Oracle® Landed Cost Management
Process Guide
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Contents

Send Us Your Comments

Preface

Part 1 Understanding Landed Cost Management

1 Understanding Landed Cost Management
   Oracle Landed Cost Management Overview .......................................................... 1-1
   Integration with Other Oracle Applications ......................................................... 1-4

Part 2 Setting Up Landed Cost Management

2 Setting Up Landed Cost Management
   Understanding the Landed Cost Management Setup Process .................................. 2-1
   Setting Up Inventory Organization Options ......................................................... 2-2
   Setting Up Receiving Options ............................................................................. 2-4
   Setting Up Cost Factors ...................................................................................... 2-7
   Setting Up Advanced Pricing Profile Options ...................................................... 2-8
   Setting Up Landed Cost Management Options ....................................................... 2-9
   Maintaining Shipment Line Types ...................................................................... 2-11
   Maintaining Shipment Types ................................................................................ 2-13
   Setting Up Landed Cost Management Profile Options .......................................... 2-18
Part 3 Managing Landed Cost

3 Understanding the Shipments Workbench
   Understanding the Shipments Workbench .......................................................... 3-1
   Understanding the Shipment Status .................................................................... 3-16

4 Managing Landed Cost as a Pre-Receiving Application
   Understanding Landed Cost as a Pre-Receiving Application ............................. 4-2
   Creating Landed Cost Management Shipments ................................................. 4-8
   Entering Shipment Lines for the Shipment ....................................................... 4-12
   Updating Shipments ......................................................................................... 4-17
   Updating Shipment Lines .................................................................................. 4-24
   Updating a Specific Shipment Line ................................................................... 4-28
   Viewing Shipments ............................................................................................ 4-30
   Viewing Shipment Lines .................................................................................... 4-32
   Viewing a Specific Shipment Line ................................................................. 4-33
   Generating Charges for the Shipment ............................................................. 4-35
   Managing Charge Lines for the Shipment ....................................................... 4-36
   Viewing Charge Lines for the Shipment .......................................................... 4-41
   Managing Associations for the Shipment ......................................................... 4-43
   Viewing Associations for the Shipment ............................................................ 4-46
   Validating the Shipment ..................................................................................... 4-48
   Calculating Estimated Landed Cost for the Shipment ...................................... 4-49
   Viewing Estimated Landed Cost for the Shipment .......................................... 4-51
   Submitting the Shipment to Receiving .............................................................. 4-54
   Calculating and Importing Actual Landed Cost for the Shipment ...................... 4-56
   Viewing Actual Landed Cost for the Shipment ............................................... 4-58

5 Managing Landed Cost as a Service
   Understanding Landed Cost as a Service ........................................................ 5-2
   Importing Estimated Landed Cost Information from Receiving ....................... 5-5
   Searching for Automatically Created Shipments ............................................. 5-7
   Viewing Estimated Landed Cost for the Shipment .......................................... 5-11
   Calculating and Importing Actual Landed Cost for the Shipment ...................... 5-15
   Viewing Actual Landed Cost for the Shipment ............................................... 5-16

6 Managing Simulated Landed Cost
   Understanding Simulated Landed Cost ............................................................. 6-1
Creating a Landed Cost Simulation for a Purchase Order.......................................................... 6-2
Reviewing Existent Landed Cost Simulations................................................................. 6-5
Managing Existent Landed Cost Simulations................................................................. 6-8
Managing Charges and Simulation Details...................................................................... 6-12
Creating the Estimated Landed Cost Shipment............................................................. 6-19

A Windows/Pages and Navigation Paths

Overview of Landed Cost Management Windows/Pages and Navigation Paths............... A-1
Windows/Pages and Navigator Paths.................................................................................. A-1

B Profile Options

Overview of Profile Options.................................................................................................. B-1
Landed Cost Management Profile Options........................................................................... B-1

Index
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Part No. E14299-04

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- Did you find any errors in the information?
- Does the structure of the information help you with your tasks?
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Preface

Intended Audience


This guide is designed for users, administrators, and implementers, of the Oracle Landed Cost Management application. It assumes that you have a working knowledge of the principles and customary practices of the business area.

See Related Information Sources on page x for more Oracle E-Business Suite product information.

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Structure

1 Understanding Landed Cost Management
2 Setting Up Landed Cost Management
3 Understanding the Shipments Workbench
4 Managing Landed Cost as a Pre-Receiving Application
5 Managing Landed Cost as a Service
6 Managing Simulated Landed Cost
A Windows/Pages and Navigation Paths
B Profile Options

Related Information Sources

Oracle Cost Management User’s Guide
Oracle Purchasing User’s Guide
Oracle iProcurement Implementation and Administration Guide
Oracle Sourcing and Implementation Guide
Oracle Payables User’s Guide
Oracle Inventory User’s Guide
Oracle Advanced Pricing User’s Guide

Integration Repository

The Oracle Integration Repository is a compilation of information about the service endpoints exposed by the Oracle E-Business Suite of applications. It provides a complete catalog of Oracle E-Business Suite’s business service interfaces. The tool lets users easily discover and deploy the appropriate business service interface for integration with any system, application, or business partner.
The Oracle Integration Repository is shipped as part of the E-Business Suite. As your instance is patched, the repository is automatically updated with content appropriate for the precise revisions of interfaces in your environment.

**Do Not Use Database Tools to Modify Oracle E-Business Suite Data**

Oracle STRONGLY RECOMMENDS that you never use SQL*Plus, Oracle Data Browser, database triggers, or any other tool to modify Oracle E-Business Suite data unless otherwise instructed.

Oracle provides powerful tools you can use to create, store, change, retrieve, and maintain information in an Oracle database. But if you use Oracle tools such as SQL*Plus to modify Oracle E-Business Suite data, you risk destroying the integrity of your data and you lose the ability to audit changes to your data.

Because Oracle E-Business Suite tables are interrelated, any change you make using an Oracle E-Business Suite form can update many tables at once. But when you modify Oracle E-Business Suite data using anything other than Oracle E-Business Suite, you may change a row in one table without making corresponding changes in related tables. If your tables get out of synchronization with each other, you risk retrieving erroneous information and you risk unpredictable results throughout Oracle E-Business Suite.

When you use Oracle E-Business Suite to modify your data, Oracle E-Business Suite automatically checks that your changes are valid. Oracle E-Business Suite also keeps track of who changes information. If you enter information into database tables using database tools, you may store invalid information. You also lose the ability to track who has changed your information because SQL*Plus and other database tools do not keep a record of changes.
Part 1

Understanding Landed Cost Management
Understanding Landed Cost Management

This chapter covers the following topics:

- Oracle Landed Cost Management Overview
- Integration with Other Oracle Applications

Oracle Landed Cost Management Overview

Oracle Landed Cost Management enables you to manage estimated and actual landed cost for an item purchased from a supplier. Using Oracle Landed Cost Management you can determine the "real" costs associated with acquiring items including insurance, transportation, handling, storage costs, container fees, and import or export charges. Knowledge and visibility into these trade costs help organizations better evaluate new product plans, price their items, and negotiate contracts with both suppliers and customers.

Using Oracle Landed Cost Management you can first estimate the landed costs for the items and then you can update those costs with the actual landed costs as they become known. Oracle Landed Cost Management gives you the option to determine and calculate estimated landed costs before the receipt of the items into inventory (Landed Cost as a Pre-Receiving Application) or after the receipt of the item into inventory (Landed Cost Management as a Service). Then when you create and match invoices against those receipts this price information is used to calculate the actual landed costs for the item. Within Oracle Landed Cost Management you can view the estimated and actual landed costs for an item side by side. This gives you valuable information about the landed cost for an item and where cost improvement can made.

During the processing of landed costs using Oracle Landed Cost Management, inventory valuations for various cost methods are maintained providing better visibility into individual items profitability and an organizations outstanding exposure. This data provides insight for item forecasting and budgeting and provides clear evidence of the detailed accumulation of expenses for regulatory requirements and reporting.

For more detailed information on using Oracle Landed Cost Management, see Understanding Landed Cost as a Pre-Receiving Application, page 4-2 and
Features of Landed Cost Management

Oracle Landed Cost Management provides several features. A few of the key features are:

- **Charge Management**
  Oracle Landed Cost Management collects an unlimited number of estimated charges and enables you to configure how these charges are applied to a shipment line, a group of lines within a shipment, or an entire shipment. It applies these charges based on weight, volume, quantity, or the value of the items being traded. These charges can be categorized by different cost factors which will ultimately govern the behavior in how they are included in a total landed cost calculation. Once actual amounts are received, Charge Management records the new value for comparison with the earlier estimates.

- **Landed Cost Calculation**
  The Oracle Landed Cost Management Calculation process provides the ability to calculate the estimated landed cost based on charges manually assigned and automatically allocated based on the configuration of the charge lines. It also calculates the actual landed costs by prorating the actual invoices and proportional taxes to obtain the variances between what was estimated and what was charged. Cost components summed in the calculation remain stored at the most granular level for detailed tracking of charge amounts while variances are updated to the appropriate accounts.

- **Shipments Workbench**
  It is common that the financial flows do not mirror the physical supply chain transactional flows. Oracle Landed Cost Management helps to link these two flows together and provides visibility and traceability from one to the other. With the Landed Cost Management Shipment Workbench, companies can view the real time accrual updates for a particular receipt or shipment. They can validate the accuracy of a supplier’s estimate by comparing estimated and actual costs and can view the percentage of a particular cost component for a particular item. Additionally, you can make use of all the flexible Oracle and E-Business Suite tools to meet your own customized reporting requirements.
Benefits from Using Landed Cost Management

*Operational Life Cycle*

Using Oracle Landed Cost Management will provide your organization with several benefits. Oracle Landed Cost Management will help organizations:

- **Maximize Profits**
  
  By illuminating “real” product costs, organizations have the opportunity to identify areas for potential cost reduction. It also helps managers more accurately monitor product performance against profitability targets and ensure estimated costs are in line with actual costs.

- **Increase Competitiveness**
  
  When all of the charges, fees, duties and taxes are known, companies can more strategically source products and components from lower cost foreign locations. This also enables them to better justify contracts with vendors or potential customers. Ultimately, they can price goods with the full understanding of the charges associated with bringing an item to market.

- **Increase Visibility**
  
  Itemizing and tracking all acquisition costs and material cost elements as they apply to a product enables organizations to better link their product supply flows with their financial processing and reporting. In addition, tracking estimated costs as soon as they are known gives decision makers more insight into their exposure for budgeting and reporting purposes before invoices are ever received.
• Ensure Compliance

Companies can feel more confident in their financial reports and their cost declarations. This includes accurately calculated taxes and consideration of those taxes whose recovery should be excluded from total cost calculations. Additionally, organizations will adhere to country specific requirements for product specific profitability documentation and income tax calculations.

Integration with Other Oracle Applications

Oracle Landed Cost Management integrates with several other Oracle E-Business suite applications during the processing of estimated and actual landed costs for an item. The Oracle E-Business applications that integrate with Oracle Landed Cost Management are:

• Oracle Purchasing

Purchase order information is the baseline information used to itemize expected shipment or receiving lines on which extended supply chain charges will be applied. Oracle Landed Cost Management provides visibility into Oracle Purchasing purchase order data to build expected shipments for charge application and subsequent landed cost estimation calculations. When entering expected shipments the reference information provided by Oracle Purchasing saves time and decreases errors that might occur without automated access to this information. After the purchase order information is available in Oracle Landed Cost Management, expected values received from the purchase order such as, quantity
and price can be edited for estimated cost calculation purposes. Furthermore, all the necessary data is provided to help arrive at an accurate three way match after an invoice for a purchase order line or charge is entered into Oracle Payables.

Additionally, Landed Cost Management recovers the tax lines associated to the purchase order that was originally calculated by EB-Tax, in order to include the non-recoverable amounts into the landed cost.

- Oracle Purchasing (Receiving)

Oracle Landed Cost Management integrates tightly with the Oracle Purchasing Receiving module. Landed Cost Management relies on the Receiving transactions to calculate the estimated landed costs for a Landed Cost Management shipment. These estimated landed costs are then forwarded to Oracle Cost Management to update inventory valuations and accounting.

- Oracle Payables

Invoices created in Oracle Payables provide the actual cost information that supports the actual landed cost calculations that occur in Landed Cost Management.


After actual values are received from invoices the actual landed cost is calculated in Oracle Landed Cost Management. The variances between the actual landed cost and the estimated landed cost are determined. Those variances are passed to Oracle Cost Management which in turn updates the proper accounts and valuation. If you are using Oracle Process Manufacturing than you must first run a concurrent program that will pass the variances to OPM Cost Management and that application will in turn update the proper accounts and valuation. Both process and discrete Costing applications follow similar flows: Landed Cost Management calculates the estimated and actual landed costs and the variances, which are used for costing valuation and accounting.

- Oracle Advanced Pricing (Optional)

Integration with Oracle Advanced Pricing enables you to set conditions for the automatic application of the required charges, fees, duties and taxes for a Landed Cost Management shipment. This means that estimated charges can be applied automatically to a shipment.
Part 2

Setting Up Landed Cost Management
Setting Up Landed Cost Management

Understanding the Landed Cost Management Setup Process

Before you can use the Landed Cost Management application you must set up the application. A part of the Landed Cost Management setup occurs in other Oracle E-Business applications and then some of the setup is performed within the Landed Cost Management application itself.

Since Landed Cost Management integrates with several Oracle E-Business applications these applications need to be implemented and set up as well before you can successfully use the Landed Cost Management application. The other Oracle E-Business applications that need to be set up are:

- Oracle Inventory
- Oracle Purchasing
- Oracle Payables (required for actual landed cost calculation)
- (Conditionally Optional) Oracle Cost Management
- (Conditionally Optional) Oracle Process Manufacturing


Plus, Landed Cost Management can integrate with Oracle Advanced Pricing but it is not required. Oracle recommends that you integrate with Oracle Advanced Pricing so automatic charge calculation will occur in the processing of landed costs. Otherwise, you will have to enter all of the charge lines manually.

Setting Up Landed Cost Management

Follow this high-level process flow to set up Landed Cost Management:
1. Implement and set up all the other Oracle E-Business applications (Oracle E-Business Inventory, Purchasing, Cost Management, Process Manufacturing, Payables, and Advanced Pricing) that are integrating with Landed Cost Management.

   For more information on setting up these applications, see the specific implementation guide and user guide for each application.

2. Set up Inventory organization options.

   For more information, see Setting Up Inventory Organization Options, page 2-2.

3. Set up Receiving options.

   For more information, see Setting Up Receiving Options, page 2-4.

4. Set up cost factors.

   For more information, see Setting Up Cost Factors, page 2-7.

5. Set up Oracle Advanced Pricing profile options.

   For more information, see Setting Up Advanced Pricing Profile Options, page 2-8.


   For more information, see Setting Up Landed Cost Management Options, page 2-9.

7. Set up shipment line types.

   For more information, see Maintaining Shipment Line Types, page 2-11.

8. Set up shipment types.

   For more information, see Maintaining Shipment Types, page 2-13.


   For more information, see Setting Up Landed Cost Management Profile Options, page 2-18.

### Setting Up Inventory Organization Options

To use Oracle Landed Cost Management you must specify the inventory organizations that you want to have use Landed Cost Management and you must specify the Landed Cost Management variance account for that organization.

For more information on Inventory organization options, see the Inventory Structure chapter in the Oracle Inventory User’s Guide.

Use this procedure to set up Inventory organization options:
To Set Up Inventory Organization Options:

   Organization Parameters - Inventory Parameters window

The Organization Parameters - Inventory Parameters window appears.

2. In the Enabled Products & Features region of the window, select the LCM Enabled check box.

   Note: If you are using Oracle Process Manufacturing, the Process Manufacturing Enabled check box should already be selected for the organization. You will then select the LCM Enabled check box for that organization so that the integration between Oracle Process Manufacturing and Oracle Landed Cost Management can occur.

   Note: When the Enable Project Reference checkbox in the PJM
Organization Parameters Form is checked, the LCM Enabled flag in the Inventory Organization Parameters form cannot be checked.

3. Navigate to the Organization Parameters - Other Accounts window, page A-1 by selecting the Other Accounts tab.

**Organization Parameters - Other Accounts window**

The Organization Parameters - Other Accounts page appears.

4. In the Other Accounts region of the page, enter a LCM Variance Account.

5. Save your work.

**Setting Up Receiving Options**

To use Oracle Landed Cost Management you must setup several receiving options. Using the receiving options you specify whether Landed Cost Management will be used as a pre-receiving application and you also specify the accounts that will be used
pertaining to Landed Cost Management in the accrual accounting process.

For more information on setting up receiving options, see the Setting Up chapter in the Oracle Purchasing User’s Guide.

Use the procedure to set up receiving options:

**To Set Up Receiving Options:**

   - The Receiving Options page appears.

