



Infor LN Service User Guide for Maintenance Sales Order Control (Depot Repair)

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About this document

This guide provides information about the various concepts and processes such as maintenance sales order, sales order status and sales order line status, available in Maintenance Sales Order.

Objectives

This document is a User's Guide that is designed to meet the following objectives:

Understand the following concepts

- Maintenance sales orders
- Sales order status
- Sales order line status

To perform the following tasks

- To create maintenance sales orders
- To close maintenance sales orders
- To cancel maintenance sales orders

In this document, the reader is assumed to already have an understanding of LN Service.

Document summary

This User's Guide describes the various concepts and process available in the Maintenance Sales Order module.

How to read this document

This document is assembled from online Help topics. As a result, references to other sections in the manual are presented as shown in the following example:

For details, refer to the LN Service Online Help.

To locate a section referenced in this document, refer to the table of contents.

Underlined terms indicate a link to a glossary definition. If you view this document online, you click on underlined text to jump to the glossary definition at the end of this document.

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This chapter provides a brief introduction to the Maintenance Sales Order functionality available in the RMA & Depot Repair module.

Introduction

The Maintenance Sales Control (MSC) module covers the functionality to register the request made by customers to the service provider. In case of requests related to repair of parts, the Work Control System (WCS) module controls the actual work implementation. You can also handle the receipt and delivery of spares, replacements or loaners with the Maintenance Sales Orders.

For Depot Repair, the Maintenance Sales Control (MSC) module has a close relationship with the Work Control System (WCS) module, which controls the work implementation. The Maintenance Sales Control procedures manage the R.A. processes and other maintenance sales processes.

You can handle four types of item transactions in any maintenance sales order:

- **Part maintenance**
If a part comes back for repairs, this process can be handled as a part-repair transaction. At this point, you must receive the part into a service customer owned warehouse to successfully carry out repair activities as a part of depot repair. A linked work order is required when the repairs are carried out through work orders, which you do using the WCS module. The part lines must await completion of work orders and further delivery into a planned warehouse, from which the item can be returned to the customer.
- **Part delivery**
If parts must be delivered to a customer, this delivery is performed through a parts delivery line. The customers might possibly require new or upgrade type subassemblies or additional parts. The parts delivery lines enable you to deliver these parts to the customers.
- **Part receipt**
You can use the part receipt lines to return defective or parts in good condition. Parts can be returned due to rejections or outdated parts can be sold back at reduced prices. By combining parts receipt and parts delivery lines, parts exchange is carried out. As a result, the customer receives a repaired or new part, while the service company owns the defective part. The opposite is true for part maintenance, for which the same part is returned to the customer.

- **Part loan**
During the absence of the part due to repair or due to the temporary nature of part use, the customer would require a loaner for short time which the customer can use for a limited amount of time and then return the part back.
- **Convert to part delivery**
In case the service department thinks that the loaned part need not be returned by the customer, for that item the **Convert to Part Delivery** option is used. You can invoice the customer for the delivered part.
- **Convert to part receipt**
In case the service department thinks that the part under maintenance cannot be returned to the customer (Example not able to repair the part), the **Convert to Part Receipt** option can be used. While costing, a credit note is generated.

Chapter 2

Maintenance Sales Order Concepts

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This chapter provides a brief description of the concepts available in a maintenance sales order.

Maintenance Sales Orders

Maintenance sales orders are sales agreements that specify the customer to whom the services are offered and other relevant details of the sales. Maintenance sales orders can consist of multiple line items. Information about the ship-to business partner are must for the delivery of repaired, loan, or replacement goods. Similarly, the details of invoice-to and pay-by business partners are required for invoicing the business partner.

Maintenance sales orders can be entered directly upon receipt of a customer request or can result from a transferred call, which can happen if the Call Management module registers the customer request. The first set of processes in regard to RMA tracking is to enter and provide details in the maintenance sales orders.

The following modules are closely related to the functioning within the Maintenance Sales Orders module:

- **Call Management (CLM)**
Maintenance sales orders can originate from a transferred call. A call can be transferred to an existing maintenance sales order or can result in a new maintenance sales order.
- **Work Control System (WCS)**
All maintenance sales orders with Part Maintenance lines will result in a work order. Work order execution is closely linked with the costing or invoicing of the maintenance sales order.
- **Configuration Management (CFG)**
Maintenance sales order lines contain the details of the parts defined in the configuration details, in the form of serialized items and Installation groups.
- **Master Data Management (MDM)**
Maintenance sales order and lines contain the service department responsible for processing the order, the service type, and the coverage type, as well as the items that are handled in the order.
- **Contract Management (CTM)**
Maintenance sales order lines can be covered by contracts and warranties, if applicable.

- **Central Invoicing (CI)**
Processed maintenance sales orders can be sent to Central Invoicing for billing.
- **General Ledger (GLD)**
All costs and revenues of the maintenance sales orders are posted to general ledger.

Sales order status

Free

The order has been entered either manually or by means of a call transfer.

