

Configure Material Type In Material Master Records

What is Material Type?

Materials with the same basic attributes are grouped together and assigned to a material type. **This allows you to manage different materials in a uniform manner in accordance with your company's requirements.**

When creating a material master record, you must assign the material to a material type.

The material type determines certain attributes of the material and has important control functions. For example, it is a **factor determining the screen sequence and field selection in a material master record.**

When you create a material master record, the material type you choose determines:

- Whether the material is intended for a specific purpose, for example, as a configurable material or process material.
- Whether the material number can be assigned internally or externally.
- The number range from which the material number is taken.
- Which screens appear and in what sequence.
- Which departmental data you may enter.
- What procurement type the material has; that is, whether it is manufactured in-house or procured externally, or both.

Together with the plant, the material type determines the material's inventory management requirement; that is:

- Whether changes in quantity are updated in the material master record.
- Whether changes in value are also updated in the stock accounts in financial accounting.

In addition, the accounts affected by a material entering or leaving the warehouse depend on the material type.

Standard Material Types

The standard R/3 System comes with the following material types. Usually, each company will only use those that are required by their own company. Most companies will just leave the rest alone just in case they are required in the future.

VKHM - Additional

Additional is assigned to a material to be sold to ensure its effective presentation to customers. For e.g.

- Clothes hangers,
- Care labels
- Services such as pressing clothing for display or arranging it on hangers

WERB - Advertising media

Means of presentation used in advertising, grouping together advertising messages about a number of materials.

For e.g.

- Printed mail-order catalogs
- Computer catalogs on CD-ROM
- Promotional fliers

MODE - Apparel, seasonal

FGTR - Beverages

WETT - Competitive products

Observing and evaluating the activities of your competitors is essential for optimum market analysis. You can enter basic data on the products of your competitors in material master records of this material type. By specifying a competitor number, you can assign the product to a particular competitor.

KMAT - Configurable materials

Configurable materials are materials that can have different variants. For example, an automobile can have different types of paintwork, trim, and engine. The Material is configurable indicator is already set for this material type in Customizing for the Material Master in Define Attributes of Material Types.

Industry LEER, retail LGUT - Empties

Empties are a type of returnable transport packaging generally subject to a deposit. They can consist of several components grouped together in a bill of material (BOM) that are assigned to a full product. For example, an empty crate and the empty bottles are assigned to the full product beer. Each of the components in the BOM has a separate material master record.

FERT - Finished products

Finished products are produced in-house. Since they cannot be ordered by Purchasing, a material master record of this material type does not contain purchasing data.

FOOD - Foods excluding perishables

VOLL - Full products

Full products are the counterpart to empties. For example, with a crate of lemonade, the full product is the lemonade itself, while the empties are the individual bottles and the crate.

INTR - Intra materials

Intra materials exist only temporarily between two processing steps. A material master record of this material type contains neither purchasing nor sales data.

CONT - KANBAN containers

This material type is recommended for creating KANBAN containers as a material. In the standard R/3 System, only the Basic Data view is offered. Using this material type makes it easy to search for KANBAN containers.

IBAU - Maintenance assemblies

Maintenance assemblies are not individual objects, but logical elements to separate technical objects into more clearly defined units in plant maintenance. For example, an automobile can be a technical object, and the engine, gearbox, chassis, and so on the maintenance assemblies. A material master record of this material type can contain basic data and classification data.

HERS - Manufacturer parts

Manufacturer parts are materials that can be supplied by different manufacturers and/or vendors who use different manufacturer part numbers to identify the materials. For more information, see Manufacturer Part Numbers (MPNs) in the SAP library documentation MM Purchasing.

NOF1 - Nonfoods

Nonfoods are items sold in grocery stores, other than food.

For e.g.

- Paper products
- Magazines

NLAG - Nonstock materials

Nonstock materials are not held in stock because they are consumed immediately.

UNBW - Nonvaluated materials

Nonvaluated materials are managed on a quantity basis, but not by value.

HIBE - Operating supplies

Operating supplies are procured externally and required for the manufacture of other products. A material master record of this material type can contain purchasing data, but not sales data.

VERP - Packaging materials

Packaging materials are used to transport goods and come with the goods free of charge. A material master record of this material type is managed on both a quantity basis and value basis.

FRIP - Perishables

Goods that are perishable in an assortment.

For e.g.

- Fruit and vegetables
- Dairy products
- Meat

PIPE - Pipeline materials

Materials such as oil, power, or water that flow into the production process directly from a pipeline, line, or other type of conduit. Since pipeline materials are always available, they are not planned.

PROC - Process materials

Process materials are used in the manufacture of co-products. They are not physical entities, but represent production processes. They are useful if production is initiated by the availability of input materials and capacities, and not by material requirements planning.

PROD - Product groups

Product groups aggregate materials according to certain freely definable criteria. For example, the

products may be similar to each other in some way, or they may be finished products that were produced on the same machine.

FHMI - Production resources/tools

Production resources/tools are procured externally and used in production or plant maintenance. A material master record of this material type can contain purchasing data, but not sales data. It is managed on a quantity basis.

