



SUPPLIER MANAGED INVENTORY (SMI) WITH REPLENISHMENT ORDER SUPPLIER TRAINING GUIDE

Honeywell



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INTRODUCTION

SUPPLIER MANAGED INVENTORY

REPLENISHMENT ORDER – PROCESS INTRODUCTION

- **Supplier Managed Inventory (SMI)** - Also called vendor Managed Inventory (VMI). - is a business model where the buyer of a product provides certain information to a supplier (vendor) of that product and the supplier takes full responsibility for maintaining an agreed inventory of the material, usually at the buyer's consumption location
- In Replenishment Order, Purchase Orders are generated
- SMI provides foundational capability for supply chain collaboration between Buyers and Suppliers by sharing inventory and demand information and replenishment of inventory based on established Min/Max stock level

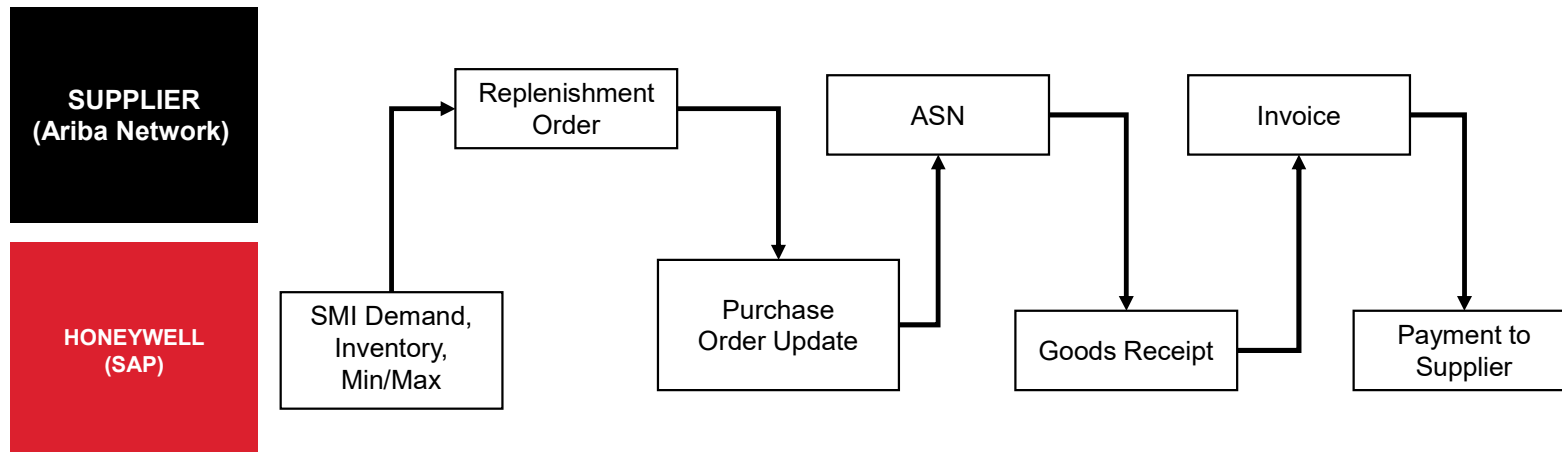
Benefits for Suppliers :

- Visibility of the buyer's demand and inventory data enables more accurate forecasting and planning
- Reduce buyer ordering errors resulting in decrease in potential returns.
- Visibility of stock levels enables proper prioritization of orders.