2. Select an Inventory organization from the list of values in the Inventory Organization field.

3. Click Go.

![Receiving Options page (1 of 2)]
The Receiving Options page appears, displaying the receiving options that pertain to the Inventory organization you selected.

4. (Optional) Select the Pre-Receiving in LCM check box to indicate that you want the organization to operate with Landed Cost Management as a pre-receiving application.

Select this check box if you will need to review or collect landed cost information before receiving activities occur. In the pre-receiving mode (Landed Cost as a pre-receiving application), the received quantity is equal to the Landed Cost shipment quantity and cannot be updated.

If not selected, Landed Cost Management will operate as a calculation service without any need for user intervention.

In this case, the Landed Cost Management process will start in the Receiving windows but all the integration and calculation for landed costs will be performed as a calculation service using API's and concurrent programs and the create button on the Shipments Workbench will not be available.

5. Select an account from the list of values in the Landed Cost Absorption field. This account will be used during the receiving accrual accounting process.

6. Select an account from the list of values in the Invoice Price Variance field. This account will be used during the receiving accrual accounting process.

7. Select an account from the list of values in the Exchange Price Variance field. This account will be used during the receiving accrual accounting process.

8. Select an account in the Tax Price Variance field. This account will be used during the receiving accrual accounting process.

9. Select an account in the Default Charge Variance field. This account will be used...
Setting Up Cost Factors

Oracle Landed Cost Management uses cost factors to define charge types. Charge types are used in Landed Cost Management when adding a new charge line in the Shipments Workbench.

For more information on setting up cost factors, see the Oracle Sourcing Implementation and Administration Guide.

Use this procedure to set up cost factors:

**To Set Up Cost Factors:**

   The Cost Factors page appears displaying all of the cost factors.

2. Click Create.

   ![Create Cost Factor page]

   The Create Cost Factor page appears.

3. Enter the code for the cost factor in the Code field.
   This code will appear in the Charge Type list of values in the Shipments Workbench.

4. Select Active for the Status.
Landed Cost Management only uses cost factors with an active status for charge line creation.

5. Enter a name for the cost factor in the Cost Factor Name field.

6. Select the basis for pricing using the Pricing Basis field.
   Per-Unit appears by default for the pricing basis.

7. Enter the description for the cost factor in the Description field.

8. In the Cost Management region, select the Allocation Basis for the cost factor. Options are:
   - Quantity
   - Value
   - Volume
   - Weight

   Landed Cost Management supports all of these basisses for allocation. The allocation basis is used to prorate the charge amounts to the items on the Landed Cost Management shipment.

   **Note:** If the Allocation Basis is blank, Landed Cost Management defaults the allocation basis to *Value*.

---

**Setting Up Advanced Pricing Profile Options**

If you are using Oracle Advanced Pricing to integrate with Oracle Landed Cost Management then you will want to define Advanced Pricing profile options in a manner recognized by Landed Cost Management. The Advanced Pricing application is required if you need automatic charge lines generation when using Landed Cost Management.

Advanced Pricing has several profile options. The following table lists the Advanced Pricing profile options and the profile value settings that must be entered to enable the integration between Landed Cost Management and Advanced Pricing.

<table>
<thead>
<tr>
<th>Profile Option</th>
<th>Profile Value</th>
<th>Supported Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>QP: Blind Discount Option</td>
<td>Yes</td>
<td>Site and Application</td>
</tr>
</tbody>
</table>
### Setting Up Landed Cost Management Options

Setting up Landed Cost Management options is a mandatory step before using the Landed Cost Management application. Landed Cost Management options define the numbering behavior and tolerances control for Landed Cost Management shipments.

Use this procedure to set up Landed Cost Management options:

**To Set Up Landed Cost Management Options:**

1. Navigate to the LCM Options page, page A-1.
The LCM Options page appears with only the Inventory Organization field available for selection.

2. Select an Inventory Organization and click Go.

Only the inventory organizations that have LCM enabled appear for selection.

3. Select how the shipment number will be generated for a Landed Cost Management shipment in the Shipment Number Generation field. Options are:
   - Automatic
     Use this option when using Landed Cost Management as a Service.
   - Manual
     Use this option when using Landed Cost Management as a pre-receiving application.

4. If Manual is selected for the Shipment Number Generation, then select a Shipment Number Type. Options are:
   - Alphanumeric
   - Numeric

The system defaults Numeric as the Shipment Number Type for automatic shipment number generation.

In the case of automatic shipment number generation, the system will start the numbering at "1" and will display the next shipment number that will be created in
the Next Shipment Number field.

5. Enter a price tolerance percent in the PO Price Tolerance (%) field.

Land Cost Management provides a consolidated tolerance control for the purchase price entered in Landed Cost Management (equivalent to the quantity tolerance for a receipt in Receiving). Prices out of the tolerance interval are rejected.

6. Click Apply to save your work.

Maintaining Shipment Line Types

Setting up shipment line types is a mandatory step before you can use Landed Cost Management. Shipment line type is a mandatory attribute of all shipment lines on a Landed Cost Management shipment. It provides a shipment line categorization and also drives the landed cost calculation behavior.

Use these procedures to maintain shipment line types:

To View Shipment Line Types:

The Shipment Line Types page appears displaying all of the existing Shipment Line Types in a table.

2. Click the Code link.

The Shipment Line Type page appears displaying information just for that shipment line type. From this page you can update the shipment line type.

To Set Up Shipment Line Types:

The Shipment Line Types page appears displaying all of the existing shipment line types in a table.
2. Click Create.

Create Shipment Line Type page

The Create Shipment Line Type page appears.

3. Enter a short code definition for the shipment line type in the Code field.

4. Enter a description for the shipment line type in the Name field.

5. Select the Included in Landed Cost check box if want the landed cost engine to include the line amount for this shipment type in the landed cost for the item.

6. Select the Associable Line check box if the shipment line can be associated to another shipment line. For example, the amount of the first line will be prorated and allocated to the landed cost of the second shipment line.

7. Enter the Start Date when this shipment line type becomes active. By default the current date appears.

8. (Optional) Enter the date when this shipment line type will no longer be active in the End Date.

9. Click Apply to save your work.

To Update Shipment Line Types:


   The Shipment Line Types page appears displaying all of the existing shipment line types in a table.

2. Click the Update icon next to the shipment line type that you want to update.

   Alternate navigation: Click the Code link for a shipment line type in the table and then click Update.
The Update Shipment Line Type page appears.

3. Change the information you want associated with the shipment line type.

4. Click Apply to save your work.

**To Delete a Shipment Line Type:**


   The Shipment Line Types page appears displaying all of the existing shipment line types in a table.

2. Click the Delete icon next to the shipment line type that you want to delete.

   You will receive a warning message asking if you are sure you want to delete the shipment line type.

3. Click Yes.

   The Shipment Line Type is deleted.

**Maintaining Shipment Types**

Before you can begin to use Landed Cost Management you must create shipment types. Shipment type determines the validations that will occur for a shipment.

Use these procedures to maintain shipment types:

**To View Shipment Types:**


   **Shipment Types page**

   ![Shipment Types page](image)

   The Shipment Types page appears displaying all of the existing Shipment Types in a table.

2. Click the Code link.
The Shipment Type page appears displaying information just for that shipment type. From this page you can update the shipment type.

**To Set Up Shipment Types:**

   
The Shipment Types page appears displaying all of the existing shipment types in a table.

2. Click Create.

![Create Shipment Type page](image)

The Create Shipment Type page appears.

3. In the Main region of the page, enter the following information:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Code</td>
<td>Enter a short code definition for the shipment type.</td>
</tr>
<tr>
<td>Name</td>
<td>Enter a description for the shipment type.</td>
</tr>
<tr>
<td>Field Name</td>
<td>Description</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Start Date</td>
<td>Enter the start date when the shipment type becomes active. By default the current date appears.</td>
</tr>
<tr>
<td>(Optional) End Date</td>
<td>Enter the date when the shipment type will no longer be active.</td>
</tr>
</tbody>
</table>

4. In the Controls region of the page, select the Third Parties Allowed option. Options are:
   - Both: Both Domestic and Foreign
   - Domestic
   - Foreign

5. Under the Shipment Line Types Allowed tab, select the shipment line types that can be used with this shipment type.

6. Using the Select column, select the shipment line type that will be the default.

7. (Optional) To add another row for additional shipment line types, click Add Another Row and then select another shipment line type.

8. (Optional) To delete a shipment line type from the shipment type, click the Remove icon next to the shipment line type you wish to remove.

9. Select the Party Types Allowed tab.
10. Select the Party Types that can be used with this shipment type.

The system restricts the parties that can be chosen by filtering parties that are classified as one of the party types selected for the shipment type.

Party types are defined as part of the Trade Community Architecture (TCA) setup.

11. (Optional) To add another row for party types, click Add Another Row and then select another party type.

12. (Optional) To delete a party type from the shipment type, click the Remove icon next to the party type you wish to remove.


14. Select the Party Usages that can be used with this shipment type.

The system restricts the parties that can be chosen by filtering parties that have party usage defined as one of the party usages selected for the shipment type. Party usage is defined as part of the Trade Community Architecture (TCA) setup.
15. (Optional) To add another row for party usage, click Add Another Row and then select another party usage.

16. (Optional) To delete a party usage from the shipment type, click the Remove icon next to the party usage you wish to remove.

17. Select the Source Types Allowed tab.

The Source Types Allowed tab appears.

18. Select the Source Types that can be used with this shipment type. The only available Source Type is Purchase Order.

19. (Optional) To add another row for source type, click Add Another Row and then select another source type.

20. (Optional) To delete a source type from the shipment type, click the Remove icon next to the source type you wish to remove.

21. Click Apply to save your work.

**To Update Shipment Types:**


   The Shipment Types page appears displaying all of the existing shipment types in a table.

2. Click the Update icon next to the shipment type that you want to update.

   Alternate navigation: Click the Code link for a shipment type in the table and then click Update.

   The Update Shipment Type page appears.

3. Change the information you want associated with the shipment type.

4. Click Apply to save your work.
To Delete Shipment Types:
   The Shipment Types page appears displaying all of the existing shipment line types in a table.

2. Click the Delete icon next to the shipment type that you want to delete.
   You will receive a warning message asking if you are sure you want to delete the shipment type.

3. Click Yes.
   The Shipment Line Type is deleted.

Setting Up Landed Cost Management Profile Options

Landed Cost Management has a few profile options. Two of the profile options are related to the generate charges process that occurs in the Landed Cost Management Shipments Workbench, three of the profiles are related to the cost factor UOM conversions for the Generate Charges and Calculate process, and the other profile option is related to the creation of a Landed Cost Management shipment when the system creates the shipment automatically.

For more information on the Landed Cost Management Profile Options, see Overview of Profile Options, page B-1 in the Profile Options appendix.

This table describes the profile options:

<table>
<thead>
<tr>
<th>Profile Option</th>
<th>Profile Option Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>INL: Default Currency Code for QP Charges Generation</td>
<td>This profile option is used in Advanced Pricing integration with Landed Cost Management.</td>
</tr>
<tr>
<td></td>
<td>The system uses this profile option to determine the base currency code when integrating</td>
</tr>
<tr>
<td></td>
<td>to Oracle Advanced Pricing. All of the shipment line amounts will be converted to the</td>
</tr>
<tr>
<td></td>
<td>currency indicated in this profile option.</td>
</tr>
<tr>
<td></td>
<td>For more information see, Generating Charges for the Shipment, page 4-35.</td>
</tr>
<tr>
<td>Profile Option</td>
<td>Profile Option Description</td>
</tr>
<tr>
<td>----------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>INL: Default Currency Conversion Type for QP Charges Generation</td>
<td>This profile option is used in Advanced Pricing integration with Landed Cost Management. The system uses this profile option to determine the currency conversion type when integrating to Oracle Advanced Pricing. All of the shipment line amounts will be converted to the currency conversion type indicated in this profile option. For more information see, Generating Charges for the Shipment, page 4-35.</td>
</tr>
<tr>
<td>INL: Default Shipment Type for Open Interface</td>
<td>The system uses this profile option to determine the Shipment Type the Landed Cost Management shipment headers will be created with, in the Managing Landed Cost as a Service flow, where Landed Cost Management shipments are automatically created for the receipts. For more information see, Understanding Landed Cost as a Service, page 5-2.</td>
</tr>
<tr>
<td>INL: Quantity UOM Class</td>
<td>Use this profile to indicate the class defined for each unit associated with quantity cost factors. The system uses this profile option to drive the Landed Cost Management cost factor UOM conversions during the Generate Charges and Calculate processes. For more information see, Understanding Landed Cost as a Pre-Receiving Application, page 4-2 and Understanding Landed Cost as a Service, page 5-2.</td>
</tr>
<tr>
<td>Profile Option</td>
<td>Profile Option Description</td>
</tr>
<tr>
<td>--------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>INL: Volume UOM Class</td>
<td>Use this profile to indicate the class defined for each unit associated with volume cost factors. The system uses this profile option to drive the Landed Cost Management cost factor UOM conversions during the Generate Charges and Calculate processes. For more information see, Understanding Landed Cost as a Pre-Receiving Application, page 4-2 and Understanding Landed Cost as a Service, page 5-2.</td>
</tr>
<tr>
<td>INL: Weight UOM Class</td>
<td>Use this profile to indicate the class defined for each unit associated with weight cost factors. The system uses this profile option to drive the Landed Cost Management cost factor UOM conversions during the Generate Charges and Calculate processes. For more information see, Understanding Landed Cost as a Pre-Receiving Application, page 4-2 and Understanding Landed Cost as a Service, page 5-2.</td>
</tr>
</tbody>
</table>

Use this procedure to set up Landed Cost Management Profile Options:

**Prerequisites**

- Before you can define the INL: Default Shipment Type for Open Interface profile option you must have already set up shipment types in Landed Cost Management.

**To Set Up Landed Cost Management Profile Options:**

Typically, the System Administrator is responsible for setting up and updating profile option values. For more information, see Oracle Applications System Administrator’s Guide, Setting User Profile Options.

1. Navigate to the System Profile Values window, page A-1.
   - The Find System Profile Values window appears.

2. Enter INL% in the Profile field and click Find.
The System Profile Values window appears displaying all of the Landed Cost Management (INL) profile options.

3. Locate the specific profile option and enter the appropriate profile value.

4. Click the Save icon in the tool bar.
Understanding the Shipments Workbench

This chapter covers the following topics:

- Understanding the Shipments Workbench
- Understanding the Shipment Status

Understanding the Shipments Workbench

The Shipments Workbench provides the entry points for the Landed Cost Management application.
The page contains several components:

- Inventory Organization Context
- Display field
- Find Shipments section
- Shipments, Line Groups, or Shipment Lines table
- Create Shipment page
- Update Shipment page
- View Shipment page
- Actions field
Inventory Organization Context

*Shipments Workbench (initial page)*

When you first access the Shipments Workbench, the Shipments Workbench appears with only the Inventory Organization context available for entry. The selection of the Inventory organization drives the way the rest of the Shipments Workbench functions.

After you select the Inventory organization the complete Shipments Workbench appears. From there you can search for shipments and have the existing shipments appear at the bottom of the workbench in a table format. From the table and Actions field you can then access the rest of the pages that are included in the Shipments Workbench.

If you select an Inventory organization that has pre-receiving in LCM enabled then a Create button will appear on the Shipments Workbench. The Create button is only utilized when you are using Landed Cost Management as a pre-receiving application. Otherwise, this Create button will not appear.

When you click the Create button the Create Shipment page appears. Using the Create Shipment page you create the Landed Cost Management shipment (header and lines).

*Display Field*

*Shipments Workbench (Display field)*

The Shipments Workbench enables you to select the type of information that you can display in the shipments table at the bottom of the page. The Display field at the top of the workbench provides three options. They are:

- Shipment
• Line Group
• Shipment Line

Shipment

When you select Shipment for the Display option, the table at the bottom of the page appears and displays information related to shipments. That table is titled “Shipments” with this display option.

**Shipment Workbench (Shipments table)**

The fields that display in the table for each line are: Operating Unit, Shipment number link, shipment Type, Date, Status, Pending Matching (yes or no) and Update and Delete icons.

Line Group

When you select Line Group for the Display option, the table at the bottom of the page appears and displays information related to shipment line groups. That table is titled "Line Groups" with this display option.
Shipment Workbench (Line Groups table)

The fields that display in the table for each line are: Operating Unit, Shipment number link, shipment Type, Date, Status, line Group, Group Reference, Party/Source Organization, Party Site, and Update and Delete icons.

Shipment Line

When you select Shipment Line for the Display option, the table at the bottom of the page appears and displays information related to shipment lines. That table is titled "Shipment Lines" with this display option.
Shipments Workbench (Shipment Lines table)

The fields that display in the table for each line are: Operating Unit, Shipment link, Status, line Group, line Group Reference, Line link, shipment line Type, Source Type, Source Order (purchase order number), Source Release (purchase agreement release), Source Line, Source Schedule, Item, item Rev, Qty, UOM, Unit Price, Amount, and Update and Delete icons.