For e.g.

Jigs and fixtures

Measuring and test equipment

ROH - Raw materials

Raw materials are always procured externally and then processed. A material master record of this type contains purchasing data, but not sales data since they cannot be sold.

HALB - Semifinished products

Semifinished products can be procured externally and manufactured in-house. They are then processed by the company. A material master record of this material type can contain both purchasing and work scheduling data.

DIEN - Services

Services can be performed internally or procured externally (outsourced). They cannot be stored or transported.

For e.g.

Construction work

Janitorial/cleaning services

Legal services

ERSA - Spare parts

Spare parts are used to replace defective parts. They may be kept in stock. A material master record of this material type can contain purchasing data, but not sales data.

HAWA - Trading goods

Trading goods are always procured externally and then sold. A material master record of this material type can contain purchasing data and sales data.

WERT - Value-only articles

A value-only article represents a group of articles whose inventory is not managed on an article basis. All goods movements for this group of articles are posted to the value-only article.

User - General Screen to view the Material Type when creating the Material Master

MM01 - Create Material Master

This is the create material master general screen. You need to specify the Material Type manually.

The screenshot shows the 'Create Material (Initial Screen)' dialog box in SAP. The window title is 'Create Material (Initial Screen)'. The menu bar includes 'Material', 'Edit', 'Goto', 'Defaults', 'System', and 'Help'. The toolbar contains icons for 'OK', a search field, 'Save', 'Refresh', 'Cancel', 'Print', 'Help', and 'F1'. Below the toolbar are buttons for 'Select view(s)' and 'Data'. The main area contains several input fields and a dropdown menu:

- Material**: An empty text input field.
- Industry sector**: A dropdown menu.
- Material type**: A dropdown menu currently showing 'UKHM Additional'. The dropdown list is open, showing the following options:
 - UKHM Additional
 - MODE Apparel (seasonal)
 - FGTR Beverages
 - WETT Competitive products
 - KMAT Configurable materials
 - COUP Coupons
- Change number**: An empty text input field.
- Copy from...**: A label for the 'Material' field below.
- Material**: An empty text input field.

User - Short cut to Create Material Master by Material Type

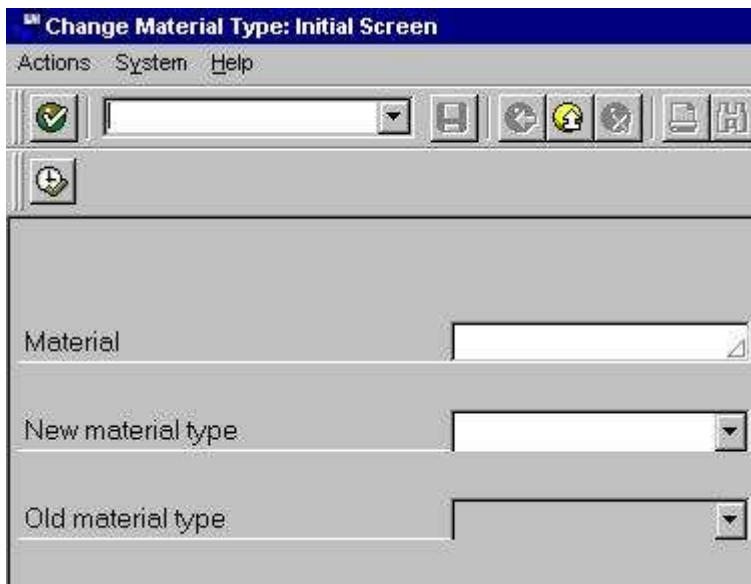
You can use this Menu path to create the material master directly without choosing the Material Type.



Changing the Material Type

In certain circumstances, it may be necessary to change the material type. For example, a material that was always procured externally (HAWA - Trading goods) in the past and whose material type allows only external procurement is also to be produced in-house (FERT - Finished products) in the future. Therefore, you must assign the material to a material type that also allows in-house production.

Use transaction **MMAM** to change the material type :-



Since the material type influences the way transactions are processed in the R/3 System, the system checks any change to the material type to see whether it is allowed :-

- If you use the material ledger, the material must be settled in it.
- If the old material type did not require you to specify a price control (for example, standard price or moving average price) for the material, the new material type must not be configured such that it allows only standard price as the price control.
- If the material has been maintained from the Production Resources/Tools view, this view must also be allowed for the new material type.
- If the material is not a configurable material, the new material type must not be allowed only for configurable materials.

In Customizing for the Material Master (in Define Attributes of Material Types), the **following indicators must have the same setting for the old material type and for the new material type:**

- Material for process indicator
- Manufacturer part indicator

If inspection plans are required for quality management inspection of the material, they must be allowed for the new material type.

The Material type ID indicator (presently used only in Retail) must be the same for the old material type and for the new material type.

If the material is already in stock, or if reservations or purchasing documents exist for it, the following conditions must also be met:

The stock values of the material of the new material type must be updated in the same G/L account as the stock values of the material of the old material type.