Released

The status of the maintenance sale order is set to **Released**. You must first release the order and then perform further transactions.

In Process

The status of the first line under the order has changed to **In Process**.

Completed

The status of the last line under the order has changed to **Completed**.

Costed

All order lines and coverage lines for the order are costed.

Closed

Indicates closure of the order.

Canceled

The order is not executed and is canceled for the reasons indicated under the order line cancel reasons.

Sales order line status

Free

Status during order line entry.

Released

The status of the maintenance sale order line is set to **Released**.

In Process

Depending on the line procedure, either the receipt or the delivery confirmation changes the order line status from **Free** to **In Process**.

Completed

Depending on the line procedure, either the delivery or the receipt confirmation changes the order line status from **Free** to **Completed**, or from **In Process** to **Completed**.

Costed

All coverage lines related to the order line are costed.

Closed

Indicates the closure of maintenance activities on the order line.

Canceled

The work on the order line is canceled and the reason and date of cancellation are recorded in LN. Cancellation can be immediate or postponed. In case of postponed cancellation, the order is initiated for cancellation and receives the **Canceled** status after you close the order.

Alternative Item

Alternative items serve as a substitute for the standard item when the standard item cannot be delivered or is being replaced. If several items can be substituted for a standard item, you can assign a priority code to each alternative item.

You can specify alternative items for the components in an item breakdown under different parent items. You can select the correct alternative item based on the parent item

When you delete an item breakdown relation then the corresponding alternative items are also deleted. When there is a change in the item breakdown then the corresponding item in the alternative items must be updated.

ATP

An item master plan contains ATP (ATP) information. You can use the ATP information to determine the quantity available and to support order acceptance.

You can use the information to :

- Determine the availability of the stock of the spare part.
- Identify warehouse in which it is available
- Determine the date when the spare part can be promised to determine the service execution dates and service delivery dates.

Impact of ATP Date

When an ATP check is performed successfully there is an impact of the ATP date on Earliest Start Time(EST), Planned Start Time(PST) , Planned Finish Time(PFT), Latest Finish Time (LFT) and Planned Delivery Date(PDD).

The below table displays the Earliest Start Time(EST), Planned Start Time(PST) , Planned Finish Time(PFT), Latest Finish Time (LFT) and Planned Delivery Date(PDD), when the ATP check is not performed:

EST	PST	PDD	PFT	LFT
5-Apr-07	7-Apr-07	7-Apr-07	10-Apr-07	11-Apr-07

When the ATP check is performed and in case the ATP Date is greater than the Planned Delivery Date then following is the impact of the ATP date:

- The EST date is reset to the ATP date.
- The LFT date increases by the same number of days as the difference between the EST and the new EST as shown in the table below:

ATP Date	EST	New EST	PST	New PST	PDD	New PDD	PFT	New PFT	LFT	New LFT
8-Apr-07	5-Apr-07	8-Apr-07	7-Apr-07	8-Apr-07	7-Apr-07	8-Apr-07	10-Apr-07	9-Apr-07	11-Apr-07	14-Apr-07

When the ATP check is performed and ATP is greater than PDD and the new EST is greater than PST date then following is the impact :

- The EST date is reset to the ATP date.
- The PST date is reset to the ATP date.
- The PDD also reset to the ATP date.
- The PFT date increases by the same number of days as the difference between the PST and the new PST.
- The LFT date increases by the same number of days as the difference between the EST and the new EST as shown in the table below:

ATP Date	EST	New EST	PST	New PST	PDD	New PDD	PFT	New PFT	LFT	New LFT
8-Apr-07	5-Apr-07	8-Apr-07	7-Apr-07	8-Apr-07	7-Apr-07	8-Apr-07	10-Apr-07	11-Apr-07	11-Apr-07	14-Apr-07

Note

The delivery date on the Maintenance Sales Order line is updated with the ATP date when an ATP check is performed successfully.

This chapter describes the steps you must follow to set up master data for the Maintenance Sales Order module.

Maintenance Sales Control Parameters

To use maintenance sales order, you must first set up parameters in the Maintenance Sales Control Parameters (tsmsc0100m000) session.

The settings in these parameters affect the way in which maintenance sales orders function and are set once, therefore, you must ensure that your parameters are set properly, according to your business functions.

To set up maintenance sales control parameters

To set up maintenance sales control parameters, take the following steps:

Step 1: Number Group

Enter the code of the number group used to identify sales orders.

Step 2: Defaults

LN use the following default values:

- **Coverage type**
Used when coverage lines are created.
- **Default service origin calls**
Used when a maintenance sales order is created from a call.
- **Default service type**
Used when a maintenance sales order is entered manually.
- The service type is used to identify if the repaired item is covered under warranty.

Step 3: Maintenance sales order history

If this check box is selected, LN updates the maintenance sales order history.

