)	
• Supplier receives PO via email	• POs will be received by the Supplier via eCommerce tool: ARIBA/COUPA/SNC/Corcentric/EDI-NGG.
Purchase Order Acknowledgement (POA)	
• Supplier acknowledges the PO due date, price and quantity within 2 days via email/web portal .	• Supplier will respond to the PO and all PO changes via eCommerce within 48 hours of receipt to acknowledge the details of the order
Advanced Shipping Notice (ASN)	
• Supplier sends ASN within 48 hours for domestic shipment and on the day the goods is shipped out from international locations via email.	• Supplier will send the ASN via eCommerce prior to shipment of products with material numbers • ASN is required to enable invoice submission via eCommerce (wherever applicable)
Invoice	
• Invoices submitted to GSC-AP SharePoint • Some supplier invoices submitted only to the Requester email	• Supplier will submit Invoices (wherever applicable) on a timely basis via eCommerce

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Purchase orders

Current State	Future State
Purchase Order (PO) Output	
POs will be received via email	• POs will be received via eCommerce tool
Dates	
PO due date with many different definitions across Business and supplier eg. ex-plant/port of export/ETA to 3M facilities.	• Due Date on PO will mean the date products are **due to arrive** at the 'Ship To' on the PO • Blanket orders are no longer used. They will be replaced by Scheduling Agreements, wherever applicable.
PO Line Numbers	
PO line is according to numeric order continuous number e.g: 1,2,3.	• PO line numbers begin with 1 and increment by 10 (eg. 1, 10, 20, 30, 40). Additional lines added per change order increment by 1 (eg. 11, 12, 31)
3M Material Numbers	
3M Material Number is the 11- digit number stated on the PO.	• 3M materials will have a 10–digit format stated on the PO, and will no longer include specification revision levels • Both the old 11–digit and new 10–digit material numbers will be stated on the PO and should be included in the description on your invoice and shipping documents

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Purchase orders

Current State	Future State
Freight Terms	
Freight Terms and Inco Terms are not mentioned on PO.	• Freight terms and Incoterms are on the PO.
PO Term and Condition	
PO Terms and Conditions are stated on the PO.	• PO/ Scheduling Agreement Terms and Conditions, please visit: https://www.3m.co.th/3M/en_TH/suppliers-direct/
Buyer Contact	
• Supplier may not contact the main person stated in PO directly • Supplier may contact many different 3M Contacts e.g.Supply Chain Planner , requester etc..	• The 3M Buyer name and contact information is stated on the PO. • **The 3M Buyer will be your first point of contact** for any questions or issues related to the order or invoice for the PO
Order Review	
PO is reviewed via email communication.	• PO Status and other detail can be viewed directly from eCommerce Tool. • eCommerce tool is the consolidation point of all the PO change history.

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PO requested delivery dates

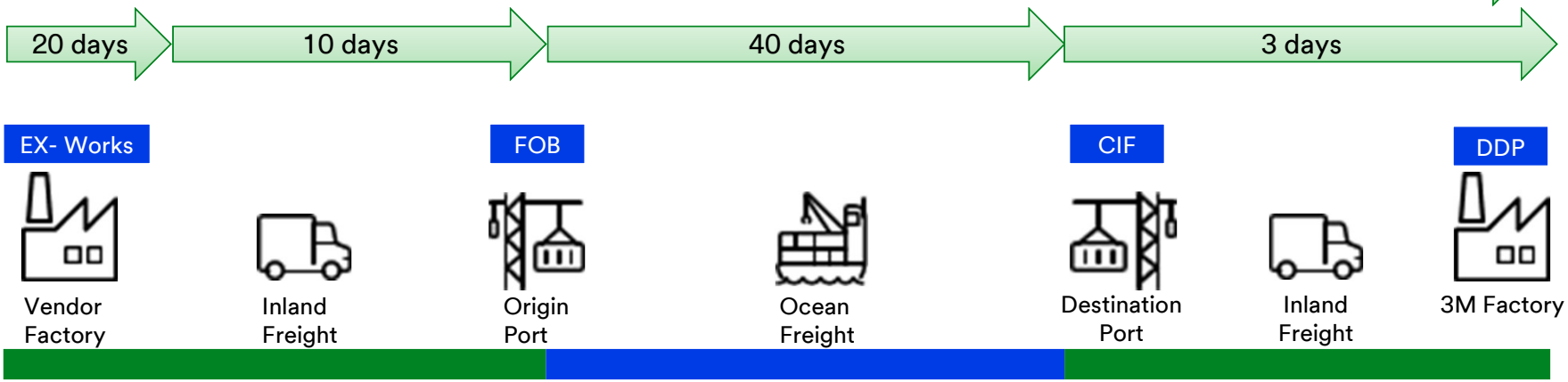
Example of PO lead time vs. vendor lead time for international shipments