Find Shipments section

Shipments Workbench (Find Shipments section)

The Find Shipments section is used to enter search criteria when retrieving existing shipments, line groups, or shipments lines. Depending on the Display field option you select you can enter different search criteria information. After you enter search criteria
and click Go all the information that matches the search criteria appears in the table at the bottom of the page.

It is not a requirement to enter any search criteria. To retrieve all shipments, line groups, or shipments lines just click the Go button.

**Shipments, Line Groups, or Shipment Lines Table**

The table at the bottom of the Shipments Workbench displays shipments, line groups, or shipment lines depending on the Display field option chosen.

If the display option is Shipment or Line Groups, from this table you can access the Update Shipment page by clicking the Update icon or the View Shipment page by clicking the Shipment number link.

If the display option is Shipment Line, from this table you can access the Update Shipment Line page by clicking the Update icon or the View Shipment Line page by clicking the Line number link or the Shipment Number link.

You can also use the Delete icon to delete a shipment, line group, or shipment line.

**Create Shipment Page**

The Create Shipment page is accessed by clicking the Create button on the Shipments Workbench. The Create Shipment page contains two tabs a Header tab and a Lines tab.

**Note:** The Create button is only available for Inventory organizations that have the Pre-Receiving in LCM check box selected.

For information on selecting the Pre-Receiving in LCM check box, see Setting Up Receiving Options, page 2-4
Creating a Shipment page (Header tab)

Using the Header tab you define the header information and line group details for the shipment.
Create Shipment page (Lines tab)

Using the Lines tab you define the shipment lines for the shipment.

This page utilizes the Actions field. After you create a shipment, the actions that are performed against the shipment using the Actions field are an integral part of the Landed Cost Management processing. These actions include processes such as, generate charges and calculating landed cost.

For more information on the Actions field, see the Actions field, page 3-13 section in this chapter.

For more information on creating shipments, see:
- Creating Landed Cost Management Shipments, page 4-8
- Entering Shipment Lines for a Shipment, page 4-12

Update Shipment Page

The Update Shipment page is accessed by clicking the Update icon on the Shipments Workbench. The Update Shipment page contains two tabs a Header tab and a Lines tab.
Using the Header tab you can maintain the header information and line group details for the shipment.
Update Shipment page (Lines tab)

Using the Lines tab you can maintain the shipment lines for the shipment.

This page utilizes the Actions field in its processing. The Actions field has the same options that are available on the Create Shipment page.

For more information on the Actions field, see the Actions field, page 3-13 section in this chapter.

The Create Shipment - Lines page and Update Shipment - Lines page are very similar and the functionality of the two pages works basically the same.

The Update Shipment - Lines page displays all the information pertaining to the shipment lines.

For more information on updating shipments, see:

- Updating Shipments, page 4-17
- Updating Shipment Lines, page 4-24
- Updating a Specific Shipment Line, page 4-28

View Shipment Page

The View Shipment page is accessed by clicking the Shipment number link on the Shipments Workbench. The View Shipment page contains two tabs a Header tab and a
Lines tab.

View Shipment page (Header tab)

Using the Header tab you can view the header information and line group details for the shipment.

View Shipment page (Lines tab)

Using the Lines tab you can view the shipment lines for the shipment.

This page utilizes the Actions field. The Actions that are available from this page are only for viewing information such as, viewing charges, viewing associations, and for viewing landed cost.

For more information on the Actions field, see the Actions field, page 3-13 section in this chapter.

For more information on viewing shipments, see:
• Viewing Shipments, page 4-30
• Viewing Shipment Lines, page 4-32
• Viewing a Specific Shipment Line, page 4-33
• Viewing Charge Lines for the Shipment, page 4-41
• Viewing Associations for a Shipment, page 4-46

**Actions Field**

*Update Shipment page (Actions field)*

The Actions field resides on several pages in the Shipments Workbench. Depending on the page, the Actions field can contain different options. Each action either initiates a process for the shipment or transfers you to another page where certain information can be viewed and maintained. This table lists the pages and the actions that are available from each page:
<table>
<thead>
<tr>
<th>Page</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipments Workbench</td>
<td>• Generate Charges</td>
</tr>
<tr>
<td></td>
<td>Initiates the Generate Charges process for the shipment. The Generate Charges process integrates with Oracle Advanced Pricing.</td>
</tr>
<tr>
<td></td>
<td>• Validate</td>
</tr>
<tr>
<td></td>
<td>Initiates the Validate process for the shipment.</td>
</tr>
<tr>
<td></td>
<td>• Calculate</td>
</tr>
<tr>
<td></td>
<td>Initiates the Calculate process for the shipment.</td>
</tr>
<tr>
<td></td>
<td>• Submit</td>
</tr>
<tr>
<td></td>
<td>Initiates the Submit process for the shipment.</td>
</tr>
<tr>
<td></td>
<td>• View Landed Cost</td>
</tr>
<tr>
<td></td>
<td>Transfers you to the Shipment Hierarchy page where landed cost details for a shipment can be viewed.</td>
</tr>
<tr>
<td>Page</td>
<td>Actions</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>----------------------------------------------</td>
</tr>
<tr>
<td>Update Shipment and Create Shipment</td>
<td>• Generate Charges</td>
</tr>
<tr>
<td></td>
<td>Initiates the Generate Charges process for</td>
</tr>
<tr>
<td></td>
<td>the shipment. The Generate Charges process</td>
</tr>
<tr>
<td></td>
<td>integrates with Oracle Advanced Pricing.</td>
</tr>
<tr>
<td></td>
<td>• Validate</td>
</tr>
<tr>
<td></td>
<td>Initiates the Validate process for the</td>
</tr>
<tr>
<td></td>
<td>shipment.</td>
</tr>
<tr>
<td></td>
<td>• Calculate</td>
</tr>
<tr>
<td></td>
<td>Initiates the Calculate process for the</td>
</tr>
<tr>
<td></td>
<td>shipment.</td>
</tr>
<tr>
<td></td>
<td>• Submit</td>
</tr>
<tr>
<td></td>
<td>Initiates the Submit process for the</td>
</tr>
<tr>
<td></td>
<td>shipment.</td>
</tr>
<tr>
<td></td>
<td>• Manage Charges</td>
</tr>
<tr>
<td></td>
<td>Transfers you to the Manage Charges page</td>
</tr>
<tr>
<td></td>
<td>when you can manually create, update, or</td>
</tr>
<tr>
<td></td>
<td>delete charge lines associated with the</td>
</tr>
<tr>
<td></td>
<td>shipment.</td>
</tr>
<tr>
<td></td>
<td>• Manage Associations</td>
</tr>
<tr>
<td></td>
<td>Transfers you to the Manage Associations</td>
</tr>
<tr>
<td></td>
<td>page when you can maintain the charge line</td>
</tr>
<tr>
<td></td>
<td>associations associated with the shipment.</td>
</tr>
<tr>
<td></td>
<td>• View Landed Cost</td>
</tr>
<tr>
<td></td>
<td>Transfers you to the Shipment Hierarchy</td>
</tr>
<tr>
<td></td>
<td>page where you can view landed cost details</td>
</tr>
<tr>
<td></td>
<td>for the shipment.</td>
</tr>
</tbody>
</table>
### Page Actions

<table>
<thead>
<tr>
<th>Page</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>View Shipment</td>
<td>• View Charges</td>
</tr>
<tr>
<td></td>
<td>Transfers you to the View Manage Charges page where you can view charge lines for the shipment.</td>
</tr>
<tr>
<td></td>
<td>• View Associations</td>
</tr>
<tr>
<td></td>
<td>Transfers you to the View Manage Associations page where you can view charge line associations for the shipment.</td>
</tr>
<tr>
<td></td>
<td>• View Landed Cost</td>
</tr>
<tr>
<td></td>
<td>Transfers you to the Shipment Hierarchy page where you can view landed cost details for a shipment.</td>
</tr>
</tbody>
</table>

For more information on how to use each one of these actions, see:

- Generating Charges for the Shipment, page 4-35
- Managing Charge Lines for the Shipment, page 4-36
- Managing Associations for the Shipment, page 4-43
- Validating the Shipment, page 4-48
- Calculating Estimated Land Cost for the Shipment, page 4-49
- Submitting the Shipment to Receiving, page 4-54
- Viewing Estimated Landed Cost for the Shipment, page 4-51
- Viewing Actual Landed Cost for the Shipment, page 4-58
- Viewing Charge Lines for the Shipment, page 4-41
- Viewing Associations for a Shipment, page 4-46

### Understanding the Shipment Status

As a Landed Cost Management shipment progresses through its life-cycle, the shipment status is used to indicate where the shipment is in its progression. The shipment status is a simple way to know what actions or processes have occurred against a shipment.
This table describes the shipment statuses and how they are used in Landed Cost Management:

<table>
<thead>
<tr>
<th>Action/Process</th>
<th>Shipment Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial creation of a shipment in Landed Cost Management</td>
<td>Incomplete</td>
</tr>
<tr>
<td>After the Generate Charges process is performed for a shipment</td>
<td>Incomplete</td>
</tr>
</tbody>
</table>
| After the Validate process is performed for a shipment     | • If validation was successful, Validated.  
• If validation was not successful, On Hold  
Correct the problem and run the Validate process again. |
| Changes are made to a validated shipment that requires validation to be performed again. For example, a change in shipment line quantity or amount. | Validation Required                      |
| After the Submit process is performed for a shipment       | Completed                                |
Managing Landed Cost as a Pre-Receiving Application

This chapter covers the following topics:

- Understanding Landed Cost as a Pre-Receiving Application
- Creating Landed Cost Management Shipments
- Entering Shipment Lines for the Shipment
- Updating Shipments
- Updating Shipment Lines
- Updating a Specific Shipment Line
- Viewing Shipments
- Viewing Shipment Lines
- Viewing a Specific Shipment Line
- Generating Charges for the Shipment
- Managing Charge Lines for the Shipment
- Viewing Charge Lines for the Shipment
- Managing Associations for the Shipment
- Viewing Associations for the Shipment
- Validating the Shipment
- Calculating Estimated Landed Cost for the Shipment
- Viewing Estimated Landed Cost for the Shipment
- Submitting the Shipment to Receiving
- Calculating and Importing Actual Landed Cost for the Shipment
- Viewing Actual Landed Cost for the Shipment
Understanding Landed Cost as a Pre-Receiving Application

Oracle Landed Cost Management can be used as a pre-receiving application. In this scenario, the estimation of the landed cost is required before the receipt of the item by the Receiving application by using Landed Cost Management functionality. After the estimated landed cost is finalized in Landed Cost Management that information is passed to Receiving during the receipt of the item based on the Landed Cost Management shipment. Landed Cost Management also passes to the Receiving application the quantity received stated in the Landed Cost Shipment line. The Receiving application doesn’t allow you to change this quantity to prevent the misallocation of charges in costing. The receipt is performed using the known estimated landed cost.

Using Landed Cost Management the estimated landed cost is calculated for a shipment from the following:
Price and taxes for the item on the associated purchase order.

Charges generated through the integration with Oracle Advanced Pricing or manually entered in Landed Cost Management.

After invoices are created and matched to the receipt of the item in Oracle Payables that actual price information is passed to Landed Cost Management using two concurrent programs (Matches Interface Import and Submit Pending Shipments). If you are using Oracle Process Manufacturing an additional concurrent program (Landed Cost Adjustments Import Process) needs to be performed so that Oracle Process Manufacturing can obtain the estimated and actual price information from Landed Cost Management for its processing.

The Landed Cost Adjustments Import Process is a concurrent program that belongs to Oracle Process Manufacturing.

Using Landed Cost Management pages the actual landed cost for the shipment can be viewed and analyzed with the estimated landed cost information.

Landed Cost Management as a Pre-Receiving Application High-Level Process Flow

Following is a basic process flow when using Landed Cost Management as a pre-receiving application:

1. Create a purchase order for an item and select a ship-to organization that has pre-receiving in LCM enabled using Oracle Purchasing.

   Ensure that the Match Option field for each purchase order line is set to Receipt.

   For information on creating a purchase order, see the Purchase Orders chapter in the Oracle Purchasing User’s Guide.

   For information on selecting the pre-receiving in LCM check box for an Inventory organization, see Setting Up Receiving Options, page 2-4.

2. Approve the purchase order.

   For information on approving a purchase order, see the Approval, Security, and Control chapter in the Oracle Purchasing User’s Guide.

3. Create a shipment for the items referenced on the purchase order using the Landed Cost Management Shipments Workbench.

   For more information, see Creating Landed Cost Management Shipments, page 4-8.

4. Create shipment lines for the items referenced on the purchase order using the Landed Cost Management Shipments Workbench.

   For more information, see Entering Shipment Lines for the Shipment, page 4-12.

5. (Optional) Generate charges for the shipment using the Landed Cost Management
Shipments Workbench.
For more information, see Generating Charges for the Shipment, page 4-35.

View or change charges that were created through the generate charges process.
Add new charge lines for the shipment.
For more information, see Managing Charge Lines for the Shipment, page 4-36.

7. (Optional) Manage associations for the shipment using the Landed Cost Management Shipments Workbench.
For more information, see Managing Associations for the Shipment, page 4-43.

8. (Optional) Validate the shipment (price tolerance and so on) using the Landed Cost Management Shipments Workbench.
For more information, see Validating the Shipment, page 4-48.

The Calculate process performs the validation process during its processing. Hence, the Validate process does not need to be run separately.
For more information, see Calculating Estimated Landed Cost for the Shipment, page 4-49.

10. (Optional) View the estimated landed cost that was calculated using the Landed Cost Management Shipments Workbench.
For more information, see Viewing Estimated Landed Cost for the Shipment, page 4-51.

11. (Optional) Repeat steps 6-10 until the estimated landed cost is satisfactory for the shipment.

12. Submit the estimated landed cost for the shipment using the Landed Cost Management Shipments Workbench.
At this point you will no longer be able to modify the estimated landed cost for the shipment.
For more information, see Submitting the Shipment to Receiving, page 4-54.

13. Create a receipt for the items on the Landed Cost Management shipment using the Find Expected Receipts page in Oracle Purchasing.
When creating the Receipt, on the Find Expected Receipts page you will use a Source Type of LCM (Landed Cost Management) and the Shipment number. The shipment number equals the shipment number plus the line group number. For example, shipment 8 and line group 1 will be depicted as 8.1.

**Important:** If Landed Cost Management is implemented as a service application, then the receiving activities are initiated in Inventory Receiving and can be used for all items. If Landed Cost Management is implemented as a pre-receiving application, the user should not use Inventory Receiving for initiating the receiving activities.
### Receipts page - Lines tab

<table>
<thead>
<tr>
<th>Lines</th>
<th>Details</th>
<th>Currency</th>
<th>Order Information</th>
<th>Outside Services</th>
<th>Shipment Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td>UOM</td>
<td>Secondary Quantity</td>
<td>UOM</td>
<td>Description</td>
<td>Location</td>
</tr>
<tr>
<td>10 Each</td>
<td></td>
<td></td>
<td></td>
<td>OPA-LOM INTEGR</td>
<td></td>
</tr>
<tr>
<td>5 Each</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

On the Receipts page - Lines tab, the quantity you can receive defaults from the shipment number. The quantity fields are disabled for Landed Cost Management shipments to prevent partial receipts (when using Landed Cost Management as a Pre-Receiving application) which will prevent the misallocation of charges in costing. During this step you will specify the subinventory for each receipt line.

For information on creating a receipt, see the Receiving chapter in the Oracle Purchasing User’s Guide.

After the receipt of the item these steps occur:

- Item cost for the item is updated in Inventory with the estimated landed cost.
- Accounting accrual entries for the receipt are created using the estimated landed cost.

If you are using Oracle Process Manufacturing (OPM), you must first run the Landed Cost Adjustments Import Process in OPM before these steps occur:

- Item cost for the item is updated in Inventory with the estimated landed cost.
- Accounting accrual entries for the receipt are created using the estimated landed cost.


For information on creating an invoice, see the Invoices chapter in the Oracle Purchasing User’s Guide.
Payables User’s Guide.

15. Match the invoice to the receipts using Oracle Payables.

For information on invoice matching to receipts option, see the Invoices chapter in the Oracle Payables User’s Guide.

16. Validate the invoice. After invoice validation the actual invoice information is populated into the Landed Cost Management interfaces.

For information on validating, see the Invoices chapter in the Oracle Payables User’s Guide.

17. Repeat Steps 14-16 for all other invoices (freight, insurance and so on) that pertain to the shipment.

18. Run the Matches Interface Import concurrent program using Landed Cost Management.

This program imports the matched information from the Landed Cost Management interface tables into definitive tables. This process also sets the Landed Cost Management shipments with Pending Matching field to Yes. At this time, the actual landed cost calculation has not been performed yet.