Step 4: Signal and Block

LN signals or blocks you from proceeding further if the following parameters are set:

- **If Credit Limit is Exceeded**
If this check box is selected, LN signals or blocks you if the credit limit of an invoice-to business partner is exceeded.
- **If Credit Review is Overdue**
If this check box is selected, LN signals or blocks you if the credit review of an invoice-to business partner is overdue.
- **If Invoice is Overdue**
If this check box is selected, LN signals or blocks you if the invoice-to business partner has an overdue invoice.
- **If business partner is Doubtful**
If this check box is selected, LN signals or blocks you if the invoice-to business partner is doubtful.

Chapter 4

Maintenance Sales Order Procedures

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This chapter describes the Maintenance Sales Order procedures.

To create maintenance sales orders

The process to create maintenance sales order includes the following activities:

- Create maintenance sales order header
- Create maintenance sales order lines
- Add or modify coverage lines to the maintenance sales order

To create maintenance sales orders

Take the following steps to create maintenance sales orders:

Step 1: Create maintenance sales order header

You can create maintenance sales order headers to identify the general and financial details of your business partner. You can define, modify, or view maintenance sales orders in the Maintenance Sales Orders (tsmsc1100m000) session.

Step 2: Create Maintenance sales order lines

You can create and modify maintenance sales orders lines for sales orders in the Maintenance Sales Order (tsmsc1100m100) session.

You can also define maintenance sales order lines on the serialized items, generic items, or on labels. Labels enable you to handle the repair of items not listed in the application's data. The incoming defect item is assigned a label, which is stored in the maintenance sales order line in the label field. The label can then be used to identify the item throughout the maintenance work cycle.

Step 3: Add or modify coverage lines to the maintenance sales order

Coverage lines are the lines that store the information on the costs incurred, amounts to be invoiced, and the amounts covered by the applicable contract and/or warranty. Most coverage lines are added through the maintenance sales order process, but can also be entered manually to register additional costs.

You can view, modify, and enter coverage lines directly in the Coverage Lines (tsmsc1120m000) session. You can also access the coverage lines from the Specific menu of the Maintenance Sales Orders (tsmsc1100m000) or Part Lines (tsmsc1110m000) sessions, or from the Coverage Lines tab of the Maintenance Sales Order (tsmsc1100m100) session.

Search path for labor rates (Service contract)

For service contracts and service quotations, LN allows you to specify the search criteria to retrieve labor rate code when you define labor cost terms. Based on this defaulted labor rate code the cost and sales rates are used to calculate the cost and sales amount of the labor cost term.

The **Search Path** field in the Contract Management Parameters (tsctm0100m000) session allows you to define three attributes that the LN uses to retrieve labor rate codes.

LN retrieves the labor rate in the following order:

- Level 1
- Level 2
- Level 3

LN uses this search criterion to determine the labor rate for a service contract or a service quotation. If the labor rate is not specified at Level 1, the labor rate specified at level 2 is considered. If the labor rate is not specified at Level 2, the labor rate specified at level 3 is considered.

The labor rate can be defaulted from the following possible values defined for each level:

- Department
- Service Area
- Serialized Item Group
- Installation Group
- Reference Activity
- Task
- Skill
- Not Applicable

Example

Default labor rate code is retrieved from the Task associated with the labor cost term defined in the Contract Labor Terms (tsctm1132m300) session. If no Task is specified, it is retrieved from the Reference Activity defined in the Contract Configuration Lines (tsctm1110m300) session. If no labor rate code is

defined for the Reference Activity, the labor rate code is retrieved from the Service Department of the Reference Activity.

Note

ERP Enterprise does not allow you to select the same option at any two levels. For example, if level 1 is set to Department, the second and third level cannot be set to Department.

The second level can only be set when the value in first level is not set to 'Not Applicable'. The third level can only be set when the value in second level is not set to 'Not Applicable'.

To cancel maintenance sales orders

Use the Cancel Maintenance Sales Order - Item Line (tsmsc1210m000) session to cancel a maintenance sales order, including all the order's order lines, or a single maintenance sales order lines. You must enter a cancel reason and cancel date. Additional cancel text is optional.

To cancel a sales order (line) you must make sure that:

- No actual costs and revenues are recorded on this sales order or sales order line.
- The status of the order and the related item lines must be **Free** or **In Process**.
- The status of all item lines must be **Canceled**.
- The reason code, cancel text, and cancel date are filled on the sales order.

If you cancel a maintenance sales order, the following applies:

- LN changes the status of the sales order activity to **Canceled**.
- LN cancels the materials that are allocated for the sales order.
- LN cancels the warehouse orders that are created for the sales order, if the items/materials are not issued or received yet. If the items/materials are issued or received, return deliveries are created (warehouse orders of type **Transfer**).
- If you create the sales order from a call, LN changes the status of the call to **Solved**.
- If tools are required to carry out the sales order, the tool requirements are removed from the Estimated Tool Requirements (titrp0111m000) session.

Note

Sales orders that are blocked, cannot be canceled.

To unblock calls, service orders, and sales orders

To unblock calls, service orders, and maintenance sales orders, you can use the Blocking Reasons (tsmdm1101m000) session.