Existing lead time

Vendor lead time @ FOB INCOTERMS® = 30 days

Future lead time

3M Purchase Order lead time = 73 days (from PO date to receipt at 3M factory)



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PO requested delivery dates

3M Purchase Order example

Incoterms®	Vendor lead time difference vs 3M Due Date lead time	Remarks
DDP	None	Same as existing vendor lead time
CIF	3 days	Includes destination customs clearance and destination inland transportation
FOB	43 days	Includes origin and destination customs clearance, overseas freight and destination inland transportation
EXW	53 days	Includes origin and destination customs clearance, origin and destination inland transportation and overseas freight

Due Date on 3M Purchase Order is the date the goods are expected at the Ship To location

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Accounts payable

Current State	Future State
Accounts Payable Contacts	
Multiple points of contact regarding payment issues such as Requestor/ GSC Buyer/Planner/ GSC AP & Sourcing	**The 3M Accounts Payable will be your first point of contact** for any Invoice and payment related. For general accounts payable inquiries or invoice/payment status write to : thapgsc@mmm.com
Invoices and Credit Memo 'Bill To'	
Bill to has been shown on Invoice	Invoices must reflect the 'Bill To' shown on the PO
Invoice Submission	
1 invoice document reference to 1 PO number, vendor submit invoice to DC, WH, or Receiving points	1 Invoice document should reference 1 PO number only, during submission in the eCommerce tool or if not enabled on an eCommerce tool to thinv@mmm.com
Payments	
Payments will be received via Electronic Funds Transfer (ACH or wire).	Payments will be received via Electronic Funds Transfer (ACH or wire)

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Accounts payable

Invoice and credit memo requirements

- All invoices/credit memos **must** include the Purchase Order (PO) number
  - Invoices/credit memos without the PO number will be rejected to the supplier
  - **Do not** include any spaces or special characters such as :#) – in the PO or invoice number
  - Supplier to send a paper copy of the invoice
- Currency, Quantity, Unit of Measure and price must match the PO
- Only **one** PO per invoice/credit memo
- If the PO contains more than one line, you may submit one or more lines on each invoice/credit memo to match the PO
- Freight charges may not be billed as a line unless the PO has a line for freight charges
- All price discounts should be reflected in the Unit Price, and any changes should be submitted via electronic Purchase Order Acknowledgement (POA) to ensure the change is reflected on the PO prior to shipment and invoicing
- All Tax Invoices/ Invoices/credit memos must be submitted via eCommerce (wherever applicable)
- **No** handwritten information is allowed on invoices
- Net amount, total amount and tax amount should be stated on the invoice

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Key tax information

- Tax invoice must comply with local tax regulation including the format, information and tax charge. Supporting documents necessary to goods/service delivery (e.g. PO, Delivery note,…) should be provided together with Tax invoice.
- Invalid tax invoice will not be accepted.

- Any changes which need to be made to the invoice must first be reflected in a Purchase Order Acknowledgement (POA) to ensure the PO is updated before a new invoice is submitted

- If sales tax or any significant information is charged or stated incorrectly, a request for a corrected invoice will be sent to your organization.

