

Case Study - 'Dual' CO-PA Implementation

Customer **Major High-tech Company**
Industry **Semi-conductor**

About Customer

A major semi-conductor company based in the Silicon Valley, California and the world's leading supplier of process control and yield management solutions for the semiconductor and related microelectronics industries. The company's products and services enable integrated circuit manufacturers to manage yield throughout the wafer fabrication process from research and development to final mass production yield analysis. In addition, it provides manufacturing with older technologies and refurbished certified tools. The company also provides other services, such as on-site repair, system installation, and educational services. It sells its products and services through direct sales force and distributors primarily in the United States and Japan, as well as in Europe and the Asia-Pacific region.

Business Challenge

The company has been already using Costing-based CO-PA for many years. Though the Costing-based CO-PA met their margin reporting requirements, it was heavily under-utilized. The primary cause of the problem was that there was significant mismatch between CO-PA and the G/L. Majority of the reports used by the business community were out of sync and caused major heart burn. The business community had lost the confidence in CO-PA numbers and thus the costing-based CO-PA module was hardly used.

QS&S Solution

One of the most common causes of differences is shipped but not invoiced transactions. In addition, there were many other causes caused by the business processes. A detailed analysis was conducted by the QS&S team to understand the causes of the issues.

After detailed review and understanding, QS&S team recommended implementing Account-based CO-PA. This was in addition to the Costing-based CO-PA solution already in place. One of the biggest challenges was to turn on Account-based CO-PA in the live productive system. In addition to the extensive configuration required to activate Account-based CO-PA, the significant challenge involved changing the account-assignment settings for the open transactions.

Benefits

The use of Account-based CO-PA offers advantages in terms of reconciliation between CO-PA and G/L.

Utilizing the feature of 'Dual' CO-PA was a huge benefit to the customer. Costing-based CO-PA provided the valuable gross-margin analysis reporting typically required for management analytics. Account-based CO-PA provided the day-to-day operational reporting tools, which matched the General Ledger, provided consistent and granular reporting.

Technology

- SAP Enterprise - version 4.7
- SAP Application Modules – CO-PA, SD, FI, CO, MM

Methodology

- The project was implemented using the customer-specific project methodology with lifecycle milestones of Design, Build, Test and Evaluate
- The mass data updates were done using standard SAP tool LSMW – Legacy System Migration Workbench.
- Considering the sensitivity, as data being changed in the production system, exhaustive testing was done. Three (3) rounds of testing was conducted prior to performing mass

Why QS&S?

- Acknowledged CO-PA Experts in the industry
- Managed, handled many of the most complex CO-PA projects
- Most qualified team with Business, Functional and Technical Skills
- Deep knowledge and understanding of SAP processes, procedures and functions

About QS&S

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