To unblock:

1. Select the blocking line In the Blocking Reasons (tsmdm1101m000) session.
2. On the appropriate menu, click **Release**, or press CTRL+SHIFT+R. LN ERP fills in the **Time of Release** field automatically.

The call or order is unblocked and you can continue processing the call or order.

Project pegging in depot repair

Overview

In Service, you can implement project pegging in the Depot Repair module. You can peg the service cost to a project, element, and/or an activity.

To peg a project, specify the project, element, and/or activity information for the call, the contract, the maintenance sales quotation, maintenance sales orders or work orders. You must select the **Mandatory Project Peg** check box in the Items - General (tcibd0501m000) session if defining the PCA ID is mandatory to peg the cost of the item to the project.

Initiation of the pegged transaction

The peg is initiated only when a business process is started for transactions that register actual costs. For Example Calls and Maintenance Sales orders.

Project Cost Account is an account where the cost is pegged. Costs are pegged through Project Cost Account ID. You can populate the PCA ID:

- By entering the PCA ID when you create a new call, contract, maintenance sales quotation, maintenance sales order, or an external work order.
- By specifying the PCA ID on the service contract. You can also enter the PCA ID manually.

Propagation of the peg in the depot repair process

The PCA ID is propagated to the resulting transaction (Example, from call to MSO to Work order). You can change the PCA ID until the status of the call / contract / maintenance sales quotation / maintenance sales order / work order changes.

Propagation of the peg to service contract and configuration lines

In Service, the service contract can determine whether the call / contract / maintenance sales quotation / maintenance sales order / work order, linked to the service contract, retrieves the PCA ID from the contract. By default, the configuration lines retrieve the PCA ID from the service contract header. These

PCA IDs on the configuration line are propagated to the maintenance sales quotation lines, maintenance sales order part lines, and work orders.

Note

You can define the PCA ID for service contracts that have the status 'Free' or 'Active'.

Propagation of the peg to a call

The PCA ID of the call is retrieved from the service contract header by default, if the call is related to a service contract. You can specify or modify the PCA ID if the call status is 'Free'. You must specify the reason for the modification.

If the call is solved without being transferred (Example to a maintenance sales order or service order), the call can be invoiced. The costs are booked to the corresponding PCAs. The cost component is used to identify the appropriate project cost type using cost mapping in the Cost Mappings (tcmts0149m000) session.

Propagation of the peg to the maintenance sales quotations

LN defaults the PCA ID of the quotation header line either from a service call, or a maintenance sales order part line, or a work order. If the PCA ID is not defaulted from these origins, LN defaults the ID from the service contract configuration line if the serialized item is linked to a service contract. You can specify or change the PCA ID, if the maintenance sales quotation status is 'Free'.

Propagation of the peg to the maintenance sales order

LN defaults the PCA ID of the maintenance sales order from the originating call or maintenance sales quotation. The PCA ID of the order part line is defaulted from a service call or maintenance sales order part line. If the PCA ID is not defaulted from these origins, LN defaults the ID from the service contract configuration line in case the serialized item is linked to a service contract. You can enter or change the PCA ID, if the maintenance sales quotation status is 'Free'.

Propagation of the peg to the work order for MSO part line

By default, the PCA ID is retrieved from the maintenance sales order. If the installation group or the item is linked to a service contract, the PCA ID is retrieved from the service contract configuration line. If the PCA ID is not defaulted from these origins, LN defaults the ID from the service contract configuration line in case the serialized item is linked to a service contract. You can specify or change the PCA ID, if the maintenance sales quotation status is 'Free'.

Propagation of the peg to the work order linked /originating from a maintenance sales order

LN defaults the PCA ID of the work order (linked/originating from maintenance sales order) from the service contract configuration line, if the serialized item is linked to a service contract. If the PCA ID is not defaulted from these origins, LN defaults the ID from the service contract configuration line in case the serialized item is linked to a service contract. You can specify or change the PCA ID, if the maintenance sales quotation status is 'Free'.

Propagation of the peg to the follow-up work order

By default, the PCA ID is retrieved from the initiating work order. If the installation group or the item is linked to a service contract the PCA ID is retrieved from the service contract configuration line. If the PCA ID is not defaulted from these origins, LN defaults the ID from the service contract configuration line in case the serialized item is linked to a service contract. The user can specify or change the PCA ID, if the work order status is 'Free'.

Propagation of a material request to LN Warehousing from depot repair

When warehouse orders are generated from Service, in order to request material from a warehouse, the PCA ID is propagated to Warehousing only if the **Inherit Project Peg** check box in the Items - General (tcibd0501m000) session is selected. Warehousing uses the PCA ID for financial bookings to LN Project. Warehousing handles the potential peg transfers:

Example

Service needs materials B and material C to be used in the repair of item A. For item B, LN Service requests inventory with a peg. For item C, Service requests material with a peg, because the cost for B and C have to be reported to the project.

Warehousing checks if there is inventory of item B with the corresponding PCA. In the case of an inventory shortage, Warehousing checks whether transfer rules apply to meet the LN Service request. Warehousing handles the potential peg transfers in the background.

