Scraping Inventory

Inventory can be scrapped in several different manners within the plant. A basic consideration for scraping inventory is whether the part is lot or serial controlled. If the part is lot or serial controlled, then a normal SAP Inventory Issues transaction must be entered. This is required to ensure that the batch and serial numbers get updated properly. While this is tedious entry, it is also the only accurate entry. Another basic consideration is whether the part is a ‘phantom’ part or not. A phantom part is simply a part that is not normally reported as having inventory. That creates a problem when we are scraping inventory. Phantom parts are really produced on the floor, they are just not reported. So what happens when a phantom part needs to be scrapped? The part has likely been assembled from its components. To scrap the phantom part really means scrapping each of the components of the phantom. To do this using SAP – from the inventory issues screen, try entering the phantom part – it won’t allow this. So that means that the user needs to get an exploded BOM of the phantom and component by component enter the issues transactions. Too laborious!

In order to accommodate this shortcoming, the following functionality has been added for scraping inventory:

1. Scrap can also be entered on the Mascidon production entry screen. This method is often used when production reporting includes scrapped items. Phantom items cannot be scrapped using this method. Figure 1.1 shows the fields on the production screen used to enter the scrap and scrap reason.

2. Enter scrap inventory using the scrap entry screen as shown in Figure 1.2. The user enters a quote with the customer ‘SCRAP’. The system has a flag on the main screen that indicates that this is really scrap – not a sales quotation. Then when the sales quote is saved, the following occurs:
   a. Any line items entered will be scrapped from inventory if they are not phantom parts. This is done by creating SQL records for issues transactions and allowing the SDK program to create the inventory issues.
   b. Items entered which are phantoms will create SQL records for each of the phantom part’s components. The SDK program will once again create the inventory issues transactions.

3. Scrap inventory at the fabrication line using the shop floor entry screen. The shop floor production entry screen allows entry of the scrap quantity. This creates records in a SQL table which are subsequently processed by an SDK program as inventory issues.

   Note: All scrap transaction end up in the inventory issues screen as issues from stock.
Figure 1.1 Scrap Entry from Production Entry

Figure 1.2 Scrap Entry