Oracle recommends that this program be scheduled to run periodically in order to not require any user intervention.

For more information, see Calculating and Importing Actual Landed Cost for the Shipment, page 4-56.


This program performs the submit process again and calculates the actual landed cost for the Landed Cost Management shipment. After this process completes successful you can view the actual landed cost using the Shipment Hierarchy and Landed Cost Detail pages in Landed Cost Management.

Oracle recommends that this program be scheduled to run periodically in order to not require any user intervention.

**Important:** Instead of performing Step 19, you can access the Shipments Workbench and manually perform the Submit action for the shipment. The Submit Pending Shipments program performs the same action in a back ground process.

For more information, see Calculating and Importing Actual Landed Cost for the Shipment, page 4-56.

After the actual estimated landed cost is calculated these steps occur:
• Item cost adjustments transactions are created in Oracle Cost Management (difference between estimated and actual landed cost).

• Accounting accrual adjustment entries are created (difference between estimated and actual landed cost) by Oracle Cost Management.

If you are using Oracle Process Manufacturing (OPM), you must first run the Landed Cost Adjustments Import Process in OPM before these steps occur:

• Item cost adjustments transactions are created in Oracle Process Manufacturing Cost Management (difference between estimated and actual landed cost).

• Accounting accrual adjustment entries are created (difference between estimated and actual landed cost) by Oracle Process Manufacturing Cost Management.

20. View the actual landed cost information for the shipment and compare the estimated landed cost to the actual landed cost for the shipment using the Landed Cost Management Shipments Workbench.

For more information, see Viewing Actual Landed Cost for the Shipment, page 4-58.

Creating Landed Cost Management Shipments

A Landed Cost Management shipment is an expected or actual delivery from a purchase order or agreement along with its related charges. A Landed Cost Management shipment contains a shipment header, line groups, and shipment lines. The shipment header contains overall information for the shipment and defines the line groups associated with the shipment. The shipment lines contain the shipment lines for the shipment and match up with the delivery entity for the item. For example, a shipment may contain a one to one relationship with a purchase order and the purchase order lines.

Using the Create Shipment page you can create the shipment header and the shipment lines.

Use this procedure to create a Landed Cost Management shipment:

Prerequisites

☐ A purchase order has already been created that is referencing a Landed Cost Management pre-receiving organization.

To Create Landed Cost Management Shipments:

The Shipments Workbench appears with only the Inventory Organization context available for selection.

2. Select the pre-receiving inventory organization in which you want to receive the items and click Go.

You will be able to view the purchase order shipments that are addressed to this Inventory organization.

The complete Shipments Workbench appears.

3. Click Create.

**Note:** The Create button is only available for Inventory organizations that have the Pre-Receiving in LCM check box selected.
For information on selecting the Pre-Receiving in LCM check box, see Setting Up Receiving Options, page 2-4

The Create Shipment page appears displaying the Header tab.

4. Enter the following information in the upper section of the page:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Unit</td>
<td>Select an operating unit for the shipment. The operating unit appears by default from the Inventory organization.</td>
</tr>
<tr>
<td>Receiving Location</td>
<td>Select a receiving location for the shipment. The receiving location is defaulted from the location defined in the Inventory organization definition.</td>
</tr>
<tr>
<td>Shipment Date</td>
<td>Enter a date for the shipment. The current date appears by default for shipment date.</td>
</tr>
<tr>
<td>Shipment Type</td>
<td>Select a shipment type for the shipment.</td>
</tr>
</tbody>
</table>
Managing Landed Cost as a Pre-Receiving Application

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipment Status</td>
<td>Displays the current status for the shipment.</td>
</tr>
<tr>
<td></td>
<td>A shipment status of <em>Incomplete</em> displays when creating a shipment.</td>
</tr>
<tr>
<td>Shipment Number</td>
<td>Enter a shipment number.</td>
</tr>
<tr>
<td></td>
<td>This field only appears if the Shipment Number Generation is set to Manual in the LCM Options page for this Inventory organization.</td>
</tr>
<tr>
<td></td>
<td>Otherwise, the system will automatically create the shipment number for you.</td>
</tr>
<tr>
<td>Pending Matching check box</td>
<td>Displays whether Oracle Payables invoice matching is pending or not.</td>
</tr>
</tbody>
</table>

5. In the Line Groups section, enter the following information for each line group:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>The system automatically creates group numbers in numeric sequence.</td>
</tr>
<tr>
<td></td>
<td>At least one line group is required for each shipment</td>
</tr>
<tr>
<td>Group Reference</td>
<td>Enter a group reference. You can enter any value in this field.</td>
</tr>
<tr>
<td>Source Type</td>
<td>The Source Type appears by default from the shipment type.</td>
</tr>
<tr>
<td></td>
<td>After you select a shipment type, the Source Type appears.</td>
</tr>
<tr>
<td>Third Party</td>
<td>Select the third party for the shipment.</td>
</tr>
<tr>
<td>Third Party Site</td>
<td>Select the third party site for the shipment.</td>
</tr>
</tbody>
</table>

6. (Optional) Repeat Step 5 for each line group you want to add to the shipment.
Click Add 5 Rows if you need additional rows for entering line groups.

7. Save your work.

Click Save to save your work and stay on the page.
Click Apply to save your work and return to the page where this page was accessed.

Create Shipment page

The shipment is created.

Entering Shipment Lines for the Shipment

After you create the shipment header you can then enter shipment lines for the shipment.

You will also use the Create Shipment page to create shipment lines for the shipment.

Use this procedure to enter shipment lines for a shipment:

Prerequisites

- A shipment header has already been created.

To Enter Shipment Lines for a Shipment:

1. Navigate to the Create Shipment page, page A-1.

After you create a shipment header you will want to stay on the Create Shipment
page and create the shipment lines. Otherwise, you will have to use the update functionality to enter the shipment lines.

2. Select the Lines tab.

**Create Shipment - Lines tab**

The Create Shipment page appears displaying the Lines tab.

3. In the Find Expected Shipment Lines section of the page enter search criteria for the purchase order lines that you want to add to the shipment. In the upper portion of the section, enter any of these fields:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party Site</td>
<td>Select a third party site. The site appears by default from the line group.</td>
</tr>
<tr>
<td>Purchase Order</td>
<td>Select a purchase order.</td>
</tr>
<tr>
<td></td>
<td>If you select a standard purchase order, the Release field will be unavailable for entry.</td>
</tr>
<tr>
<td></td>
<td>If you select a blanket purchase agreement purchase order than the Release field is available for entry.</td>
</tr>
<tr>
<td>Release</td>
<td>Select a blanket purchase agreement release.</td>
</tr>
</tbody>
</table>
### Field Name Description

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line</td>
<td>Select a purchase order line.</td>
</tr>
<tr>
<td>Schedule</td>
<td>Select a purchase order schedule. This field is not available for blanket purchase agreement purchase orders.</td>
</tr>
</tbody>
</table>

Otherwise, you can click Go without entering any search criteria and all available shipment lines will appear.

### 4. (Optional) Expand the Show More Search Options section and enter one or more of these fields:

#### Item

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
<td>Select an item number.</td>
</tr>
<tr>
<td>Description</td>
<td>Enter an item description.</td>
</tr>
<tr>
<td>Rev (revision)</td>
<td>Select an item revision number</td>
</tr>
<tr>
<td>Supplier Item</td>
<td>Select a supplier item number.</td>
</tr>
</tbody>
</table>

#### Date Ranges

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due By Date From and Due By Date To</td>
<td>Enter a due by date range by entering the from and to dates.</td>
</tr>
</tbody>
</table>
Shipment

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Container Number</td>
<td>Select a container number for a shipment.</td>
</tr>
<tr>
<td>Truck Number</td>
<td>Select a truck number for a shipment.</td>
</tr>
<tr>
<td>Bar Code Label</td>
<td>Select a bar code label for the shipment.</td>
</tr>
</tbody>
</table>

5. Click Go.
All of the purchase order lines that match the search criteria appear in the Shipment Lines section in a table format.

Fields that appear for each shipment line are: shipment line Type, Purchase Order number, Release, Line, Schedule, Item, item Rev, Description, Qty, UOM, Price, Amount, Currency, Update icon, Duplicate icon, and Delete icon.

6. Select the Shipment Lines you want to add to the Landed Cost Management shipment by selecting the Select check box next to each line.

7. (Optional) For the lines you select you can modify Qty, UOM, Price, and Currency.

8. Repeat steps 2 through 7 for each purchase order line you want to add to the shipment.

9. (Optional) Click the Update icon next to a shipment line to update additional shipment line details.

   The Update Shipment Line page appears for just that shipment line.

10. (Optional) Modify the Main Information, Tax Determining Factors, or Tax Attributes for the shipment line.

11. Click Apply

   The Create Shipment page reappears to the Lines tab.

12. (Optional) Click the Duplicate icon next to a shipment line to duplicate that line.

   The duplicate line appears in the shipment lines table.

13. Make the necessary modifications to the duplicate line.

14. (Optional) Click the Delete icon next to a shipment line.

   The shipment line is deleted from the shipment lines table.

15. Save your work.
Click Save to save your work and stay on the page.
Click Apply to save your work and return to the page where this page was accessed.

Create Shipment - Lines tab

Updating Shipments

Before a Landed Cost Management shipment is completed you can modify the shipment header and the shipment lines.

Use the Update Shipment page to modify the shipment header or the shipment lines on the shipment.

Use this procedure to update a shipment:

To Update Shipments:
   The Shipments Workbench appears with only the Inventory Organization context available for selection.

2. Select the pre-receiving inventory organization that pertains to the shipment that was previously created in the Inventory Organization field and click Go.
The complete Shipments Workbench appears.

3. Select the type of information you want to display at the bottom of the Shipments Workbench using the Display field. Values are:
   - Shipment
   - Line Group
   - Shipment Line

By default Shipment appears in the Display field. To update shipments you will want to select a display option of Shipment or Line Group.

Depending on the Display selection, the information that appears at the bottom of the Shipments Workbench will pertain to that display option. For example, if you select Shipment then fields related to shipments will appear in the table.

4. In the Find Shipments section, expand the Shipments section and enter the fields you want to search on. Enter any of the following fields:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Unit</td>
<td>Select an operating unit for the shipment.</td>
</tr>
<tr>
<td>Field Name</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------------------------------------------------------</td>
</tr>
<tr>
<td>Receiving Location</td>
<td>Select a receiving location for the shipment.</td>
</tr>
<tr>
<td>Shipment Date</td>
<td>Select or enter a shipment date.</td>
</tr>
<tr>
<td>Shipment Type</td>
<td>Select the type of shipment.</td>
</tr>
<tr>
<td>Shipment Status</td>
<td>Select the status of the shipment. Values are:</td>
</tr>
<tr>
<td></td>
<td>• Completed</td>
</tr>
<tr>
<td></td>
<td>• Incomplete</td>
</tr>
<tr>
<td></td>
<td>• On Hold</td>
</tr>
<tr>
<td></td>
<td>• Validated</td>
</tr>
<tr>
<td></td>
<td>• Validation Required</td>
</tr>
<tr>
<td>Shipment</td>
<td>Enter the specific shipment number.</td>
</tr>
<tr>
<td>Pending Matching</td>
<td>Select this check box if you want to search for</td>
</tr>
<tr>
<td></td>
<td>shipments that are pending invoice matching in Oracle</td>
</tr>
<tr>
<td></td>
<td>Payables.</td>
</tr>
</tbody>
</table>

Otherwise, you can select Go without entering any search criteria and all of the available shipments in the Inventory Organization will display.

5. (Optional) In the Find Shipments region, expand the Line Groups section and enter the fields you want to search on. Enter any of the following fields:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>Enter a specific line group.</td>
</tr>
<tr>
<td>Group Reference</td>
<td>Enter a specific group reference.</td>
</tr>
<tr>
<td>Third Party</td>
<td>Select a third party associated with a line</td>
</tr>
<tr>
<td></td>
<td>group.</td>
</tr>
</tbody>
</table>
### Field Name Description

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party Site</td>
<td>Select a third party site associated with a line group.</td>
</tr>
<tr>
<td>Source Type</td>
<td>Select a source type. Value is: Purchase Order</td>
</tr>
</tbody>
</table>

6. (Optional) In the Find Shipments region, expand the Shipment Lines section and enter the fields you want to search on. Enter any of the following fields:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>Select a third party associated with the shipment line.</td>
</tr>
<tr>
<td>Third Party Site</td>
<td>Select a third party site associated with the shipment line.</td>
</tr>
<tr>
<td>Purchase Order, Release, Line, Schedule</td>
<td>Select information pertaining to a purchase order.</td>
</tr>
<tr>
<td>Shipment Line Type</td>
<td>Select the shipment line type associated with the shipment line.</td>
</tr>
</tbody>
</table>

7. (Optional) In the Shipment Lines section, expand the Show More Search Options section and enter the fields you want to search on. Enter any of the following fields:

#### Item

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
<td>Select an item number.</td>
</tr>
<tr>
<td>Description</td>
<td>Enter a description for the item.</td>
</tr>
<tr>
<td>Rev</td>
<td>Select an item revision number.</td>
</tr>
<tr>
<td>Supplier Item</td>
<td>Select a supplier item.</td>
</tr>
</tbody>
</table>
Receipt Details

<table>
<thead>
<tr>
<th>Packing Slip</th>
<th>Select a packing slip number.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receiver</td>
<td>Select an individual that is the receiver.</td>
</tr>
<tr>
<td>Freight Carrier</td>
<td>Select a freight carrier.</td>
</tr>
<tr>
<td>Bills of Lading</td>
<td>Select a bills of lading.</td>
</tr>
</tbody>
</table>

Transaction Details

<table>
<thead>
<tr>
<th>Transaction Date From and Transaction Date To</th>
<th>Select a transaction date range by using the from and to fields.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipt Routing</td>
<td>Select a receipt routing. Values are: Delivery and Inspection.</td>
</tr>
</tbody>
</table>

Shipment

<table>
<thead>
<tr>
<th>Container Number</th>
<th>Select a container number for the shipment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Truck Number</td>
<td>Select a truck number for the shipment.</td>
</tr>
<tr>
<td>Bar Code Label</td>
<td>Select a bar code label for the shipment.</td>
</tr>
</tbody>
</table>

8. Click Go.
**Shipments Workbench**

All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments or Line Groups.


   If the Display option is *Shipment*, click the Update icon in the Actions column for a shipment.

   If the Display option is *Line Group* click the Update icon in the Actions column for a shipment line group.
10. Modify the shipment header information as necessary.

For information on the Header fields, see Creating Landed Cost Management Shipments, page 4-8.

11. Save your work.

Click Save to save your work and stay on the page.

Click Apply to save your work and return to the page where this page was accessed.
Update Shipment page

Using the Update Shipment page you can also add, delete, or modify shipment lines associated with a shipment.

Use these procedures to update shipment lines:

**To Update Shipment Lines:**

   
   The Shipments Workbench appears with only the Inventory Organization field available for selection.

2. Select the pre-receiving inventory organization that pertains to the shipment that was previously created in the Inventory Organization field and click Go.
   
   The complete Shipments Workbench appears.

3. Select the type of information you want to display at the bottom of the Shipments Workbench using the Display field. Values are:
   
   - Shipment
   
   - Line Group
   
   - Shipment Line
By default Shipment appears in the Display field. To update shipment lines you will want to select a display option of Shipment or Line Group.

Depending on the Display selection, the information that appears at the bottom of the Shipments Workbench will pertain to that display option. For example, if you select Shipment then fields related to shipments will appear in the table.

4. Enter the search criteria for the shipment lines using the Find Shipments section of the page.

For more information on the search criteria, see Updating Shipments, page 4-17.

5. Click Go.

All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments or Line Groups.

6. Navigate to the Update Shipment page.

If the Display option is Shipment, click the Update icon in the Actions column for a shipment.

If the Display option is Line Group click the Update icon in the Actions column for a shipment line group.
The Update Shipment page appears displaying the Header tab.

7. Select the Lines tab.

8. Modify the shipment line information as necessary.

9. (Optional) To delete a shipment line, click the Delete icon in the Actions column next to a shipment line.

10. To duplicate a shipment line, click the Duplicate icon in the Actions column next to a shipment line.

11. Save your work.

   Click Save to save your work and stay on the page.

   Click Apply to save your work and return to the page where this page was accessed.
To Add Shipment Lines to an Existing Shipment:

   The Update Shipment page appears displaying the Header tab.

2. Select the Lines tab.

3. In the Find Expected Shipment Lines section of the page enter search criteria for the purchase order lines that you want to add to the shipment.
   Otherwise, you can click Go without entering any search criteria and all available shipment lines will appear.
   For more information on the search criteria, see Entering Shipment Lines for the Shipment, page A-1.