For item C, the process is the same. Service requests the material with a PCA, though there is inventory for item C without a peg.

For Example, a demand transaction for item A has a peg123 that requires material B and C. When the **Inherit Project Peg** check box in the Items - General (tcibd0501m000) session for Material B is set to Yes and for Material C is set to No:

	Inherit Peg	Cost Pegged To	Request to Warehouse
Material B	Yes	P1E10A10	Financially peg costs to: P1E10A10 Inventory from: P1E10A10
Material C	No	P1E10A10	Financially peg costs to: P1E10A10 Inventory from: <empty peg >

Since material C is without a peg in inventory, the costs are not yet pegged to the project. However, since material B is already cost pegged to the project, the cost do not have to be booked again to the project when the actual outbound process is executed.

Propagation of the Peg to generate purchase order

For project pegged items when purchase orders are generated, the PCA ID from Service (Example Subcontracting), is propagated to LN Order Management to generate the purchase order with the corresponding peg. For material request of type Via Purchase, the PCA ID is propagated only if the **Inherit Project Peg** check box in the Items - General (tcibd0501m000) session is selected.

Propagation of the peg to book hours

When hours are booked in Service, the PCA is processed to LN People to book hours on the work order.

Book other costs or bench stock material costs

When actual other costs or Bench stock material costs are defined in Service, the costs are logged in the PCL. If the item is defined for the maintenance sales coverage line, the item is used to identify the appropriate project cost type. In case the item is not defined, the cost component is used to identify the appropriate project cost type using cost mapping in the Cost Mappings (tcmcs0149m000) session.

Propagation of the peg to a maintenance sales order coverage line

When the maintenance sales order coverage lines are costed, the invoice is created in LN Invoicing. The revenues and costs are booked to the corresponding PCAs. If the item is defined for the maintenance sales coverage line, the item is used to identify the appropriate project cost type. In case the item is not defined, the cost component is used to identify the appropriate project cost type using cost mapping in the Cost Mappings (tcmcs0149m000) session. LN Invoicing receives the related PCA IDs for the actual costs.

Internal subcontracting for depot repair

Overview

When a defect occurs in a product, the customer requests for a repair and sends the product to the service department. The service department repairs the product, but a part of the repair is subcontracted to another repair center that belongs to another legal entity. Therefore an internal invoice is based on the actual material used, the actual hours booked, and the actual other costs such as transportation costs, is required to cover the repair costs incurred by the subcontracting repair center..

Creation of the Maintenance Sales Order

If a customer sends the product to a service department for repair, the service department creates a maintenance sales order using the Maintenance Sales Orders (tsmsc1100m000) session. Example The service department (in The Netherlands) receives an order from the customer to repair a defective product. The service department creates a maintenance sales order.

Creation of the Work Order

The service department must generate a work order for the repair center using the Work Orders (tswcs2100m000) session. The repair center must plan the repair activities and acquire the required material and/or tools. Example The service center generates a work order and assigns this work order to a repair center located at its own site.

Shipment of the Goods

The customer sends the defective product to the repair center. Example The customer sends the product to a repair center in Netherlands.

Receipt of the Product

The defective product is received at the repair center.

Repair Activity

The repair center repairs the product. If the product cannot be repaired at the current repair center, the repair work can be subcontracted to another repair center. A new repair order must be created for the product at the new repair center. Example At the repair center in the Netherlands, the first repair activity takes place. If the product cannot be repaired on this site, the repair order is created for another repair site in the United Kingdom and the product is sent to this repair site for repair.

Transfer of the Product

The product is transferred to the next repair center. Example The product is transferred from repair center, in Netherlands, and received at repair centre in United Kingdom.

Repair at the Repair Center

The product must be repaired and all cost such as materials used, and hours spent must be captured in the work order. If Internal Invoicing is implemented, the cost must be available on the work order. Example The repair center in United Kingdom repairs the product and includes all the cost on the work order.

Customer Invoicing

The service department invoices the customer, unless the product is repaired under the warranty or contract.

Internal Invoicing

The internal invoicing can be based on the actual repair costs or a fixed repair price. For internal invoicing, the repair center must invoice the service department where the product is initially received. The internal invoice must be based on the Follow-up work order. The internal invoice must be created before the work order is closed using the Close Work Orders (tswcs2265m000) session. When the invoice is created, additional costs cannot be booked to the work order. The internal invoice is required for legal reporting and to support internal pricing. Example: The repair center in the United Kingdom invoices the service department (of the maintenance sales order) on time and material, based on the actual costs or based on a fixed repair rate. This internal invoice is created when all the costs (material, time and other costs) are booked on the work order and no changes are allowed resulting in all costs invoiced internally. For Internal Invoicing, these Price Methods can be used:

- **Fixed Price :** A fixed internal price is specified. This price does not depend on the type of repair or the actual costs but depends on the item to be repaired and on Enterprise Units, therefore, LN uses Price Books (tdpcg0111m000) logic. All cost lines must be passed to Invoicing with an invoice amount of zero, and the cost amount specified. When fixed repair price for the repair of this product is specified, the rate is independent for the actual cost. This price can be used when items are repaired on a regular basis. In this case, the internal price is known and the fixed repair price is set to reflect the average repair costs.
- **Time and Material :** The internal price is based on the actual costs, therefore, on the material used, the hours spent, and on other costs. All the actuals are priced and invoiced separately. The types of cost are:

Material Pricing with Price Origins supported

- **Actual cost:** The total cost amount specified in the Work Order Material Resources (tswcs4110m000) session is used. Surcharges are applicable.