SUPPLIER MANAGED INVENTORY

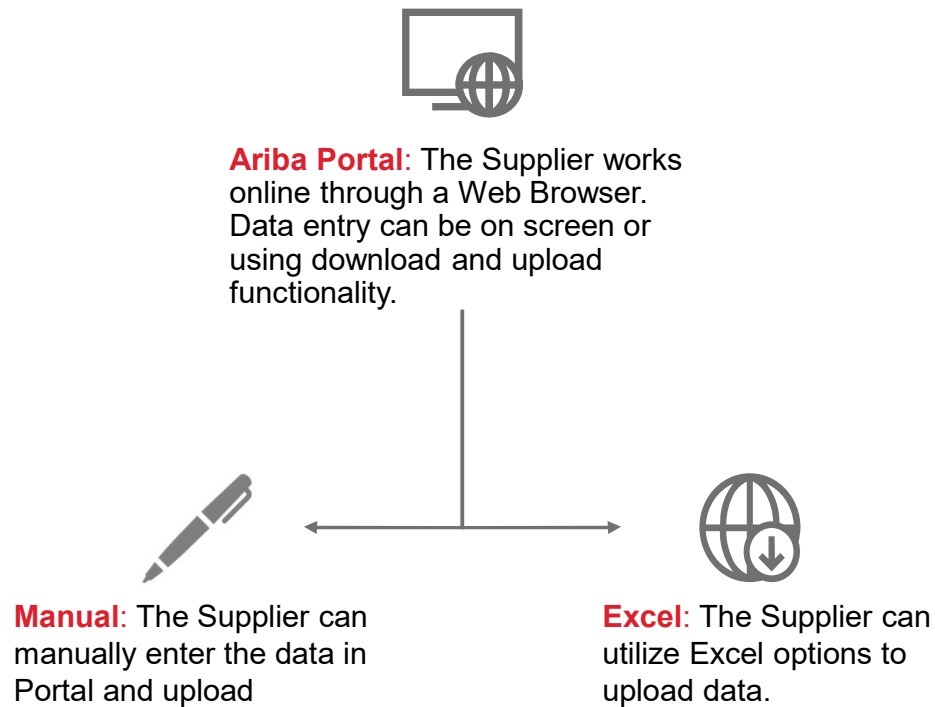
REPLENISHMENT ORDER – WORKFLOW

1. Honeywell shares on Ariba Network Gross Demand, Inventory, Min and Max from the ERP.
2. The supplier reviews the projected stock and reflects their planning decision by entering replenishments to meet demand requirements and the agreed stocking policy.
3. The Purchase Order in the ERP will be updated and sent to the Ariba network where it is available for the supplier.
4. At the time of dispatch, the supplier creates an ASN.
5. Following receipt in Honeywell's ERP, the goods receipt status is updated on the network.
6. Invoice
7. Payment



MODES OF INTEGRATION AND AUTOMATION

Ariba allows suppliers to work in different modes and B2B is not supported in SMI:



PORTAL USER INTERACTION

PLANNING COLLABORATION

OVERVIEW – MAIN SCREEN

From the Homepage:

1. Click on **Planning** and then **Planning Collaboration**.
2. Screen represents the overall status for all materials under Planning Collaboration
3. “Search filters” help to identify the right item. Expand the section and enter specific search criteria from available option.
4. Selecting options under “Search Filters”
 - a) Under “Customer” option, select Honeywell
 - b) If searching for specific material details, then enter the material specific part number under “Supplier part no” or if details of entire list of materials under VMI is required then leave the option untouched
 - c) Under “Process type” option select “Replenishment” or under “Customer view” option select “Supplier Managed Replenishment View” (Choose any 1, prior option preferred)
 - d) Enter “Search” after selecting the required options mentioned above and all materials will start to display below

Note:

- Refer for more details on Search Filters description & Customer Defined Attributes Options in Appendix
- Don't copy paste or write names, numbers in the “search filters” options directly, instead write the initials and then select from the drop-down option

The screenshot shows the SAP Business Network interface. At the top, the 'Planning' menu is highlighted with a red box and a red circle '1'. Below it, the 'Planning Collaboration' option is also highlighted with a red box and a red circle '2'. The main content area displays a table of materials with columns for Customer, Customer part no., Supplier part no., Stock on hand (Quantity and Status), Stock levels (Min. and Max.), Unit, and 10 v proj. Below the table, the 'Search filters' section is expanded, showing various input fields. Red circles '3' and '4' are placed near the 'Search filters' header and the search button respectively. Within the search filters, red circles 'a', 'b', 'c', and 'd' are placed near the 'Customer', 'Supplier part no.', 'Process type', and 'Customer view' fields respectively.