4. Click Go.
   All of the purchase order lines that match the search criteria appear in the Shipment Lines section in a table format.
   Fields that appear for each shipment line are: shipment line Type, Purchase Order
number, Release, Line, Schedule, Item, item Rev, Description, Qty, UOM, Price, Amount, Currency, Update icon, Duplicate icon, and Delete icon.

5. Select the Shipment Lines you want to add to the Landed Cost Management shipment by selecting the Select check box next to each line.

6. (Optional) For the lines you select you can modify Qty, UOM, Price, and Currency.

7. Repeat steps 2 through 6 for each purchase order line you want to add to the shipment.

8. (Optional) Click the Update icon next to a shipment line to update additional shipment line details.

   The Update Shipment Line page appears for just that shipment line.

9. (Optional) Modify the Main Information, Tax Determining Factors, or Tax Attributes for the shipment line.

10. Click Apply

    The Update Shipment page reappears to the Lines tab.

11. Save your work.

    Click Save to save your work and stay on the page.

    Click Apply to save your work and return to the page where this page was accessed.

### Updating a Specific Shipment Line

Using the Update Shipment Line page you can modify the details for a specific shipment line.

Use this procedure to update a specific shipment line:

**To Update a Specific Shipment Line:**


   The Shipments Workbench appears with only the Inventory Organization field available for selection.

2. Select the pre-receiving inventory organization that pertains to the shipment that was previously created in the Inventory Organization field and click Go.

   The complete Shipments Workbench appears.

3. Select the type of information you want to display at the bottom of the Shipments
By default Shipment appears in the Display field.
Depending on the Display selection, the information that appears at the bottom of the Shipments Workbench will pertain to that display option. For example, if you select Shipment then fields related to shipments will appear in the table.

4. Enter the search criteria for the shipment lines using the Find Shipments section of the page.
For more information on the search criteria, see Updating Shipments, page 4-17.

5. Click Go.
All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table.

If the Display option is Shipment or Line Group:
1. Click the Update icon in the Actions column next to a shipment or line group.
2. Select the Lines tab.
3. Click the Update icon in the Actions column next to a specific shipment line.

If the Display option is Shipment Line, click the Update icon in the Actions column next to a specific shipment line.
The Update Shipment Line page appears for a specific shipment line.

7. Modify any of the fields in the Main Information section.

8. Click Apply.
   
The specific shipment line information is updated and you are returned back to the Shipments Workbench.

**Viewing Shipments**

Using the View Shipment page and all of its related view pages you can view all of the information related to a shipment. The View Shipment page is very similar to the Update Shipment and Create Shipment pages but it is only used for viewing purposes.

Use this procedure to view shipments:

**To View Shipments:**

   
The Shipments Workbench appears with only the Inventory Organization field available for selection.

2. Select the pre-receiving inventory organization that pertains to the shipment that was previously created in the Inventory Organization field and click Go.
   
The complete Shipments Workbench appears.

3. Select the type of information you want to display at the bottom of the Shipments Workbench using the Display field. Values are:
   
   • Shipment
• Line Group

• Shipment Line

By default Shipment appears in the Display field.

Depending on the Display selection, the information that appears at the bottom of the Shipments Workbench will pertain to that display option. For example, if you select Shipment then fields related to shipments will appear in the table.

4. Enter the search criteria for the shipments using the Find Shipments section of the page.

For more information on the search criteria, see Updating Shipments, page 4-17.

5. Click Go.

All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments, Line Groups, or Shipment Lines.

6. Navigate to the View Shipment page.

Click the Shipment link for a specific line in the table.

**View Shipment page**

The View Shipment page appears displaying the Header tab.

The View Shipment is almost identical to the Update Shipment page but it is intended only for the purpose of viewing the information. In addition, the Actions field only has view functionality. The Actions in this page are:

• View Charges
• View Associations

• View Landed Cost

7. (Optional) Select a particular Action and click Go.

8. (Optional) Click Update to update the shipment or shipment lines.

Viewing Shipment Lines

Using the View Shipment page and all of its related view pages you can view all of the information related to a shipment. The View Shipment page is very similar to the Update Shipment and Create Shipment pages but it is only used for viewing purposes.

Use this procedure to view shipment lines:

To View Shipments Lines:


   The Shipments Workbench appears with only the Inventory Organization field available for selection.

2. Select the pre-receiving inventory organization that pertains to the shipment that was previously created in the Inventory Organization field and click Go.

   The complete Shipments Workbench appears.

3. Select the type of information you want to display at the bottom of the Shipments Workbench using the Display field. Values are:

   • Shipment
   
   • Line Group
   
   • Shipment Line

   By default Shipment appears in the Display field.

   Depending on the Display selection, the information that appears at the bottom of the Shipments Workbench will pertain to that display option. For example, if you select Shipment then fields related to shipments will appear in the table.

4. Enter the search criteria for the shipment lines using the Find Shipments section of the page.

   For more information on the search criteria, see Updating Shipments, page 4-17.

5. Click Go.
All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments, Line Groups, or Shipment Lines.

6. Navigate to the View Shipment page.
   Click the Shipment link for a specific line in the table.
   The View Shipment page appears displaying the Header tab.

7. Select the Lines tab.
   The View Shipment page appears displaying the Lines tab for the shipment.

8. (Optional) You can update the shipment line by clicking the Update icon.

9. (Optional) Click the View Details icon for a shipment line.
   The View Shipment Line appears displaying additional details for the line.

10. (Optional) Click Update on the View Shipment Line page to update the shipment line details.

### Viewing a Specific Shipment Line

Using the View Shipment page and all of its related view pages you can view all of the information related to a shipment. The View Shipment page is very similar to the Update Shipment and Create Shipment pages but it is only used for viewing purposes.

Use this procedure to view a specific shipment line:
To View a Specific Shipment Line:


   The Shipments Workbench appears with only the Inventory Organization field available for selection.

2. Select the pre-receiving inventory organization that pertains to the shipment that was previously created in the Inventory Organization field and click Go.

   The complete Shipments Workbench appears.

3. Select the type of information you want to display at the bottom of the Shipments Workbench using the Display field. Values are:
   - Shipment
   - Line Group
   - Shipment Line

   By default Shipment appears in the Display field.

   Depending on the Display selection, the information that appears at the bottom of the Shipments Workbench will pertain to that display option. For example, if you select Shipment then fields related to shipments will appear in the table.

4. Enter the search criteria for the shipment lines using the Find Shipments section of the page.

   For more information on the search criteria, see Updating Shipments, page 4-17.

5. Click Go.

   All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments, Line Groups, or Shipment Lines.


   If the Display option is Shipment or Line Group:
   1. Click the Shipment link next to a shipment or line group.
   2. Select the Lines tab.
   3. Click the View Details icon next to a specific shipment line.

   If the Display option is Shipment Line use one of these methods to navigate:
Managing Landed Cost as a Pre-Receiving Application

- Click the Line number link next to a shipment line.
- 1. Click the Shipment link next to a shipment line.
- 2. Select the Lines tab.
- 3. Click the View Details icon next to a specific shipment line.

**View Shipment Line page**

The View Shipment Line page appears displaying details for the specific shipment line.

**Generating Charges for the Shipment**

The Generate Charges process integrates with Oracle Advanced Pricing and is initiated from the Shipments Workbench in Landed Cost Management. The running of this process is optional if you are not integrating with Oracle Advanced Pricing.

The Generate Charges process is responsible for getting charges from Advanced Pricing and creating those charges in Landed Cost Management; in a way they can be associated to line groups or shipment lines, depending on the setup in Advanced Pricing. After the charge lines are generated you can manage those charges using the Manage Charges page in Landed Cost Management.

Use this procedure to generate charges for the shipment:

**To Generate Charges for the Shipment:**

1. Navigate to one of these pages:
2. Select Generate Charges in the Actions field and click Go.

**Update Shipment page**

The Generate Charges process is initiated and after the process completes you will receive a successful confirmation message at the top of the page.

The Shipment Status still reflects an Incomplete status.

**Managing Charge Lines for the Shipment**

Using the Manage Charges page you can maintain the charge lines for a shipment.

After you run the Generate Charges process, the Manage Charges page displays the charge lines that were generated from the integration with Oracle Advanced Pricing. The generated charge lines can be modified or removed.

You can also use the Manage Charges page to manually create charge lines for a shipment.

If you update the charge lines using the Manage Charges page the Manage Associations
page is automatically updated and vice versa. These two pages are always in sync with each other.

Use this procedure to manage charge lines for the shipment:

**Prerequisites**

- Cost Factors have been created.
- The Generate Charges process must have been performed for a shipment if you are integrating with Oracle Advanced Pricing.

**To Manage Charge Lines for the Shipment:**

**To Update Charge Lines for the Shipment**

1. Navigate to one of these pages:
   - Create Shipment, page A-1
   - Update Shipment, page A-1

2. Navigate to the Manage Charges page by selecting *Manage Charges* in the Actions field and click Go.
The Manage Charges page appears displaying all of the existing charge lines for the shipment.

3. Select a charge line and modify any of the fields that appear. You can also modify the charge line associations.

4. To update additional details for the charge line, click the Update icon next to a charge line.

   **Note:** For the charge lines generated by Advanced Pricing, you can only update the ones with the "override" flag set to yes in the Modifiers setup.
The Update Charge Line page appears for the line you selected.

5. Modify any of the fields that appear.

6. Click Apply.
   The Manage Charges page reappears.

**To Delete a Charge Line or Association**
7. To delete a charge line or association, click the Delete icon next to a charge line or association.

8. Click Apply
   The charge lines are removed.

**To Add a Charge Line**
9. Access a blank row in the Charge Lines table.
   Click Add 5 Rows to add additional rows to the Charge Lines table.

10. Select the blank row by selecting the Select option next to the charge line.

11. Enter the following information for the new charge line:
<table>
<thead>
<tr>
<th><strong>Field Name</strong></th>
<th><strong>Description</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Type</td>
<td>Select the type of charge line.</td>
</tr>
<tr>
<td></td>
<td>The Type field lists all of the cost factors available.</td>
</tr>
<tr>
<td>Third Party</td>
<td>Select the third party for this charge line.</td>
</tr>
<tr>
<td>Third Party Site</td>
<td>Select the third party site for this charge line.</td>
</tr>
<tr>
<td>Amount</td>
<td>Enter the amount for the charge line.</td>
</tr>
<tr>
<td>Currency</td>
<td>Enter the currency for the charge line.</td>
</tr>
</tbody>
</table>
| Allocation Basis  | Displays the allocation basis for the charge line. Allocation Basis appears by default from the cost factor.

12. Add an association for the charge line by clicking Add Another Row in the Associations section of the page.
A row is added in the Associations section.

13. Select the Type of association for the charge line. Values are:
   - **Shipment**
     Select Shipment if you want the charge line amount to be prorated to all shipment lines that belong to the shipment.
   - **Line Group**
     Select Line Group if you want the charge line amount to be prorated to all shipment lines that belong to the specified shipment line group.
   - **Shipment Line**
     Select Shipment Line if you want the charge line amount to be fully allocated to the specified shipment line.

If you select Shipment, the shipment number appears in the Number field.
If you select Line Group or Shipment Line the Number field become available.

14. If you selected Line Group for the Type, select the line group in the Number field that you want to associate the charge line to.
15. If you selected Shipment Line for the Type, select the shipment line in the Number field that you want to associate the charge line to.

16. Click Apply.
   The new charge line is added.

17. To update details for the charge line, click the Update icon next to the charge line.
   The Update Charge Line page appears.

18. (Optional) Update the information for the charge line.
    
    Note: You can create the charge line using this page or you can create charge lines from the Manage Charges page.

19. Indicate whether this charge line should be included in the landed cost by selecting the Included in the Landed Cost check box.
    This check box appears selected by default.

20. Enter associations for the charge line.
    For information, see Steps 12 through 15.
    
    Note: You can create the charge line associations using this page or you can create associations from the Manage Charges page. The Associations section works the same in both pages.

21. Click Apply.
    The charge line information is added and you are returned to the Manage Charges page.

22. Click Apply.
    The charge line is added and you are returned to the previous page. In addition, the Manage Associations page is updated to reflect the modifications.

**Viewing Charge Lines for the Shipment**

Using the View Shipment page and all of its related view pages you can view all of the information related to a shipment. The View Shipment page is very similar to the Update Shipment and Create Shipment pages but it is only used for viewing purposes. Use this procedure to view charge lines for the shipment:
To View Charge Lines for the Shipment:

   The Shipments Workbench appears with only the Inventory Organization field available for selection.

2. Select the pre-receiving inventory organization that pertains to the shipment that was previously created in the Inventory Organization field and click Go.
   The complete Shipments Workbench appears.

3. Select the type of information you want to display at the bottom of the Shipments Workbench using the Display field. Values are:
   - Shipment
   - Line Group
   - Shipment Line

   By default Shipment appears in the Display field.
   Depending on the Display selection, the information that appears at the bottom of the Shipments Workbench will pertain to that display option. For example, if you select Shipment then fields related to shipments will appear in the table.

4. Enter the search criteria for the shipments using the Find Shipments section of the page.
   For more information on the search criteria, see Updating Shipments, page 4-17.

5. Click Go.
   All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments, Line Groups, or Shipment Lines.

6. Navigate to the View Shipment page.
   Click the Shipment link for a specific line in the table.
   The View Shipment page appears displaying the Header tab.
   This Workbench is almost identical to the Update Shipment page but it is intended only for the purpose of viewing the information.

7. Select View Charges in the Actions field and click Go.
The View Manage Charges page appears displaying all of the charge lines.

8. Select a specific charge line, and click the View Details icon.

The View Charge Line page appears for that specific charge line.

Managing Associations for the Shipment

Using the Manage Associations page you can maintain the charge and item line associations of a shipment. The Manage Associations page displays the charge lines broken out by association. The charge lines display in a different association format.
than the Manage Charges page but they both still depict the charge line information. The Associations link the charge lines to the shipment lines. The last ones will receive the allocations calculated by the Landed Cost Management calculation engine. Use this procedure to manage associations for the shipment.

Prerequisites

☐ The charge lines have been created for the Landed Cost Management shipment.

To Manage Associations for the Shipment:

To Update Associations for the Shipment

1. Navigate to one of these pages:
   • Create Shipment, page A-1
   • Update Shipment, page A-1

2. Navigate to the Manage Associations page by selecting Manage Associations in the Actions field and click Go.

Manage Associations page

The Manage Associations page appears displaying all of the existing association lines for the shipment.

3. Modify any of the fields associated to an association line.

4. To duplicate an existing association line, click the Duplicate icon next to the
association line.

A duplicate line will be created in the Association Lines section of the page.

5. To delete an existing association line, click the Delete icon next to the association line.

The association line is removed from the Association Lines section of the page.

**Note:** If you delete all the associations of a charge line, it will not appear in the Manage Charges page, because all the links to the shipment components will be lost and the charge line amount will not be considered by the Landed Cost calculation.

6. Click Apply.

The association line is updated and you are returned back to the previous page.

At the top of the page you will receive a successful confirmation message.

In addition, the Manage Charges page is updated to reflect the modifications.

**To Add an Association Line to the Shipment**

7. Navigate to the Manage Associations page by selecting *Manage Associations* in the Actions field.

The Manage Associations page appears displaying all of the existing association lines for the shipment.

8. Access a blank row in the Association Lines table by clicking Add 5 Rows to create five new association line rows in the table.

9. Enter the following information for an association line row:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>From Component Type</td>
<td>Select the from charge line type. Values are: Shipment Line and Charge Line.</td>
</tr>
<tr>
<td>From Component Number</td>
<td>Select the from charge line number.</td>
</tr>
<tr>
<td>To Component Type</td>
<td>Select the type of charge line. Values are: Shipment, Line Group, or Shipment Line.</td>
</tr>
<tr>
<td>Field Name</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>To Component Number</td>
<td>Select the to component number that corresponds with the To Component Type. For example, if you enter Line Group as the To Component Type then you would enter one of the shipment line group numbers for the shipment here. If you select a To Component Type of Shipment, the To Component Number is automatically populated with the shipment number.</td>
</tr>
<tr>
<td>Allocation Basis</td>
<td>Displays the charge line allocation basis. Values are: Qty, Value, Volume, and Weight. Allocations basis is automatically defaulted from the cost factors definition.</td>
</tr>
</tbody>
</table>

10. Click Apply.

The association line is added and you are returned back to the previous page.

At the top of the page you will receive a successful confirmation message.

In addition, the Manage Charges page is updated to reflect the modifications.

**Viewing Associations for the Shipment**

Using the View Shipment page and all of its related view pages you can view all of the information related to a shipment. The View Shipment page is very similar to the Update Shipment and Create Shipment pages but it is only used for viewing purposes.

Use this procedure to view associations for the shipment.

**To View Associations for the Shipment:**


   The Shipments Workbench appears with only the Inventory Organization field available for selection.

2. Select the pre-receiving inventory organization that pertains to the shipment that was previously created in the Inventory Organization field and click Go.