- **Commercial Price:** When the price origin is Commercial Price, for the materials issued on the work order, the commercial rate is used to determine the price on the internal invoice. The Price Books (tdpcg0111m000) functionality can be used along with the **Internal Price Search Method** defined in the General Service Parameters (tsmdm0100m000) session. **Note:** The internal business partners linked to the enterprise units are used to search the price. For more Information please refer to *Internal commercial rates* (p. 27).
- **Zero pricing :** For Price Origin Zero Pricing, LN creates invoicing lines with zero costs.

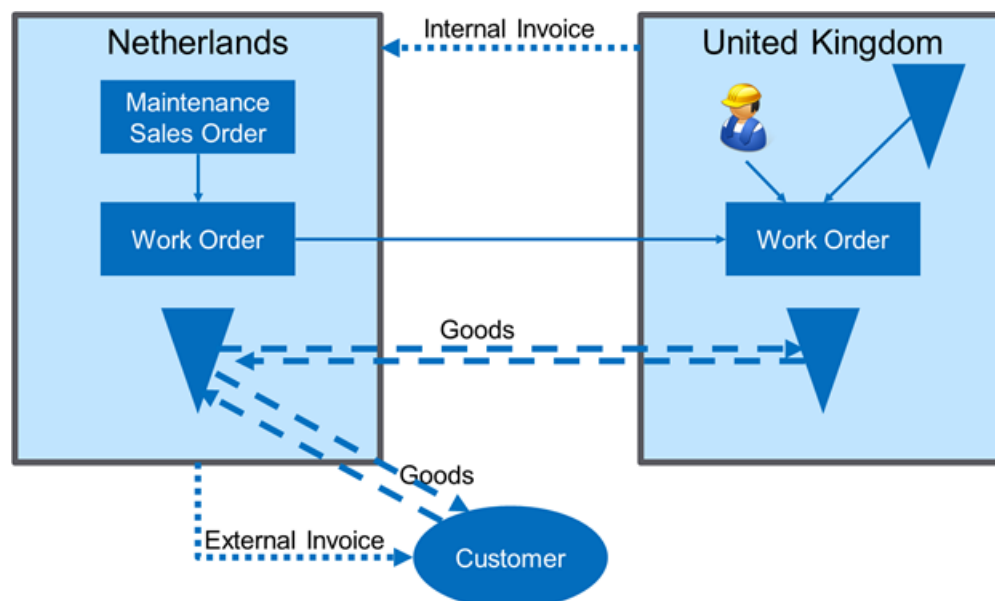
Labor Pricing with Price Origins supported

- **Actual cost:** The actual cost amount specified in the Work Order Labor Resources (tswcs4120m000) session is used. Additionally, Surcharges are applicable.
- **Commercial Price:** To determine a commercial price for labor, the **Internal Sales Labor Rate** defined in the Service Departments (tsmdm1100m000) session is used. This labor rate specifies the sales labor rate when this service department performs a task for another service department using the specific **Labor Rate** defined in Service Departments (tsmdm1100m000) session. Labor rates for internal business partner can be specified. **Note:** The internal business partners linked to the enterprise units are used to search the price. For more Information please refer to *Internal commercial rates* (p. 27).
- **Zero pricing:** LN creates invoicing lines with zero costs for Price Origin Zero Pricing.

Pricing Other Cost

For the other costs such as tooling, travelling, and freight, a price based on the actual costs (with or without surcharge) is applicable. For Other Cost Pricing, these Price Origins are supported:

- **Actual cost:** The actual cost amount specified in the Work Order Other Resources (tswcs4130m000) session is used. Surcharges are applicable.
- **Zero pricing:** LN creates invoicing lines with zero costs for Price Origin Zero Pricing.



Internal commercial rates

Overview

For internal pricing, commercial prices can be used for material and labor. Additionally, a single fixed price can be specified. This is a fixed repair rate that must be paid, on the actual material used and hours spent.

Commercial Material Costs

When the price origin on the relationship detail for material is Commercial Price, for the materials issued for the work order, the commercial rate is used to determine the price on the internal invoice. You can use the **Internal Price Search Method** field in the General Service Parameters (tsmdm0100m000) session to retrieve the price. These are the possible options:

- Price Book Service/Sales : The **Default Service Price Book** is used. This price cannot be specific to one Business Partner. If this price book is not defined, the **Default Sales Price Book** is used.
- Price Book Transfer : Using the Sales price book with **Matrix Type** field set to **Transfer Price** on the Matrix Definitions (tdpcg0110m000) session, an internal sales price between two internal business partners can be specified. **Note:** LN considers the internal business partners linked to the enterprise units to search for the sales price.
- Item Service Price : The sales price defined on the Items - Service (tsmdm2100m000) session is used. This price can also be used for the internal invoice. Item Service Price is used if Service Price Book and Price Book Transfer is not defined.