Customer	Customer part no.	Supplier part no.	Stock on hand		Stock levels		Unit	10 v proj
			Quantity	Status	Min.	Max.		
SCC Delivery Team - Global H19 Client 400 - TEST	BP001	S_BP001	219	On track	0	0		
SCC Delivery Team - Global H19 Client 400 - TEST	SP001		6,323	Above	2,000	3,000	PC	

Planning Collaboration

Search filters

Planning Collaboration

Search filters

Customer: Honeywell

Customer part no.:

Supplier part no.:

Customer location:

Planner code:

Part category:

Customer view: Supplier Managed Replenishment View

Line of business:

Product family:

Product subfamily:

Program code:

Part type:

Process type: Replenishment

Part status: ☒ Active ☐ Inactive

Show unique part and plant: ☐

Search Reset

PLANNING COLLABORATION

OVERVIEW – MAIN SCREEN - COLUMNS

5. You can sort the columns by clicking on any header.
6. You can hide or display the report columns by clicking the configure icon.
7. Total list of configure options


Planning Collaboration

► Search filters

6

Customer	Customer part no.	Supplier part no.
TechDronix	VM_TEST_2	
TechDronix	ERP-14415	ERP-14419

5

« Page 1 » 

Projected Stock - 10 weeks	Process type	
	Replenishment	Details
	Replenishment	Details

7

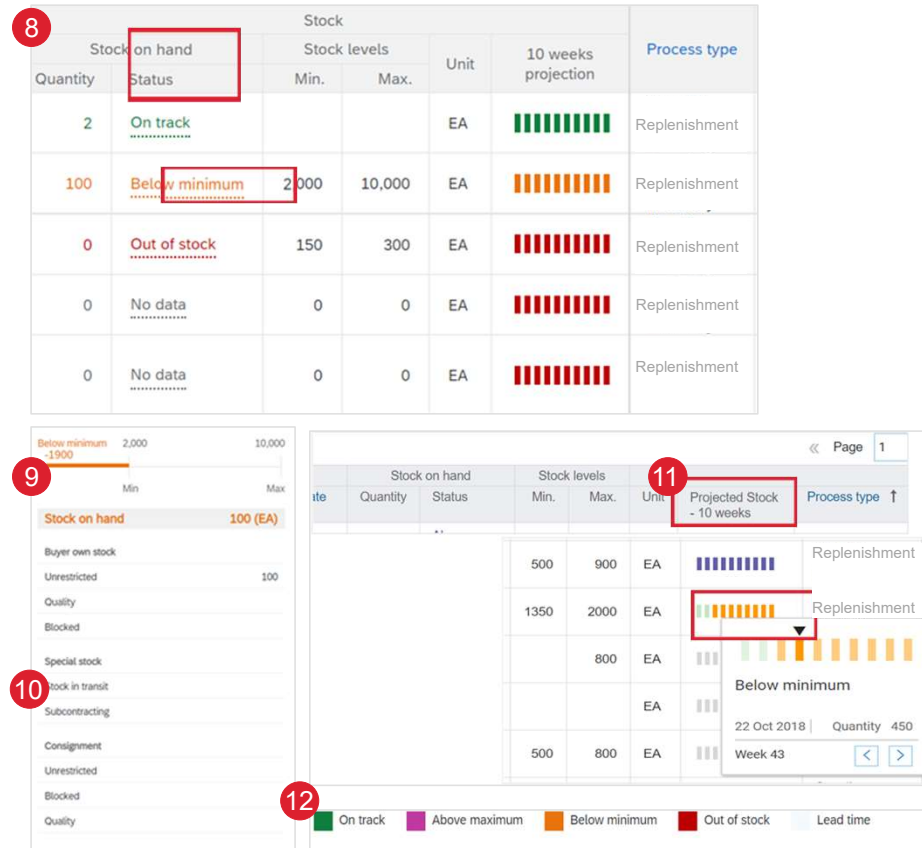
Supplier part no.	Outline Agreement	Lead time
Description	Info Category	Part status
Purchasing Info Record	Last PO No	Last customer update
Planned Delivery Time	Batch/Expiry Date	Last supplier update
Lot Size	Sub Process Type	Quantity
Rounding Value	Customer location	Status
Min. stock level	Planner Code	Product family
Max. stock level	Process type	Product subfamily
Unit	Customer view	External program code
Min. days of supply	Manufacturer name	Part type
Max. days of supply	Manufacturer part ID	Part category
10 weeks projection	Line of business	System ID