   The complete Shipments Workbench appears.
3. Select the type of information you want to display at the bottom of the Shipments Workbench using the Display field. Values are:
   - Shipment
   - Line Group
   - Shipment Line

   By default Shipment appears in the Display field.

   Depending on the Display selection, the information that appears at the bottom of the Shipments Workbench will pertain to that display option. For example, if you select Shipment then fields related to shipments will appear in the table.

4. Enter the search criteria for the shipments using the Find Shipments section of the page.

   For more information on the search criteria, see Updating Shipments, page 4-17.

5. Click Go.

   All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments, Line Groups, or Shipment Lines.

6. Navigate to the View Shipment page.

   Click the Shipment link for a specific line in the table.

   The View Shipment page appears displaying the Header tab.

   The View Shipment page is almost identical to the Update Shipment page but it is intended only for the purpose of viewing the information.

7. Select View Associations in the Actions field and click Go.
View Manage Associations page

The View Manage Associations page appears displaying all of the charge line associations.

Validating the Shipment

The Validate process is responsible for validating a given Landed Cost Management shipment and is initiated from the Shipments Workbench. The validations that are performed against the shipment include:

- Checking the purchase order quantity and price tolerance.
- Checking whether the Inventory accounting period is open.

If a shipment does not pass validation, the Shipment Status is changed to On Hold. The shipment will stay on hold until a user makes a correction. After the correction, the shipment status for the shipment changes to Validation Required. One must then run the Validation process again.

The Validation process can be initiated by itself but the process is also automatically called when performing the Calculate process in Landed Cost Management.

Use the procedure to validate a shipment:

To Validate a Shipment:
1. Navigate to one of these pages:
   - Shipments Workbench, page A-1
   - Create Shipment, page A-1
   - Update Shipment, page A-1
2. Select Validate in the Actions field and click Go.

The Validate process is initiated and after the process completes you will receive a successful confirmation message at the top of the page.

If the shipment passed validation the shipment status changes to Validated. If it did not pass validation the shipment status changes to On Hold.

Calculating Estimated Landed Cost for the Shipment

The Calculate process performs the estimated landed cost calculation for the shipment. The process captures the item price and the amounts from the charge line and associations for a given Landed Cost Management shipment and prorates them down to the level of shipment lines generating the shipment line allocations. The shipment line allocations are the lowest level in which the landed cost is calculated and stored. The landed cost components are basically the item price, charges, and taxes.

When you run the Calculate process the Validate process is automatically performed at the same time. So, depending on the situation you may not need to run the Validate process as a separate step.

Note: Landed Cost Management captures the non-recoverable tax amount calculated by EB-Tax for the purchase order shipment lines.

The estimated landed cost calculation process is initiated from the Shipments Workbench, Create Shipment page, or Update Shipment page using the Calculate action.

Use this procedure to calculate estimated landed cost for the shipment:
Prerequisites

☐ If integrating with Advanced Pricing, the Generate Charges process must have already been performed for the shipment.

For information, see Generating Charges for the Shipment., page 4-35

To Calculate Estimated Landed Cost for the Shipment:

1. Navigate to one of these pages:
   - Shipments Workbench, page A-1
   - Create Shipment, page A-1
   - Update Shipment, page A-1

2. Select Calculate in the Actions field and click Go.
Create Shipment page

The Calculate process is initiated and after the process completes you will receive a successful confirmation message at the top of the page.

The shipment status for the shipment is *Validated* after this process runs.

After the Calculate process is successful you can then view the estimated landed cost for the shipment.

**Viewing Estimated Landed Cost for the Shipment**

After the estimated landed cost is calculated you can then view the estimated landed cost for a shipment using the Shipment Hierarchy and Landed Cost Details pages. These pages itemize all of the allocation values that make up the total landed cost. Plus, you can view the proportion of each landed cost component making up the total landed cost in a Pie Chart or Bar Graph.

Use this procedure to view estimated landed cost for the shipment:

**Prerequisites**

- Estimated land cost must have already been calculated for the shipment.
To View Estimated Landed Cost for the Shipment:
1. Navigate to one of these pages:
   - Shipments Workbench, page A-1
   - View Shipment, page A-1
   - Create Shipment, page A-1
   - Update Shipment, page A-1
2. Select View Landed Cost in the Actions field and click Go.

**Shipment Hierarchy page**

The Shipment Hierarchy page appears displaying the estimated landed cost for each shipment, line group, and line.

The hierarchy for the shipment is as follows:
1. At the top of the hierarchy is the Shipment itself. Depicted with a Component Number equal to the shipment number and a Component Type of shipment.
2. Next is the line group for the shipment. Depicted with the Component Number equal to the line group number and a Component Type of Line Group.
3. After that is the shipment line. Depicted with the Component Number equal to
the shipment line number and a Component Type of Shipment Line. At this level the total estimated landed cost is displayed for the shipment line in the Estimated Amount column and the unit estimated landed cost is displayed in the Unit Landed Cost column. The Estimated Amount is the sum of all allocation amounts for a shipment line.

4. Finally, under each shipment line is the shipment line, charge line, and tax line allocations. Depicted with a Component Type equal to Shipment Line Allocation, Charge Line Allocation or Tax Line Allocation and the specific cost factor displayed in the Component Reference field.

**Note:** The Billed Amount, Actual Amount, and Actual History columns do not appear on this page until after the invoice is received and matched in Oracle Payables.

3. (Optional) To submit the landed cost to receiving, select Submit in the Actions field and click Go.

For more information on submitting the landed cost, see Submitting the Shipment to Receiving, page 4-54.

4. To view landed cost details, click the Unit Landed Cost link for a shipment line.
The Landed Cost Details page appears displaying the break down for the total estimated landed cost for the shipment and for the estimated unit landed cost. The cost factor (analysis code and component class) display for each line in the break down.

At the bottom of the page these charts display:

- **Pie Graph:** The pie graph displays the total allocation percentage for each cost that make up the shipment line.

- **Bar Graph:** The bar graph displays the total allocation amount for each cost in the shipment line.

- **Calculation History:** This graph displays the landed cost adjustment calculation history for the unit landed cost.

When only estimated landed cost has been calculated this chart will display just as individual points on the graph. After actual landed cost is calculated, you will be able to view lines in this graph that depict the calculation history.

### Submitting the Shipment to Receiving

The Submit process performs all the tasks necessary to complete a Landed Cost Management shipment related to estimated landed costs. When managing estimated landed costs as a pre-receiving application the estimated landed cost must be submitted
for a shipment before the shipment can be received using the Receiving application.

The Submit process is initiated from the Shipments Workbench, Create Shipment page, Update Shipment page, or the Shipment Hierarchy page using the Submit action. Use this procedure to submit the shipment to Receiving:

Prerequisites

- The estimated landed cost calculation has already been performed for the shipment and then reviewed and managed until it is reflecting the correct amounts for the shipment.

To Submit the Shipment to Receiving:

1. Navigate to one of these pages:
   - Shipments Workbench, page A-1
   - Create Shipment, page A-1
   - Update Shipment, page A-1
   - Shipment Hierarchy, page A-1 (viewing landed cost)

2. Select Submit in the Actions field and click Go.

View Shipment page

The Submit process is initiated and after the process completes you will be transferred to the View Shipment page for that shipment.

Plus, the shipment status changes to Completed. After a shipment receives the Completed status you can no longer modify the estimated landed cost for the shipment.
Calculating and Importing Actual Landed Cost for the Shipment

Before you can view the actual landed cost for a shipment in Landed Cost Management a couple of steps need to be performed. For automatic actual landed cost calculation perform these steps:

1. Enter and validate item and charge invoices in Oracle Payables.

2. Run the Matches Interface Import concurrent program.

3. Run the Submit Pending Shipments concurrent program.

For manual actual landed cost calculation perform these steps:

1. Enter and validate item and charge invoices in Oracle Payables.

2. Run the Matches Interface Import concurrent program.

3. Access the Shipments Workbench and run the Submit process again for the shipment.

**Note:** The item and charge invoices entered in Oracle Payables must have the match on receipt option to enable the actual landed cost calculation.

The Matches Interface Import program is responsible for importing the matched invoice information from Oracle Payables into Landed Cost Management. During this program execution, all shipments that need to be resubmitted that are being impacted by the capture of actual amounts will be set as "Pending" shipments. Pending Landed Cost Management Shipments must be resubmitted, so that a new landed cost can be figured out as "actual landed cost" and the differences between estimated and actual landed costs can be posted to Oracle Cost Management.

Pending Landed Cost Management shipments can be submitted either one by one, through the Landed Cost Management Shipments Workbench, or in batch, through the Submit Pending Shipments concurrent program. The Submit Pending Shipments program calculates actual landed cost and then performs the submitting action again for the shipment. In both cases, all the routines necessary to recalculate landed costs and generate the Oracle Cost Management integration transactions are performed.

For more information on the Submit process through the Landed Cost Management Workbench, see Submitting the Shipment to Receiving, page 4-54.

Use these procedures to calculate and import the actual landed cost:
Prerequisites

- Invoices have already been created in Oracle Payables for the item and the other costs (insurance, freight and so on) associated with the shipment. Plus, the invoices have been matched and successfully validated.

To Run the Matches Interface Import Program

   
   The Submit a New Request window appears asking for the type of request you want to submit.

2. Select the Single Request option and click OK.
   
   The Submit Request window appears.

3. Select Matches Interface Import in the Name field.

4. Click Submit.

5. Click No in the Decision window.

6. To see the status of the concurrent request, navigate to the Requests window, page A-1.
   
   The Find Requests window appears.

7. Click Find to view the status of all the requests.
   
   The Requests window appears displaying all of the requests.

To Run the Submit Pending Shipments Program

   
   The Submit a New Request window appears asking for the type of request you want to submit.

9. Select the Single Request option and click OK.
   
   The Submit Request window appears.

10. Select Submit Pending Shipments in the Name field.
    
    The Parameters window appears.

11. (Optional) Enter an Inventory Organization or an Inventory Organization and a Shipment Number and click Go.
    
    To run the program for all of the available data do not enter any parameters.
12. Click Submit.

13. Click No in the Decision window.

14. To see the status of the concurrent request, navigate to the Requests window, page A-1.

The Find Requests window appears.

15. Click Find to view the status of all the requests.

The Requests window appears displaying all of the requests.

To Resubmit the Shipment for Actual Landed Cost Calculation:
1. Navigate to one of the Shipments Workbench, page A-1.

   **Note:** The shipments that require resubmitting for actual landed cost calculation will have the Pending Matching field set to Yes. The Matches Interface Import program sets this field during its processing.

2. Select **Submit** in the Actions field and click Go.

   The Submit process is initiated and after the process completes you will be able to view the actual landed cost for the shipment.

Viewing Actual Landed Cost for the Shipment

Using the Shipment Hierarchy and Landed Cost Details pages you can view the actual landed cost for a shipment. These pages itemize all of the allocation values that make up the total landed cost.

Using the Actual Matching History page you can view the detailed invoicing history for the shipment line.

Plus, you can view the proportion of each landed cost component making up the total landed cost in a Pie Chart or Bar Graph and the unit landed cost calculations in the Calculation History graph.

Use this procedure to view actual landed cost for the shipment:

**Prerequisites**

- Invoice information related to the Landed Cost Management shipment has been imported from Oracle Payables.

- Actual landed cost has been calculated for the shipment.
To View Actual Landed Cost for the Shipment:

1. Navigate to one of these pages:
   - Shipments Workbench, page A-1
   - View Shipment, page A-1

2. Select View Landed Cost in the Actions field and click Go.

**Shipment Hierarchy page**

The Shipment Hierarchy page appears displaying the actual landed cost for each shipment, line group, and line.

The Billed Amount, Actual Amount, and Actual History columns appear on this page after the invoice is received and matched in Oracle Payables and then the actual landed cost is calculated and imported to Landed Cost Management for the shipment. The actual amount columns are next to the Estimated Amount column so that the difference between the estimated and actual landed cost are easily viewed.

The hierarchy for the shipment is as follows:

1. At the top of the hierarchy is the Shipment itself. Depicted with a Component Number equal to the shipment number and a Component Type of shipment.

2. Next is the line group for the shipment. Depicted with the Component Number
equal to the line group number and a Component Type of Line Group.

3. After that is the shipment line. Depicted with the Component Number equal to the shipment line number and a Component Type of Shipment Line. At this level the actual landed cost is displayed for the shipment line in the Actual Amount column and the unit actual landed cost is displayed in the Unit Landed Cost column. The Actual Amount is the sum of all allocation amounts for a shipment line.

4. Finally, under each shipment line is the shipment line, charge line, and tax line allocations. Depicted with a Component Type equal to Shipment Line Allocation, Charge Line Allocation, or Tax Line Allocation and the specific cost factor displayed in the Component Reference field.

3. To view the detailed invoicing history, click the View Actual History icon in the Actual History column next to an allocation line.

   **Note:** The Actual History icon is only available for each allocation line. It is not available for the shipment, line group, or shipment lines levels.

---

**Actual Matching History page**

![Actual Matching History page](image)

The Actual Matching History page appears displaying the details for the invoice history. The Actual Reference column displays the invoice number plus the distribution number.

4. To view landed cost details, click the Unit Landed Cost link for a shipment line.
The Landed Cost Details page appears displaying the breakdown for the total actual landed cost for the shipment and for the actual unit landed cost. The cost factor (analysis code and component class) display for each line in the breakdown. The latest landed cost adjustment details appear by default.

At the bottom of the page these charts display:

- **Pie Graph**: The pie graph displays the total allocation percentage for each cost that make up the shipment line.
- **Bar Graph**: The bar graph displays the total allocation amount for each cost in the shipment line.
- **Calculation History**: This graph displays the landed cost adjustment calculation history for the unit landed cost.

5. **(Optional) Select another cost adjustment using the Unit Landed Cost History field.** The values that appear for the field are equal to the Adjustment Number from the shipment line plus the date it occurred.

The system refreshes the page displaying the details for that cost adjustment. The Pie Chart and Bar Graph refresh with the new information but the Calculation History graph stays the same.
Managing Landed Cost as a Service

This chapter covers the following topics:

• Understanding Landed Cost as a Service
• Importing Estimated Landed Cost Information from Receiving
• Searching for Automatically Created Shipments
• Viewing Estimated Landed Cost for the Shipment
• Calculating and Importing Actual Landed Cost for the Shipment
• Viewing Actual Landed Cost for the Shipment
Oracle Landed Cost Management can be used as a service. In this scenario, after the receipt of items into inventory the Landed Cost Management shipment is automatically created. The estimation of the item landed cost is also automatically calculated based on the purchase documents price and the charge amounts given by Advanced Pricing.

All of the Landed Cost Management calculation and integration processes are performed using two concurrent programs (Landed Cost Integration Manager and Shipment Interfaces Import), which can be scheduled to run on a periodic basis in order to not require user intervention. Landed cost users will only access Oracle Landed Cost Management (Shipments Workbench) to view the estimated and actual landed costs for a Landed Cost Management shipment.

The actual landed cost calculation is based on the information collected from Payables invoices and is not changed in this scenario.

While viewing this cost information they can analyze and compare the difference between the estimated and actual landed costs. This information provides valuable insight into the costs of items.
Using the Shipments Workbench the estimated landed cost can be viewed for the shipment after the Landed Cost Integration Manager and Shipment Interfaces Import concurrent programs have completed successfully.

Then, after invoices are created and matched for the receipt of the item in Oracle Payables that actual landed cost information is passed to Landed Cost Management using two concurrent programs (Matches Interface Import and Submit Pending Shipments).

Finally, the Shipments Workbench can be accessed again to view the actual landed cost for the shipment after the Matches Interface Import and Submit Pending Shipments programs have completed successfully.

**Landed Cost Management as a Service High-Level Process Flow**

Following is a basic process flow when using Landed Cost Management as a service:

1. Create a purchase order for an item referencing an Inventory organization that does not have pre-receiving in LCM enabled using Oracle Purchasing.
   
   Ensure that the Invoice Match Option field for each purchase order line is set to Receipt.

   For information on creating a purchase order, see the Purchase Orders chapter in the *Oracle Purchasing User’s Guide*.

2. Approve the purchase order.

   For information on approving a purchase order, see the Approval, Security, and Control chapter in the *Oracle Purchasing User’s Guide*.

3. Create a receipt for the items on the purchase order using Oracle Purchasing.

   **Important**: If Landed Cost Management is implemented as a service application, then the receiving activities are initiated in Inventory Receiving and can be used for all items. If Landed Cost Management is implemented as a pre-receiving application, the user should not use Inventory Receiving for initiating the receiving activities.

   For information on creating a receipt, see the Receiving chapter in the *Oracle Purchasing User’s Guide*.

4. Run the Landed Cost Integration Manager concurrent program using Oracle Purchasing.

   This program picks up purchase order receipt lines and sends them to the Landed Cost Management shipment interface tables.

   Oracle recommends that this program be scheduled to run in the back ground with
no user intervention required.