Commercial Labor Rates

To define a commercial labor rate when the **Price Origin** for labor pricing is set to **Commercial Price** in the Internal Trade Details (tceem2151m000) session, the **Internal Sales Labor Rate** field in the Service Departments (tsmdm1100m000) session is used. This labor rate specifies the sales labor rate when a service department performs the work for another service department. **Labor Rate** for internal business partner can be specified using commercial labour rates.

Note: Only the sales rates of the labor rate codes are used. The cost rates are not applicable, because actual costs of the work order are used.

Note: LN considers the internal business partners linked to the enterprise units to search for the price.

Recalculation of sales price and linking contracts to the MSO

If the pricing data is modified on the Maintenance Sales Order (MSO) Part Line and the Coverage Line, the sales price must be recalculated. You can also link/unlink a service contract with pricing terms to the MSO.

Sales Price on the Part Maintenance Lines

If you change the value in the **Pricing Method** field to in the Maintenance Sales Order - Part Maintenance Lines (tsmsc1110m100) session, the **Sales Price** is defaulted from the service contract (if pricing terms with contract price type set to 'Fixed Repair Price' exist) or from the Items - Service (tsmdm2100m000) session.

The **Sales Price** and **Total SalesAmount** on the Coverage Lines (tsmsc1120m000) are based on the **Method**, **Pricing Contract**, **Pricing Contract Change** and the **Pricing Contract Line** fields. Prices and amount must be recalculated, if the values in these fields change.

Pricing Method - If you change the value of the **Pricing Method** field to in the Maintenance Sales Order - Part Maintenance Lines (tsmsc1110m100) session, the **Sales Price** is defaulted with the sales price defined in the service contract. LN sets the value of the **Price Origin** field to **Other**.

Pricing Contract Line - If the pricing contract changes resulting in change in value of the **Pricing Contract Change** or **Pricing Contract Line** fields in the Maintenance Sales Order - Part Maintenance Lines (tsmsc1110m100) session, the sales price must be recalculated on the Maintenance Sales Order - Part Maintenance Lines (tsmsc1110m100) and/or all related Coverage Lines (tsmsc1120m000).

Sales Price on the Part Loan, Part Delivery and Part Receipt Lines

The sales price is defaulted from the applicable service contract (if pricing terms with contract price type set to 'Time and Material' is exist) or from the pricing data.

The sales price is also defaulted when **Item** or **Serial Number** or **Converted Time** or **Serial Number** or **Sales Price** or **Planned Time** fields are modified in the Part Lines (tsmsc1110m000) session.

The **Contract Ignored** check box in the Service Orders (tssoc2100m000) session indicates if a valid fixed price contract exist for the activity line. and the contract is unlinked and the sales price is manually overwritten.

You can use the **Recalculate Price/Discounts Entire Line** option in the Part Maintenance, Part Loan, Part Delivery and Part Receipt Lines sessions to recalculate prices of an entire order or an activity. The Price and Discount Recalculation (tssoc2240m000) session opens. Use this session to retrieve the default price and price origin of the part lines and their related coverage lines. You can select the **Overwrite Manual Price** check box in this session to overwrite the manually modified sales price with the default sales price defined for the service contract.

Sales Price for the Coverage Line

The sales price is modified on the coverage line if **Item** or **Serial Number** or **Converted Time** or **Serial Number** or **Sales Price** or **Planned Time** fields are modified on the Part Lines (tsmsc1110m000) session.

If a part maintenance line is converted to a part receipt or if a part loan line is converted to a part delivery line, the related coverage line data is modified. If the **Method** field in the Maintenance Sales Order - Part Maintenance Lines (tsmsc1110m100) session is modified or a line procedure is modified, the related coverage lines must be deleted and new coverage lines are created. If the **Status** field is set to **Costed** in the Part Maintenance, Part Loan, Part Delivery and Part Receipt Lines session, the **Status** of all the related coverage line must be set to **Costed** in the Coverage Lines (tsmsc1120m000) session.

The sales price is always defaulted from the part loan, part delivery and part receipt line but if the pricing method is set to fixed repair price or if the coverage line is of the type Fixed Price, the sales price is defaulted from the part maintenance lines

For part loan, part delivery and part receipt lines, the sales price on the Coverage Lines (tsmsc1120m000) session with the **Line Origin** field set to **Part Line** is always defaulted from the part line. For part maintenance lines, the sales price on the Coverage Lines (tsmsc1120m000) with the **Line Origin** field set to **Part Line** is defaulted from the part line, if the **Method** is set to **Quotation Fixed** or **Quotation Fixed Plus**.