Quantities and values of the material of the new material type must be updated in exactly the same way in all plants as quantities and values of the material of the old material type.

If there is a transfer requirement for the material and if quants of the material exist, the new material type must also allow the material data to be maintained from the Warehouse Management view.

If the material, whose material type you want to change, was handled in batches and if, due to the maintenance statuses of the new material type, the material can no longer be handled in batches, although batches still exist, you cannot change the material type.

OMS2 - Configuration of Material Type

Figure 1 is the initial screen which you used for configuring the Material Type.

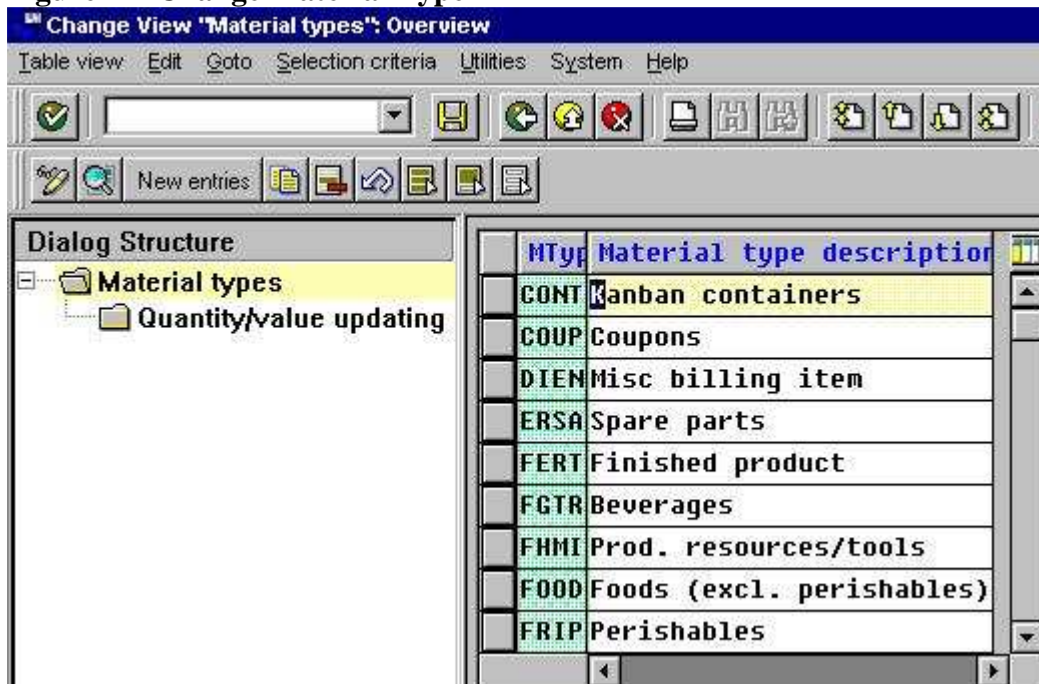
For example, if you want to view the individual FERT setting, **double click on FERT**.

Scroll down to view **Figure 2**.

In **Figure 1**, click **Quantity/value updating** to view **HOW** the Material Type is Updated.

Scroll down to **Figure 3**.

Figure 1 - Change Material Type



This is the individual IMG attribute where you control the **many attributes of the Material Type** such as which **VIEW** can be created by the users.

Figure 2 - Attributes of Material Type

Material type

General data

Field reference X-plant matl status

SRef: material type Item category group

Authorization group

External no. assignment w/o check Initial Status

Special material types

Material is configurable

Material f. process

Pipeline mandatory

Manufacturer part

Internal/external purchase orders

Ext. purchase orders

Int. purchase orders

Classification

Class type

User departments

- Status description
- Work scheduling
- Accounting
- Classification
- MRP
- Purchasing
- Production resources/tools
- Costing
- Basic data
- Storage
- Forecasting

Figure 3 - Quantity/Value Updating

A tick on the **Qty** column indicate that the Material Documents will be created and Inventory Qty will be updated.

A tick on the **Value** column indicate that the Financial Documents will be created and the value posted to FI.

Quantity/value updating						
	Val	Matl	Qty updatin	Value upda	Pipe.mand.	PipeAllowe
		FERT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		FERT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		FERT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		FERT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resource Guide

Recommended Reading

General Test of SAP MM Knowledge

Sample MM questions and answers to test your knowledge:

<http://www.sap-img.com/materials/general-test-of-sap-mm-knowledge.htm>

List of standard Reports in MM

Large list of useful reports in SAP Material Management.

<http://www.sap-img.com/materials/list-of-standard-reports-in-mm.htm>

Movement Error - Posting Only Possible Between

The most common inventory posting error during a new period.

<http://www.sap-img.com/materials/movement-error-posting-only-possible-between.htm>

mySAP Certification - Criteria For Application

The guidelines: Criteria to applying for a SAP Certification :

<http://www.sap-img.com/general/mysap-certification.htm>

Common Tables used by SAP MM

All the available Material Management tables such as Inventory Management, Material Master and Purchasing etc.

<http://www.sap-img.com/materials/common-tables-used-by-sap-mm.htm>