For more information, see Importing Estimated Landed Cost Information from Receiving, page 5-5.

5. Run the Shipments Interface concurrent program using Landed Cost Management.
   This program picks up the Landed Cost Management interface lines and processes them into Landed Cost Management shipments. This concurrent program also calls routines for charge calculation, recovering taxes calculated for the purchase order lines, validation, landed cost calculation, and submission. This concurrent program uses the same APIs as the Shipments Workbench.

Oracle recommends that this program be scheduled to run in the background with no user intervention required.

For more information, see Importing Estimated Landed Cost Information from Receiving, page 5-5.

6. View the estimated landed cost that was calculated from the receipt information using the Landed Cost Management Shipments Workbench.

For more information, see Viewing Estimated Landed Cost for the Shipment., page 5-11

7. Create an invoice for the receipt using Oracle Payables.

For information on creating an invoice, see the Invoices chapter in the Oracle Payables User’s Guide.

8. Match the invoice to the receipts using Oracle Payables.

For information on invoice matching to receipts option see, the Invoices chapter in the Oracle Payables User’s Guide.

9. Validate the invoices. After validation the actual invoice information is interfaced to the Landed Cost Management interface tables.

For information on validating see, the Invoices chapter in the Oracle Payables User’s Guide.

10. Repeat Steps 14-16 for all other invoices (freight, insurance and so on) that pertain to the shipment.

11. Run the Matches Interface Import concurrent program using Landed Cost Management.

This program moves the matched information from Oracle Payables into the Landed Cost Management integration tables. This process also sets the Landed Cost Management shipments with Pending Matching field to Yes. At this time, the actual landed cost calculation has not been performed yet.
Oracle recommends that this program be scheduled to run in the background with no user intervention required.

For more information see, Calculating and Importing Actual Landed Cost for the Shipment, page 5-15.

12. Run the Submit Pending Shipments concurrent program using Landed Cost Management.

This program performs the submit process again and calculates the actual landed cost for the Landed Cost Management shipment. After this process completes successfully you can view the actual landed cost using the Shipment Hierarchy and Landed Cost Detail pages in Landed Cost Management.

Oracle recommends that this program be scheduled to run in the background with no user intervention required.

For more information see, Calculating and Importing Actual Landed Cost for the Shipment, page 5-15.

After the actual estimated landed cost is calculated these steps occur:

- Item cost adjustments for the item are created in Oracle Cost Management (difference between estimated and actual landed cost).

- Accounting adjustment entries are created (difference between estimated and actual landed cost) by Oracle Cost Management.

If you are using Oracle Process Manufacturing (OPM), you must first run the Landed Cost Adjustments Import Process in OPM before these steps occur:

- Item cost adjustments for the item are created in Oracle Process Manufacturing Cost Management (difference between estimated and actual landed cost).

- Accounting adjustment entries are created (difference between estimated and actual landed cost) by Oracle Process Manufacturing Cost Management.

13. View the actual landed cost information for the shipment and compare the estimated landed cost to the actual landed cost for the shipment using the Landed Cost Management Shipments Workbench.

For more information see, Viewing Actual Landed Cost for the Shipment, page 5-16.

**Importing Estimated Landed Cost Information from Receiving**

In the Managing Landed Cost as Service flow the creation of landed cost shipments from purchase order receipts and the calculation of estimated landed cost for those shipments is performed by two concurrent programs (Landed Cost Integration Manager and Shipments Interface Import). These concurrent programs can be
scheduled to run automatically in the background without user intervention. The Landed Cost Integration Manager program needs to be run first and then the Shipments Interface Import Program.

The Landed Cost Integration Manager concurrent program picks up purchase order receipt lines with a status of LC PENDING and sends them to the Landed Cost Management shipment interface tables and changes the status from LC PENDING to LC INTERFACED.

The Landed Cost Integration Manager concurrent program is owned by Oracle Purchasing and should be run by the appropriate responsibility in that application.

For more information on the Landed Cost Integration Manager, see the Oracle Purchasing User’s Guide.

The Shipments Interface Import concurrent program picks up the pending Landed Cost Management interface lines and processes them into Landed Cost Management shipments. This concurrent program also calls routines for charges calculation, recovering taxes calculated for the purchase order lines, validation, landed cost calculation, and submission. This concurrent program uses the same APIs as the Shipments Workbench.

By default, the records are created in the Landed Cost Management Shipments Header interface table in a way that all tasks (get charges, get taxes, perform validation, calculate landed cost, and submit) are automatically performed for the interfaced data. If imported Landed Cost Management shipments do not pass the validation routine you will need to fix them through the use of the Shipments Workbench.

For more information on re-validating a shipment that is on hold, see Validating a Shipment.

The Shipments Interface Import concurrent program is owned by Oracle Landed Cost Management and should be run by the appropriate responsibility in that application.

**Prerequisites**

- Receipts have been created for the items on a purchase order.
- The Landed Cost Integration Manager concurrent program has been run.

**To Run the Shipments Interface Import Program:**

   
   The Submit a New Request window appears asking for the type of request you want to submit.

2. Select the Single Request option and click OK.
   
   The Submit Request window appears.
3. Select Shipments Interface Import in the Name field. The Parameters window appears.

4. (Optional) Enter a transaction Group ID and select an associated Operating Unit and click OK. To run the program for all of the available data do not enter any parameters.

5. Click Submit.

6. Click No in the Decision window.

7. To see the status of the concurrent request, navigate to the Requests window, page A-1. The Find Requests window appears.

8. Click Find to view the status of all the requests. The Requests window appears displaying all of the requests.

### Searching for Automatically Created Shipments

After the estimated landed cost information is imported from Receiving and the shipment is automatically created you can then search for the shipment and view the estimated landed cost.

The Group Reference field is automatically populated with the Receipt Number in the case of using Landed Cost Management as a Service.

Use this procedure to search for automatically created shipments:

#### Prerequisites

- You have already imported the estimated landed cost information from Receiving.

#### To Search for Automatically Created Shipments:


   The Shipments Workbench appears with just the Inventory Organization field available for selection.

2. Select a Inventory Organization that does not have pre-receiving in LCM selected for it.

3. Click Go.

   The complete Shipments Workbench appears.
4. Select the type of information you want to display at the bottom of the Shipments Workbench using the Display field. Values are:
   • Shipment
   • Line Group
   • Shipment Line

By default Shipment appears in the Display field.

Depending on the Display selection, the information that appears at the bottom of the Shipments Workbench will pertain to that display option. For example, if you select Shipment then fields related to shipments will appear in the table.

5. In the Find Shipments region, expand the Shipments section and enter the fields you want to search on. Enter any of the following fields:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Unit</td>
<td>Select an operating unit for the shipment.</td>
</tr>
<tr>
<td>Receiving Location</td>
<td>Select a receiving location for the shipment.</td>
</tr>
<tr>
<td>Shipment Date</td>
<td>Select or enter a shipment date.</td>
</tr>
<tr>
<td>Shipment Type</td>
<td>Select the type of shipment.</td>
</tr>
<tr>
<td>Shipment Status</td>
<td>Select the status of the shipment. Values are:</td>
</tr>
<tr>
<td></td>
<td>• Completed</td>
</tr>
<tr>
<td></td>
<td>• Incomplete</td>
</tr>
<tr>
<td></td>
<td>• On Hold</td>
</tr>
<tr>
<td></td>
<td>• Validated</td>
</tr>
<tr>
<td></td>
<td>• Validation Required</td>
</tr>
<tr>
<td>Shipment</td>
<td>Enter the specific shipment number.</td>
</tr>
<tr>
<td>Pending Matching</td>
<td>Select this check box if you want to search for shipments that are pending invoice matching in Oracle Payables.</td>
</tr>
</tbody>
</table>
Otherwise, you can select Go without entering any search criteria and all of the available shipments in the Inventory Organization will display.

6. In the Find Shipments region, expand the Line Groups section and enter the fields you want to search on. Enter any of the following fields:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>Enter a specific line group.</td>
</tr>
<tr>
<td>Group Reference</td>
<td>When using Landed Cost as Service, enter the receipt number.</td>
</tr>
<tr>
<td>Third Party</td>
<td>Select a third party associated with a line group.</td>
</tr>
<tr>
<td>Third Party Site</td>
<td>Select a third party site associated with a line group.</td>
</tr>
<tr>
<td>Source Type</td>
<td>Select a source type. Value is: Purchase Order</td>
</tr>
</tbody>
</table>

7. In the Find Shipments region, expand the Shipment Lines section and enter the fields you want to search on. Enter any of the following fields:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third Party</td>
<td>Select a third party associated with the shipment line.</td>
</tr>
<tr>
<td>Third Party Site</td>
<td>Select a third party site associated with the shipment line.</td>
</tr>
<tr>
<td>Purchase Order, Release, Line, Schedule</td>
<td>Select information pertaining to a purchase order.</td>
</tr>
<tr>
<td>Shipment Line Type</td>
<td>Select the shipment type for the line.</td>
</tr>
</tbody>
</table>

8. In the Shipment Lines section, expand the Show More Search Options section and enter the fields you want to search on. Enter any of the following fields:
### Item

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
<td>Select an item number.</td>
</tr>
<tr>
<td>Description</td>
<td>Enter a description for the item.</td>
</tr>
<tr>
<td>Rev</td>
<td>Select an item revision number.</td>
</tr>
<tr>
<td>Supplier Item</td>
<td>Select a supplier item.</td>
</tr>
</tbody>
</table>

### Receipt Details

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Packing Slip</td>
<td>Select a packing slip number.</td>
</tr>
<tr>
<td>Receiver</td>
<td>Select an individual that is the receiver.</td>
</tr>
<tr>
<td>Freight Carrier</td>
<td>Select a freight carrier.</td>
</tr>
<tr>
<td>Bills of Lading</td>
<td>Select a bills of lading.</td>
</tr>
</tbody>
</table>

### Transaction Details

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transaction Date From and Transaction Date To</td>
<td>Select a transaction date range by using the from and to fields.</td>
</tr>
<tr>
<td>Receipt Routing</td>
<td>Select a receipt routing. Values are: Delivery and Inspection.</td>
</tr>
</tbody>
</table>

### Shipment

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Container Number</td>
<td>Select a container number for the shipment.</td>
</tr>
<tr>
<td>Truck Number</td>
<td>Select a truck number for the shipment.</td>
</tr>
</tbody>
</table>
9. Click Go.

All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments, Line Groups, or Shipment Lines.

Viewing Estimated Landed Cost for the Shipment

After the shipment is automatically created you can then go and view the estimated landed cost for the shipment.

Use this procedure to view estimated landed cost:

To View Estimated Landed Cost for the Shipment:


   The Shipments Workbench appears.

2. Search for shipments that were automatically created.

   For more information, see Searching for Automatically Created Shipments, page 5-7.
All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments, Line Groups, or Shipment Lines.

3. Navigate to the Shipment Hierarchy page using one of these methods:
   - 1. Select the shipment in the table on the Shipments Workbench.
   - 2. Select View Landed Cost in the Actions field.
   - 3. Click Go.

   - 1. Select the Shipment link in the table for a shipment on the Shipments Workbench.
     The View Shipments page appears.
   - 2. Select View Landed Cost in the Actions field.
   - 3. Click Go.
The Shipment Hierarchy page appears displaying the estimated landed cost for each shipment, line group, and line.

The hierarchy for the shipment is as follows:

1. At the top of the hierarchy is the Shipment itself. Depicted with a Component Number equal to the shipment number and a Component Type of shipment.

2. Next is the line group for the shipment. Depicted with the Component Number equal to the line group number and a Component Type of Line Group.

3. After that is the shipment line. Depicted with the Component Number equal to the shipment line number and a Component Type of Shipment Line. At this level the total estimated landed cost is displayed for the shipment line in the Estimated Amount column and the unit estimated landed cost is displayed in the Unit Landed Cost column. The Estimated Amount is the sum of all allocation amounts for a shipment line.

4. Finally, under each shipment line is the shipment line, charge line, and tax line allocations. Depicted with a Component Type equal to Shipment Line Allocation, Charge Line Allocation, or Tax Line Allocation and the specific cost factor displayed in the Component Reference field.

**Note:** The Billed Amount, Actual Amount, and Actual History
columns do not appear on this page until after the invoice is received and matched in Oracle Payables.

4. To view landed cost details, click the Unit Landed Cost link for a shipment line.

**Landed Cost Details page**

The Landed Cost Details page appears displaying the break down for the total estimated landed cost for the shipment and for the estimated unit landed cost. The cost factor (analysis code and component class) display for each line in the break down.

At the bottom of the page these charts display:

- **Pie Graph:** The pie graph displays the total allocation percentage for each cost that make up the shipment line.

- **Bar Graph:** The bar graph displays the total allocation amount for each cost in the shipment line.

- **Calculation History:** This graph displays the landed cost adjustment calculation history for the unit landed cost.

When only estimated landed cost has been calculated this chart will display just as individual points on the graph. After actual landed cost is calculated, you will be able to view lines in this graph that depict the calculation history.
Calculating and Importing Actual Landed Cost for the Shipment

Before you can view the actual landed cost for a shipment in Landed Cost Management a couple of concurrent programs (Matches Interface Import and Submit Pending Shipments) need to be executed. When using Landed Cost Management as a Service, Oracle recommends that these programs be scheduled to run periodically without any user intervention.

The Matches Interface Import program is responsible for importing the matched invoice information from Oracle Payables into Landed Cost Management. During this program execution, all shipments that need to be resubmitted that are being impacted by the capture of actual amounts will be set as "Pending" shipments. Pending Landed Cost Management Shipments must be resubmitted, so that a new landed cost can be figured out as "actual landed cost" and the differences between estimated and actual landed costs can be sent to Oracle Cost Management.

Pending Landed Cost Management shipments can be submitted through the Submit Pending Shipments concurrent program. The Submit Pending Shipments program calculates actual landed cost and then performs the submitting action again for the shipment. All of the routines necessary to recalculate landed costs and generate the Oracle Cost Management integration transactions are performed.

Use these procedures to calculate and import the actual landed cost:

Prerequisites

- Invoices have already been created in Oracle Payables for the item and charges (insurance, freight and so on) associated with the shipment. Plus, the invoices have been matched and validated.

To Run the Matches Interface Import Program

   - The Submit a New Request window appears asking for the type of request you want to submit.
2. Select the Single Request option and click OK.
   - The Submit Request window appears.
3. Select Matches Interface Import in the Name field.
4. Click Submit.
5. Click No in the Decision window.
6. To see the status of the concurrent request, navigate to the Requests window, page
The Find Requests window appears.

7. Click Find to view the status of all the requests.
   The Requests window appears displaying all of the requests.

**To Run the Submit Pending Shipments Program**

   The Submit a New Request window appears asking for the type of request you want to submit.

9. Select the Single Request option and click OK.
   The Submit Request window appears.

10. Select *Submit Pending Shipments* in the Name field.
    The Parameters window appears.

11. (Optional) Enter an Inventory Organization or an Inventory Organization and a Shipment Number and click Go.
    To run the program for all of the available data do not enter any parameters.

12. Click Submit.

13. Click No in the Decision window.

14. To see the status of the concurrent request, navigate to the Requests window, page A-1.
    The Find Requests window appears.

15. Click Find to view the status of all the requests.
   The Requests window appears displaying all of the requests.

**Viewing Actual Landed Cost for the Shipment**

Using the Shipment Hierarchy and Landed Cost Details pages you can view the actual landed cost for a shipment. These pages itemize all of the allocation values that make up the total landed cost.

Using the Actual Matching History page you can view the detailed invoicing history for the shipment line.

Plus, you can view the proportion of each landed cost component making up the total landed cost in a Pie Chart or Bar Graph and the unit landed cost calculations in the
Calculation History graph.
Use this procedure to view actual landed cost for the shipment:

**Prerequisites**

- Invoice information related to the Landed Cost Management shipment has been imported from Oracle Payables.
- Actual landed cost has been calculated for the shipment.

**To View Actual Landed Cost for the Shipment:**

   
   The Shipments Workbench appears.

2. Search for shipments that were automatically created.
   
   For more information, see Searching for Automatically Created Shipments, page 5-7.
All of the data that matches the search criteria displays at the bottom of the Shipments Workbench in a table format. Depending on the Display option that was selected, different columns of data will appear in the table. Data will be related to Shipments, Line Groups, or Shipment Lines.

3. Navigate to the Shipment Hierarchy page using one of these methods:
   - 1. Select the shipment in the table on the Shipments Workbench.
   - 2. Select View Landed Cost in the Actions field.
   - 3. Click Go.

   - 1. Select the Shipment link in the table for a shipment on the Shipments Workbench.
     The View Shipments page appears.
   - 2. Select View Landed Cost in the Actions field.
   - 3. Click Go.

4. Select View Landed Cost in the Actions field and click Go.
Managing Landed Cost as a Service

The Shipment Hierarchy page appears displaying the actual landed cost for each shipment, line group, and line.