Note: All Configure Options may not be available, the availability of options changes with each Collaboration

PLANNING COLLABORATION

OVERVIEW – MAIN SCREEN – STOCK DETAILS

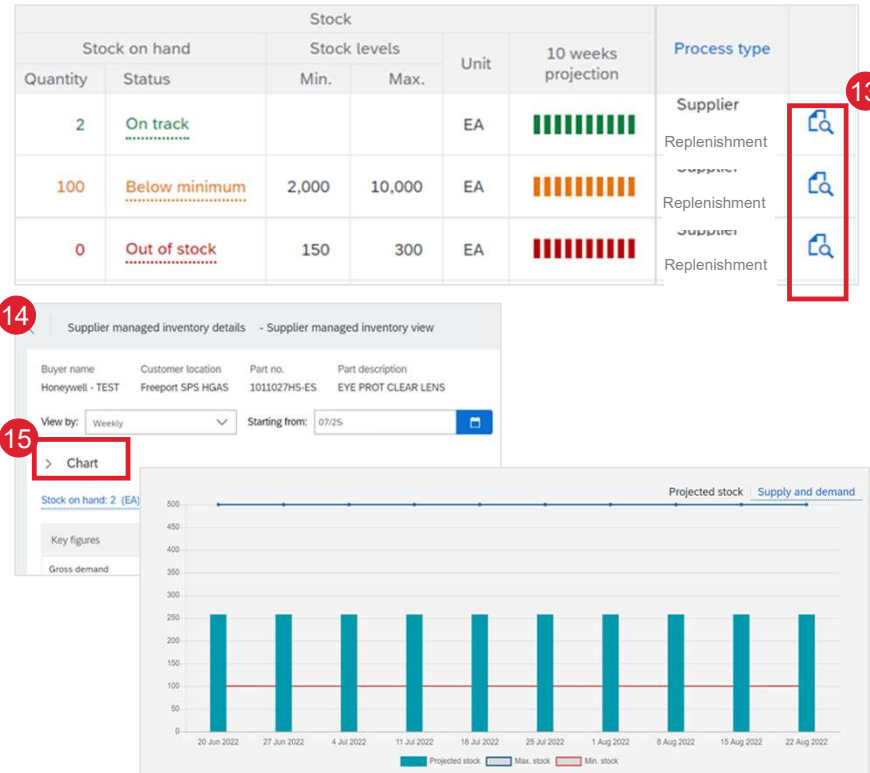
8. Click Stock on Hand status aligned to your material row & a pop-up window will display further details
9. Stock on hand and Min / Max Levels
10. Different stock types status transmitted from Honeywell ERP
11. Click Projected Stock / 10 weeks Projection aligned to your material row & a Pop-up window will display exact stock within a given week (each bar representing a week).
12. From the color coding also, the Supplier can see whether the material is on track, out of stock etc.



PLANNING COLLABORATION

OVERVIEW – MAIN SCREEN – LINE ITEMS DETAILS

13. Click view details icon to open the item data report of your material.
14. Item data report is the key for the supplier to plan and review the replenishment of Honeywell's stock.
15. Expand the **Chart** section to view the graphs.