If the **Method** field in the Maintenance Sales Order - Part Maintenance Lines (tsmsc1110m100) session is set to **Time and Material**, the sales price is defaulted from the service contract or from the Items - Service (tsmdm2100m000) session.

If you change the sales price manually in the Coverage Lines (tsmsc1120m000) session, LN sets the value of the **Price Origin** field to **Manual**. The **Contract Ignored** check box in the Coverage Lines (tsmsc1120m000) session indicates if a valid price contract is present and the contract is unlinked or the price is manually overwritten.

You can use the **Recalculate Price and Discounts** option in the Coverage Lines (tsmsc1120m000) session to recalculate the prices.

Unlink and Link Pricing Contract

Click **Link / Unlink Contract** in the Part Lines (tsmsc1110m000) session to link or unlink a service contract with pricing terms to a part line. If a contract is linked to a part line, LN populates the **Pricing Contract**, **Pricing Contract Change** and the **Pricing Contract Line** fields in the Part Lines (tsmsc1110m000) session. The contract can be a Time and Material contract or Fixed Repair Price contract. For more information on pricing contract, refer to Contract Terms for Service Contract and Service Contract Quotation. When link or unlink a pricing contract, the pricing data on the related coverage lines are recalculated.

If the **Contract Ignored** check box is selected/cleared in the Part Maintenance, Part Loan, Part Delivery and Part Receipt Lines sessions, the following are possible scenarios:

- If this check box is selected and the **Pricing Contract**, **Pricing Contract Change** and the **Pricing Contract Line** fields are specified, a valid service contract is linked and the sales price of the service contract is overruled.

- If this check box is selected and the **Pricing Contract**, **Pricing Contract Change** and the **Pricing Contract Line** fields are not specified, a valid service contract is not linked.
- If this check box is not selected and the **Pricing Contract**, **Pricing Contract Change** and the **Pricing Contract Line** fields are specified, a valid service contract exist and pricing terms data is used.
- If this check box is not selected and the **Pricing Contract**, **Pricing Contract Change** and the **Pricing Contract Line** fields are not specified, a valid service contract does not exist.

Note

- The **Link / Unlink Contract** option is disabled only if pricing contract data does not exist or the part line status cannot be modified.
- The **Link / Unlink Contract** option is enabled only if **Use Prices in Service Contracts** check box is selected in the Contract Management Parameters (tsctm0100m000) session.
- The **Contract Ignored** check box is visible only if the **Use Prices in Service Contracts** check box is selected in the Contract Management Parameters (tsctm0100m000) session.

Appendix A

Glossary

A

appropriate menu

Commands are distributed across the **Views**, **References**, and **Actions** menus, or displayed as buttons. In previous LN and Web UI releases, these commands are located in the *Specific* menu.

ATP

The item quantity that is available to be promised for a customer either immediately, or at a specific time in the future.

ATP check

A check on the quantity that can be promised to a customer based on the allowed demand. The main purpose of the ATP check is to reserve a certain quantity of the spare part or item.

business partner

A party with whom you carry out business transactions, for example, a customer or a supplier. You can also define departments within your organization that act as customers or suppliers to your own department as business partners.

The business partner definition includes:

- The organization's name and main address.
- The language and currency used.
- Taxation and legal identification data.

You address the business partner in the person of the business partner's contact. The business-partner status determines if you can carry out transactions. The transactions type (sales orders, invoices, payments, shipments) is defined by the business partner's role.

coverage lines

Lines that store the information on the costs incurred, amounts to be invoiced, and the amounts covered by the applicable contract and/or warranty. Most coverage lines are added through the maintenance sales order process, but can also be manually entered.

coverage type

A financial classification that indicates to what extent work is covered under warranty or contract, and what part of the activities can be charged.

labor rate

The labor rate code, defined in the Labor Rate Codes (tcppl0190m000) session in People. A sales rate and cost rate can be specified in this labor rate code.

You can assign labor rates on a wider scale to, for example,

- A service department, for all work done by the service department.
- An Installation group, for all work carried out on the Installation group.

In the Service Order Parameters (tssoc0100m000) session, default labor rate search paths can be set for the following:

- Estimated sales rate
- Estimated cost rate
- Actual sales rate
- Actual cost rate

maintenance sales order

Orders that are used to plan, carry out, and control the maintenance on customer-owned components, products and the logistic handling of spare parts.

maintenance sales order lines

Lines that store all details of the items that must be maintained, loaned, replaced, delivered, or received.

price book

An entity in which you can store price information that is valid for a given period of time.

A price book includes the following elements:

- A price book header, which contains the code, type, and use of the price book.
- One or more price book lines, which contain the items.

A quantity or value break discount schedule can be linked to a price book.

service order

Orders that are used to plan, carry out, and control all repair and maintenance on configurations as present on customer sites or as present with the company.

service type

The service classification that service providers offer. The service type determines which availability type applies to a service order header, and provides a default order procedure and coverage type.

work order

Orders that are used to plan, carry out, and control all maintenance on items in a maintenance shop or in a repair shop. A work order consists of at least one work order header, and can have a number of activities that must be carried out on a repairable service item.

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