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Advanced shipping notices

Requirements for Each Shipment of Goods with Material Numbers*

Purchase Order Information

- Purchase Order Number
- Material Identification Number(s) – 10 digits only
- Quantity Shipped – number and unit of measure must match purchase order and physical shipment
- Net weight and gross weight
- Due date - delivery date at 'Ship To' location

Manufacturing Data

- **All data sent on ASN must match PO as well as product and shipper labels**
- Batch Number – 10 or fewer alphanumeric characters only, for batch-managed products only
- Date of Manufacture – must be included with batch-managed products
- Dates follow YYYY-MM-DD format

Freight Information

- Carrier and Bill-of-Lading number
- Small Parcel – tracking number
- Full Truckload – trailer and seal number
- Less-than-Truckload – pro number
- Ocean – container number
- Air – airway bill

ASN Detail must match physical shipment detail, labels & PO information including PO delivery date
– No special characters in any data fields
***'Description only' goods shipments which cross international borders also require an ASN**

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Frequently asked questions and answers

Questions	Answers
How will we be able to determine from which system the PO is issued ?	Regardless of eCommerce tool, there are identifying characteristics of the POs which can be used to differentiate between originating systems. New SAP POs are all numeric
What changes need to be made regarding 10-digit vs 11-digit material numbers?	There may be changes to packaging and labeling due to change in 3M material numbers. If applicable, we will provide additional information later regarding these changes.
Who do I contact if I have a question about the PO?	Direct questions regarding purchase orders and invoices to the 3M Buyer whose name and contact information is on each purchase order.
Who do I contact regarding billing questions?	For questions regarding payment status or remittance information, send an email to: thapgsc@mmm.com
Who do I contact about eCommerce questions?	You may reach out to the Source to Pay eCommerce team at STPeCommerceAPAC@mmm.com, for any queries pertaining to the eCommerce tools

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Frequently asked questions and answers

Questions	Answers
Why do I need to send an electronic POA?	The electronic Purchase Order Acknowledgement (POA) is required to ensure that the ERP has the correct data for efficient processing and planning. • The POA confirms that the PO **quantity, price and delivery date** are accurate, the date the order is due at the 'Ship To' location will be met and provides an opportunity for any necessary corrections or changes. **The buyer listed on the PO must be provided with an explanation for any material shortage.** • If the PO quantity, price, or delivery date are inaccurate on the original PO, you must correct those inaccuracies via the POA to 3M. 3M will initiate a change to the PO to reflect the corrected values. You must submit another POA to confirm the PO reflects the intended and accurate fulfillment updates. • The transaction path is PO, POA, ASN and Invoice changes (as applicable). Example: if a POA is not submitted, you will not be able to continue through the flow until it is received. • The POA must be sent within 48 hours of receipt of the PO.

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Frequently asked questions and answers

Questions	Answers
Why and when do I need to send an electronic ASN?	The Advanced Shipping Notice (ASN) alerts 3M of the inbound delivery data and details, enabling efficient planning and processing. • ASN details, carrier information, Bill-of-Lading, Batch and other important data are automatically transmitted into the ERP for use by various functions within 3M. • The ASN is required for all shipments of goods with a material number. In addition, the ASN is required for 'description only' goods shipments which cross country borders. • If PO details (quantity, ship to location, price, delivery date, etc.) on the ASN do not match the information on the PO, the ASN will be rejected in the 3M ERP. • If changes are needed on the PO, this must occur at the time of the POA and prior to the ASN. • If the ASN is not received in the ERP, you will be unable to submit an invoice against the PO until the ASN is corrected and re-submitted. • The ASN must be submitted via the eCommerce tool no later than 24 hours after supplier shipment.

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Frequently asked questions

Questions	Answers
What does the eCommerce requirement mean for me?	Some suppliers will have no change in their current transaction methods and some will need to change their current method. Your eCommerce tool will not be assigned without input from you. 3M eCommerce will recommend the tool that will work for the ways in which you transact with 3M now and in the future, but different options can be explored at your request.
Why haven't I been contacted by 3M eCommerce?	The contact information that 3M has on file may not be current. Please check with others in your company who work with 3M, and if no communication has been received, send an email to STPeCommerceAPAC@mmm.com
I was contacted by Corcentric/Ariba on behalf of 3M. Should I respond?	Yes! If you have been contacted by either third party partner, it has been done at the request of 3M eCommerce. If you question whether it is the correct tool for you, send an email to STPeCommerceAPAC@mmm.com
If I have questions not covered here, who do I contact?	Send additional questions to hwetchakama@mmm.com

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With your partnership,
a bright future is ahead.
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