PLANNING COLLABORATION

MANAGE REPLENISHMENTS

1. Select **View by** in order to choose between different aggregation modes (Daily, Weekly, Monthly, Quarterly, Yearly). The key figures will be summed accordingly.
2. Specify the date in the **Starting from** field.
3. Press the arrows to navigate through the time periods.
4. Click **Send data** in order to update the purchase orders in Honeywell ERP based on the entered planned shipments.
5. Click on the **pencil symbol** next to the Planned replenishment key figure to switch to edit mode in order to be able to enter the replenishment/supply elements per time bucket.

Note:

- The pencil is only visible for the time bucket setting as defined by Honeywell which is weekly, also visible key figures are configured when Honeywell define views for each process type (e.g. SMI).
- The blue background color indicates the lead time for this material
- Pressing the pencil button allows you to **enter replenishment order** in the planned replenishment key figure. Typically, the value will lie between the minimum and maximum proposals.

Supplier managed replenishment details

NALA CLAQ1BUYER2 Part no. KCCMI01 Customer Loc.

View by: Daily Starting from: 22 April

Starting from 22 April

Chart

Stock on hand: 3500 (EA) Part details

Key figures	22 April	23 April
Gross demand		

LOB APJ Buyer 1 - TEST Part no. PROC-MF-CM-0001 Customer Location Atlanta

View by: Weekly Starting from: 22 April

Chart

Stock on hand: 458 (EA) Part details

Key figures	22 April Week 39	29 April Week 40	6 May Week 41
Gross demand			
Net requirement			
Firmed orders			
Previous planned replenishment			
Planned replenishment			
Published replenishment			
In transit			
Turnout stock			

PLANNING COLLABORATION

MANAGE REPLENISHMENTS

6. Supplier enters **planned replenishments** in order to get projected inventory within the min/max levels (min/max proposals simplify the determination of quantities).
7. Pressing **Save** button will trigger the recalculation of projected stock (and change colors if status changes). Supplier might want to enter multiple planned replenishments in different time buckets if needed.
8. Clicking the button **Create replenishment order** passes the entered replenishment data over to the replenishment order (RO) screen.
9. Here individual planned replenishment quantities in the different time buckets will result in a separate line item of the replenishment order and can be selected/deselected here before creating the Replenishment Order.
10. Replenishment order field is a mandatory key field to identify the RO & text box is optional
11. Now the order can be created by pressing the **check flag** and
12. Clicking **Create order** button in the upper right corner.
13. This triggers the transfer of the data to the ERP system in the background.

Stock on hand: 458 (EA) | Part details

Key figures	22 April Week 39	29 April Week 40	6 May Week 41	13 May Week 47	20 May Week 48
Gross demand					
Net requirement					
Firmed orders					
Previous planned replenishment					
Planned replenishment		84			

Cancel Save Create replenishment order

Create replenishment order

Buyer: LOB APJ Buyer 1 - TEST

Replenishment order *

Ship from: New York NY 10001 USA Phone:

Ship to: ATLANTA GA United States Phone:

Leave a comment ...

Include	Description	Planned ship date	Delivery date	Quantity	Unit	Price
<input checked="" type="checkbox"/>	Manufacturing component	1 Oct	1 Oct	84	EA	USD

Buyer part: PROC-MF-CM-0001 | Supplier part: | Buyer plant: Atlanta(3200)

Create replenishment order

Buyer: LOB APJ Buyer 1 - TEST

Replenishment order *

Ship from: 100 Ave

Ship to: ATLANTA GA United States Phone:

to get back into green

Include	Description	Planned ship date	Delivery date	Quantity	Unit	Price
<input checked="" type="checkbox"/>	Manufacturing component	1 Oct	1 Oct	84	EA	USD

Buyer part: PROC-MF-CM-0001 | Supplier part: | Buyer plant: Atlanta(3200)

Supplier managed replenishment details

✓ Your replenishment order has been sent. Please click Refresh data to update the table

TechDronix Part no. FU_RO_0001 | Customer Location Werk 0001

EXCEL USER INTERACTION

EXCEL USER INTERACTION

CREATE A JOB

Excel Download/ Upload functionality allows suppliers with large number of materials to manage their replenishments in a more efficient way.

From the Home page:

1. Click “...” button and select **Upload/Download** from the drop down.
2. In the Jobs sub-tab click **Create**.
3. In the pop-up select job-type **Replenishment**.
4. Fulfill search criteria and all mandatory fields and click **Save**.
5. Select created Job from the list and click **Run**. You will be transferred to the **Downloads** screen.
6. If report status is **Queued**, click **Refresh Status** in the bottom of the screen, until the status is changed to **Completed**.
7. Download the Job by clicking the icon in the File column and save the file on your computer.
8. Open the downloaded excel report

The screenshot shows the SAP Business Network 'Create/Edit Job' interface. The top navigation bar includes 'Home', 'Enablement', 'Workbench', 'Planning', 'Orders', 'Fulfillment', and 'More'. A 'Create' button with a dropdown arrow is highlighted with a red box and a red circle with the number 1. The dropdown menu is open, showing 'Excel Files' and 'Upload/Download', with 'Upload/Download' highlighted by a red box and a red circle with the number 2.

The 'Create/Edit Job' form has several fields: '* Name', '* Type' (set to 'Replenishment'), '* Customer' (set to 'BP SCC Buyer - TEST'), and 'Program code'. Below these are 'Buyer last modified' and 'Supplier last modified' fields, each with a calendar icon. At the bottom of the form are 'Cancel' and 'Save' buttons, with 'Save' highlighted by a red box and a red circle with the number 4.

The 'Jobs' section displays a table with two rows: 'RO test' (Type: Replenishment) and 'pricealldetailst' (Type: Order Confirmation). The 'RO test' row is selected with a radio button. Below the table are buttons for 'Create', 'Edit', 'Run', and 'Clear Downloads', with 'Run' highlighted by a red box and a red circle with the number 5.

The 'Downloads' section shows a table with columns: 'Job Name', 'Type', 'Last Run', 'Status', and 'File'. The first row is 'RO test', 'Replenishment', '30 Oct 2019 2:04:39 AM', 'Completed', and a download icon. The 'Status' column is highlighted by a red box and a red circle with the number 6.

A 'Refresh Status' button is located below the 'Jobs' table, with a red box and a red circle with the number 7. A 'Status' dropdown menu is also present, showing 'Completed' with a red box and a red circle with the number 8.

EXCEL USER INTERACTION

MANAGE REPLENISHMENTS

- Suppliers can edit the information in the downloaded Excel for **Replenishment order No.**
- and **Planned Replenishment quantities**. The fields are highlighted in blue.
- Suppliers can edit the data and enter details with **daily time buckets**.

Unit	Replenishment order No.	Unit price	Currency	Planned acceptance days	Key figures	3 Jul	4 Jul	5 Jul	6 Jul
EA	34RO	2.56	USD		Gross demand				
					Net demand				
					Order				
					Previous Planned Replenishment				
					Planned Replenishment	19			
					Published Replenishment				
					In transit	0	0	0	0
					Target stock				
					MINIMUM_INVENTORY	0	0	0	0
					MAXIMUM_INVENTORY	0	0	0	0
					Projected stock	400	400	400	400
					Published Projected Stock	400	400	400	400

Note:

- Suppliers need to submit an RO with at least one time bucket populated within the planning horizon of that item's Honeywell settings. If not, the item fails.
- For Replenishment order no. use names with no more than 12 alphanumeric characters.

EXCEL USER INTERACTION

SUBMIT REPLENISHMENTS

From the Upload/Download screen:

1. Click on **Uploads** sub-tab.
2. Press **Upload** button. Pop-up window will appear.
3. Enter a meaningful job name and select Type **Replenishment**.
4. Browse / Choose / Open file > select required excel sheet.
5. Press **Upload** button. The status will notify about the success of the upload.

Jobs Downloads **Uploads**

Uploads

Name	Type	Last Uploaded
<div>↳ Upload Refresh Status</div>		

Upload File

* Name : * Type : Replenishment

File : **Choose file** No file chosen

[Download templates](#)

Upload Cancel

Note: 6. If upload **failed** or was **completed with errors**, download the Log and fix the errors. Then, reupload the file following the steps described above.

Type	Last Uploaded	Status	File	Log
Replenishment	30 Oct 2022 10:00:00	Failed		

PORTAL USER INTERACTION

REVIEW REPLENISHMENT

From Homepage:

1. Click on **Fulfillment > Sales Orders**.
2. If the corresponding Purchase Order has not been sent back from ERP and linked to the Replenishment Order the routing status is **Sent** and Status **New**.
3. Once the SAR is received and associated with the Replenishment Order the Routing status is switched to **Acknowledged** with the linked SAR visible in column Order Number.
4. The reference to the replenishment order is specified in the subsequent SAR header.

SAP Business Network Enterprise Account

Home Enablement Workbench Planning Orders Fulfillment Quality

1 Sales Orders

Sales Orders

Sales Order ID	Sales Order Type	Customer	Date	Routing Status	Status	Order Number	Order Status	Actions
RO_FU_11	Replenishment	TechDronix	27 Sep 2018 2:11:28 PM	Sent	New			Actions
FU_RO_C2	Replenishment	TechDronix	27 Jul 2018 3:16:21 PM	Acknowledged	New	4500207287	New	Actions

2

3

4 Reference Document Details

Document Type: ReplenishmentOrder

Document Number: 1RO190328

Note: From here **Order Collaboration** flow can be followed.

PORTAL USER INTERACTION

CANCEL REPLENISHMENT

Replenishment order can be cancelled only as a full documents (separate lines cannot be cancelled individually).

From the Sales Orders Screen:

1. Use search filters to identify the desired replenishment order (Sales Order ID).
2. Once order appears below, click **Actions** and choose **Cancel Order** from the dropdown.

Status updates can be reviewed from the Sales Orders screen:

- Go to **Outbox > Sales Order** for Replenishment Order
- Go to **Orders > Orders & Releases** for subsequent purchase order

Search Filters

Customer: All Customers

Sales Order ID: 1810111600

Date Range: Other

Order Number **Order Status** **Actions**

Actions

Cancel Order

Sales Order ID	Sales Order Type	Routing Status	Status
1RO190328	Replenishment	Acknowledged	Cancelled
1RO190328	Replenishment	Acknowledged	Obsolete

Purchase Order
 (+ Cancelled)
 4500207939
 Amount: \$380.00 USD
 Version: 1 (Previous Version)

SHIPPING AND RECEIVING IN SMI

SHIPPING AND RECEIVING IN SMI

REVIEW CREATED ASN /SHIPPING NOTIFICATION

- Once the replenishments have been executed by Supplier, the Purchase Order gets updated, and Supplier must perform ASN, then Honeywell will do the GR
- For detailed ASN & GR process refer Order Collaboration guide.
- Supplier can also view information regarding ASN & GR from key figure rows of ASN,GR in the main screen of selected material

Stock on hand: 100 (EA) Part details						
Key figures	5 Mar	6 Mar	7 Mar	8 Mar	9 Mar	10 Mar
Gross demand						
Net requirement						
Firmed orders						
Planned shipment						
In transit						
Target stock						
Projected stock	100	100	100	100	100	100
Minimum proposal	-15	-15	-15	-15	-15	-15
Maximum proposal	75	75	75	75	75	75
Total shipment						
ASN received						
Days' supply (SMI)	364	363	362	361	360	359
Order received						

APPENDIX

PLANNING COLLABORATION

OVERVIEW - SEARCH FILTERS DESCRIPTION

Field	Description
Customer	Customer identification.
Customer Part Number	Customer's material number.
Supplier Part Number	Vendor's material number.
Customer Location	Customer Plant.
Planner Code	Customer planner identification.
Show Unique Part and Plant	Once checked, the result screen will show key figures for both supplier managed inventory and forecast data.
Part Category	Part Category as aligned with the customer.
Line of Business	Line of Business as aligned with the customer.
Product Family	Product Family as aligned with the customer.
Product Sub-Family	Product Sub-Family as aligned with the customer.
Program Code	Program Code of Business as aligned with the customer.
Part Type	Part Type as aligned with the customer.
Process Type	Specifies whether the part is using Planned Shipment for SMI (can be combined with Forecast).
Part Status	Specifies if the part is active or inactive.
Customer View	Honeywell are allowed to create views, referred to as custom views, for planning processes and set conditions for their display

PLANNING COLLABORATION

OVERVIEW – CUSTOMER DEFINED ATTRIBUTES

This is the list of fields for defined attributes:

1. Purchasing Info Record
2. Lot Size
3. Outline Agreement
4. Last PO No.
5. Sub Process Type
6. Planned Delivery Time
7. Rounding Value
8. Info Category
9. Batch/Expiry Date

Customer defined attributes

1	Purchasing Info Record	<input type="text"/>	6	Planned Delivery Time	<input type="text"/>
2	Lot Size	<input type="text"/>	7	Rounding Value	<input type="text"/>
3	Outline Agreement	<input type="text"/>	8	Info Category	<input type="text"/>
4	Last PO No	<input type="text"/>	9	Batch/Expiry Date	<input type="text"/>
5	Sub Process Type	<input type="text"/>			

PORTAL USER INTERACTION

KEY FIGURES

Field	Description	Source
Gross demand	Forward-looking consumption.	Honeywell ERP
Firmed orders	Honeywell confirmed orders within the firm zone.	Ariba Network calculation
Previous planned shipment	The total quantity of previously saved planned shipments, within each of the user-selected time bucket.	Ariba Network
Planned shipments	The editable field where supplier enters shipments quantity, within each of the user-selected time bucket.	Supplier input
Published shipments	The total quantity of created shipments orders, within each of the user-selected time bucket.	Ariba Network
In transit	Dispatched quantity not yet received at customer.	Ariba Network calculation
Planned projected stock (RO)	Stock on hand – gross demand + (previous planned shipment + planned shipment).	Ariba Network calculation
Published projected stock (RO)	Stock on hand – gross demand + published shipment.	Ariba Network calculation
Total shipment	Based on total receipts by Honeywell for each time bucket.	Ariba Network calculation
ASN received	Quantity received by Honeywell based on shipments, within each of the user-selected time bucket.	Ariba Network calculation
Order received	Quantity received by Honeywell based on orders, within each of the user-selected time bucket.	Ariba Network calculation

EXCEL USER INTERACTION

MANAGE PLANNED SHIPMENTS – COLUMNS DESCRIPTION 1

Field	Description
Customer ANID	Customer ANID to which the file relates.
Customer Name	Customer name to which the file relates.
Customer part no.	Honeywell's part number for material
Supplier part no.	Seller's part number for the material
Description	Short text description of the material
Location	The location of the customer's site
Location Name	The name given by the customer to their location
Lead time	Delivery Lead-time (the sum of delivery and goods receipt processing times)
Last updated	Date of last customer upload of planning (inventory and demand) data from their ERP to the Ariba Network
Line of business	Additional specification data defined by Honeywell
Product family	Additional specification data defined by Honeywell
Internal program code	Additional specification data defined by Honeywell
External program code	Additional specification data defined by Honeywell
Part category	Additional specification data defined by Honeywell
Part type	Additional specification data defined by Honeywell
Stock on hand	The amount of stock held at the time of last Honeywell upload
Minimum Stock	The minimum required stock level
Maximum Stock	The maximum required stock level
Minimum Days of Supply	Days coverage based on minimum inventory and projected stock figures
Maximum Days of Supply	Days coverage based on maximum inventory and projected stock figures