The Billed Amount, Actual Amount, and Actual History columns appear on this page after the invoice is received and matched in Oracle Payables and then the actual landed cost is calculated and imported to Landed Cost Management for the shipment. The actual amount columns are next to the Estimated Amount column so that the difference between the estimated and actual landed cost are easily viewed.

The hierarchy for the shipment is as follows:

1. At the top of the hierarchy is the Shipment itself. Depicted with a Component Number equal to the shipment number and a Component Type of shipment.

2. Next is the line group for the shipment. Depicted with the Component Number equal to the line group number and a Component Type of Line Group.

3. After that is the shipment line. Depicted with the Component Number equal to the shipment line number and a Component Type of Shipment Line. At this level the actual landed cost is displayed for the shipment line in the Actual Amount column and the unit actual landed cost is displayed in the Unit Landed Cost column. The Actual Amount is the sum of all allocation amounts for a shipment line.

4. Finally, under each shipment line is the shipment line, charge line, and tax line
allocations. Depicted with a Component Type equal to Shipment Line Allocation, Charge Line Allocation, or Tax Line Allocation and the specific cost factor displayed in the Component Reference field.

5. To view the detailed invoicing history, click the View Actual History icon in the Actual History column next to an allocation line.

   **Note:** The Actual History icon is only available for each allocation line. It is not available for the shipment, line group, or shipment lines levels.

**Actual Matching History page**

The Actual Matching History page appears displaying the details for the invoice history. The Actual Reference column displays the invoice number plus the distribution number.

6. To view landed cost details, click the Unit Landed Cost link for a shipment line.
The Landed Cost Details page appears displaying the break down for the total actual landed cost for the shipment and for the actual unit landed cost. The cost factor (analysis code and component class) display for each line in the break down. The latest landed cost adjustment details appear by default.

At the bottom of the page these charts display:

- **Pie Graph**: The pie graph displays the total allocation percentage for each cost that make up the shipment line.

- **Bar Graph**: The bar graph displays the total allocation amount for each cost in the shipment line.

- **Calculation History**: This graph displays the landed cost adjustment calculation history for the unit landed cost.

7. (Optional) Select another cost adjustment using the Unit Landed Cost History field. The values that appear for the field are equal to the Adjustment Number from the shipment line plus the date it occurred.

The system refreshes the page displaying the details for that cost adjustment. The Pie Chart and Bar Graph refresh with the new information but the Calculation History graph stays the same.
Managing Simulated Landed Cost

This chapter covers the following topics:

• Understanding Simulated Landed Cost
• Creating a Landed Cost Simulation for a Purchase Order
• Reviewing Existent Landed Cost Simulations
• Managing Existent Landed Cost Simulations
• Managing Charges and Simulation Details
• Creating the Estimated Landed Cost Shipment

Understanding Simulated Landed Cost

Simulated Landed Cost functionality allows users to simulate the landed costs when creating a purchase order. This allows the buyer to perform better sourcing decisions by comparing the overall landed costs including all applicable charges instead of relying on the item price only. You can review the landed cost information simulations by editing the charges automatically calculated or create and delete new ones.

Simulated Landed Cost functionality is available for standard purchase orders as well as blanket releases.

See:

• Creating a Landed Cost Simulation for a Purchase Order, page 6-2
• Reviewing Existent Landed Cost Simulations, page 6-5
• Managing Existent Landed Cost Simulations, page 6-8
• Managing Charges and Simulation Details, page 6-12
• Creating the Estimated Landed Cost Shipment, page 6-19
Creating a Landed Cost Simulation for a Purchase Order

Using the Landed Cost Simulations page, you can search for a purchase order for which to create a simulation.

Use this procedure to create a landed cost simulation:

**To Create a Landed Cost Simulation:**
1. Navigate to the Create or Update Standard Purchase Order page for the desired PO.
   
   Please refer to the *Oracle Purchasing User’s Guide* for additional information on how to create Purchase Orders.

   **Standard Purchase Order page**

2. From the Actions menu, select Manage Landed Costs and click Go to display the Landed Cost Simulation page.
3. The Purchase Order information is automatically defaulted to the Landed Costs Simulations page.

4. Click the Simulate button. In the Simulations region, you can view the simulation information derived from the PO in the following columns:
   - Operating Unit
   - Third Party
   - Third Party Site
   - Freight Carrier
• Source Order
• Source Revision
• Simulation Version Currency
• Total Cost
• Firmed
• Actions

**Landed Cost Simulations page**

5. Click the Show link in the Details column to display details of the purchase order. The following columns are displayed for each line of the order:

• Organization
• Location
• Shipment
• Number
• Status
• Amount
• Simulated
Reviewing Existent Landed Cost Simulations

To review Existent LC simulations:
1. Navigate to the Simulation Version Details page. Click the Total Cost link. On this page, under the Summary tab, you can view simulated component amounts and charts representing simulated amount percentages (pie chart) and component amounts (bar graph).
2. Click the Costs tab to view the Summarized Unit Landed Cost information.

3. Click the Show icon for each Source Line to view details of the summarized landed costs.
   For each Source Line, the following information is displayed:
   - Source Price per Item
   - Quantity
• Total Amount including all components (for example, freight, insurance, labor)
• Unit Landed Cost

In the details row, the following information is displayed for each shipment line:
• Source Shipment Line Number
• Shipment Number
• Organization Name
• Organization Location
• Quantity
• Total Amount including all components (for example, freight, insurance, labor)
• Unit Landed Cost

Simulation Version Details page

4. Click the Update icon for a Shipment Line to display Landed Cost Details for this Shipment.
Managing Existent Landed Cost Simulations

To create a new Landed Cost simulation version:

You can create a new simulation version to display charges that would result from a different supplier.

1. Navigate to the Landed Cost Simulations page and click the Simulate button.
To copy the data from an existent Landed Cost simulation version into a new one:

1. From the Actions menu on the Simulation Version Details page, select Copy and Click Go.
2. From the Version Menu, select Version 2 and click the Go button.
To update the simulation version information:

LCM allows you to modify the simulation version information such as third party and freight carrier information in order to determine the most cost effective solution.

1. On the Landed Cost Simulations page, in the Actions column for Version 2, click the Update icon.
2. On the Update Simulation Version page, query the desired Third Party name and click Apply.

**Managing Charges and Simulation Details**

LCM allows you to change the simulated shipment information and also the charge information by using the same UI pages used by the shipments workbench in the update mode.

Use the update button from the Landed Cost Detail page or the Update Icon from the following pages:
• Landed Cost Simulations (detail table row)
• Landed Cost Version Details (costs tab)

To manage charges and simulation details:
1. On the Landed Cost Details page, click the Update button to navigate to the Update Shipment page.

2. From the Actions menu, select Manage Charges and click the Go button to display the Manage Charges page in order to update the desired Charge Line information.

Please refer to the Managing Charge Lines for the Shipment, page 4-36 section of this document for additional information on how to manage charges.
To generate charges from LC simulation version:
Whenever you modify the charge information from a Landed Cost simulated shipment, you have to calculate the new landed costs in order to view the new information in the simulation workbench pages.

Please refer to the Calculating Estimated Landed Cost for the Shipment, page 4-49, section on this guide for additional information.

1. On the Simulation Version Details page, select Generate Charges from the Actions menu and click the Go button.
To calculate the landed costs for a Landed Cost simulation:

1. Navigate to the Simulation Version Details page and click the Total Cost link for Version 2 to view the Simulation Version Details page.

2. From the Actions menu, select Calculate and click the Go button. When you calculate the simulated version, LCM will run the calculation engine for all the Landed Cost simulated shipments that belong to that simulated version.
Alternatively, you can run the calculation for each simulated shipment. To do so, use the same navigation as you edit and use the actions list of value available there. Please refer to the section Managing Landed Cost for additional information.

**Simulation Version Details page**

To firm the best Landed Cost simulation:

LCM allows you to reuse the charge information from firmed simulations when you are creating the Landed Cost shipments at the time of receipt. To firm a simulation version, you are required to complete, or submit it. When you submit the LC simulated version, you are freezing it from updates and allowing it to be firmed. You should perform this action when you are satisfied with the simulation results and don't want to update it anymore.

1. From the Actions menu on the Simulated Version Details page, select Submit and click the Go button.
2. You have the option to firm the simulation from 2 pages. You can select Firm from the Actions menu of the Simulation Version Details page:

Simulation Version Details page

Or you can click on the Firm icon in the Actions column on the Landed Cost Simulations page
3. On the Landed Cost Simulations page, note that Simulation Version 1 is now firmed.

During the firming process, LCM performs a synchronized validation between the data from the simulation and the source document (e.g.: purchase order). When a discrepancy is recognized by the system, a warning is displayed as follows:
Creating the Estimated Landed Cost Shipment

Once the firmed PO has been approved, you can create the Estimated Landed Cost shipment at receiving time.

To create the estimated Landed Cost shipment:
The Landed Cost shipment creation process derives the charges from the firmed LC simulation as demonstrated in the following steps.

For complete information on the Landed Cost shipment creation process, see: Creating Landed Cost Management Shipments, page 4-8.

1. On the Create Shipment page, enter the shipment header information and click the Lines tab.

2. Search for the desired purchase order lines, save the shipment, select Generate Charges from the Action menu and click the Go button.
3. From the Actions menu, select Calculate and click the Go button.
4. From the Actions menu, select View Landed Cost and click the Go button to.
**Shipment Hierarchy page**

![Shipment Hierarchy page](image)

<table>
<thead>
<tr>
<th>Component Number</th>
<th>Details</th>
<th>Component Type</th>
<th>Component Reference</th>
<th>Unit Quantity</th>
<th>Primary Cost</th>
<th>Primary MOH</th>
<th>Unit Landed Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>Unit</td>
<td>Item</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>Unit</td>
<td>Item</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
- The page provides a hierarchical view of shipment allocations with details such as component number, description, reference, and landed cost.
Overview of Landed Cost Management Windows/Pages and Navigation Paths

The following table displays the default navigation path for each Oracle Landed Cost Management window or page.

- Text in brackets ([ ]) indicates a button.
- (I) indicates a icon.
- (T) indicates to select a tab.
- (M) indicates to select the menu option from the window.

To assist with clarification, the responsibility may be listed ahead of the navigation path in the Navigator Menu Path column of the table. For example, System Administrator: System Profile Values. In this example, System Administrator is the responsibility.

Windows/Pages and Navigator Paths

<table>
<thead>
<tr>
<th>Window/Page</th>
<th>Navigator Menu Path</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Matching History</td>
<td>Shipment Hierarchy &gt; (I) View Actual History</td>
</tr>
<tr>
<td>Approve Document</td>
<td>Purchasing: Purchase Orders &gt; Purchase Orders &gt; [Approve]</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Window/Page</th>
<th>Navigator Menu Path</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Factors</td>
<td>Oracle Purchasing: Setup &gt; Purchasing &gt; Cost Factors</td>
</tr>
<tr>
<td>Create Cost Factor</td>
<td>Oracle Purchasing: Setup &gt; Purchasing &gt; Cost Factors &gt; [Create]</td>
</tr>
<tr>
<td>Create Shipment</td>
<td>Workbench &gt; Shipments &gt; [Create]</td>
</tr>
<tr>
<td>Create Shipment Line Types</td>
<td>Setup &gt; Shipment Line Types &gt; [Create]</td>
</tr>
<tr>
<td>Create Shipment Type</td>
<td>Setup &gt; Shipment Types &gt; [Create]</td>
</tr>
<tr>
<td>Invoice Workbench</td>
<td>Payables: Invoices &gt; Entry &gt; Invoices</td>
</tr>
<tr>
<td>Landed Cost Details</td>
<td>Shipment Hierarchy &gt; Unit Landed Cost link</td>
</tr>
<tr>
<td>LCM Options</td>
<td>Setup &gt; Options</td>
</tr>
<tr>
<td>Manage Associations</td>
<td>• Update Shipment &gt; Manage Associations action</td>
</tr>
<tr>
<td></td>
<td>• Create Shipment &gt; Manage Associations action</td>
</tr>
<tr>
<td>Manage Charges</td>
<td>• Update Shipment &gt; Manage Charges action</td>
</tr>
<tr>
<td></td>
<td>• Create Shipment &gt; Manage Charges action</td>
</tr>
<tr>
<td>Organization Parameters - Inventory Parameters</td>
<td>Inventory: Setup &gt; Organizations &gt; Parameters &gt; (T) Inventory Parameters</td>
</tr>
<tr>
<td>Organization Parameters - Other Accounts</td>
<td>Inventory: Setup &gt; Organizations &gt; Parameters &gt; (T) Other Accounts</td>
</tr>
<tr>
<td>Personal Profile Values</td>
<td>• System Administrator: Profile &gt; Personal Other &gt; Profile</td>
</tr>
<tr>
<td>Window/Page</td>
<td>Navigator Menu Path</td>
</tr>
<tr>
<td>----------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>Purchase Orders</td>
<td>Purchasing: Purchase Orders &gt; Purchase Orders</td>
</tr>
<tr>
<td>Receiving Options</td>
<td>Inventory: Setup &gt; Organizations &gt; Receiving Parameters</td>
</tr>
<tr>
<td>Receipts</td>
<td>Inventory: Transactions &gt; Receiving &gt; Receipts</td>
</tr>
<tr>
<td>Requests</td>
<td>• (M) View &gt; Requests</td>
</tr>
<tr>
<td></td>
<td>• Other &gt; Concurrent</td>
</tr>
<tr>
<td>Shipment Hierarchy</td>
<td>• Update Shipment &gt; View Landed Cost action</td>
</tr>
<tr>
<td></td>
<td>• Create Shipment &gt; View Landed Cost action</td>
</tr>
<tr>
<td></td>
<td>• Workbench &gt; Shipments &gt; View Landed Cost action</td>
</tr>
<tr>
<td></td>
<td>• View Shipments &gt; View Landed Cost action</td>
</tr>
<tr>
<td>Shipment Line Types</td>
<td>Setup &gt; Shipment Line Types</td>
</tr>
<tr>
<td>Shipment Types</td>
<td>Setup &gt; Shipment Types</td>
</tr>
<tr>
<td>Shipments</td>
<td>Purchasing: Purchase Orders &gt; Purchase Orders &gt; [Shipments]</td>
</tr>
<tr>
<td>Shipments Workbench</td>
<td>Workbench &gt; Shipments</td>
</tr>
<tr>
<td>Submit Requests</td>
<td>Other &gt; Requests</td>
</tr>
<tr>
<td>System Profile Values</td>
<td>System Administrator: Profile &gt; System</td>
</tr>
<tr>
<td>Update Charge Line</td>
<td>Manage Charges &gt; (I) Update</td>
</tr>
<tr>
<td>Window/Page</td>
<td>Navigator Menu Path</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Update Shipment</td>
<td>• Workbench &gt; Shipments &gt; Shipment or Line Group display &gt; (I) Update</td>
</tr>
<tr>
<td></td>
<td>• View Shipment &gt; [Update]</td>
</tr>
<tr>
<td>Update Shipment Line</td>
<td>• Create Shipment &gt; (T) Lines &gt; (I) Update</td>
</tr>
<tr>
<td></td>
<td>• Update Shipment &gt; (T) Lines &gt; (I) Update</td>
</tr>
<tr>
<td></td>
<td>• View Shipment &gt; (T) Lines &gt; (I) View Details &gt; [Update]</td>
</tr>
<tr>
<td></td>
<td>• Workbench &gt; Shipments &gt; Shipment Line display &gt; (I) Update</td>
</tr>
<tr>
<td></td>
<td>• Workbench &gt; Shipments &gt; Shipment Line display &gt; Line link &gt; [Update]</td>
</tr>
<tr>
<td>Update Shipment Line Type</td>
<td>• Setup &gt; Shipment Line Types &gt; (I) Update</td>
</tr>
<tr>
<td></td>
<td>• Setup &gt; Shipment Line Types &gt; Click Code link &gt; [Update]</td>
</tr>
<tr>
<td>Update Shipment Type</td>
<td>• Setup &gt; Shipment Types &gt; (I) Update</td>
</tr>
<tr>
<td></td>
<td>• Setup &gt; Shipment Types &gt; Click Code link &gt; [Update]</td>
</tr>
<tr>
<td>View Charge Line</td>
<td>View Manage Charges &gt; (I) View Details</td>
</tr>
<tr>
<td>View Manage Associations</td>
<td>View Shipment &gt; View Associations action</td>
</tr>
<tr>
<td>View Manage Charges</td>
<td>View Shipment &gt; View Charges action</td>
</tr>
<tr>
<td>View Shipment</td>
<td>Workbench &gt; Shipments &gt; Shipment link</td>
</tr>
<tr>
<td>Window/Page</td>
<td>Navigator Menu Path</td>
</tr>
<tr>
<td>---------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>View Shipment Line</td>
<td>• Workbench &gt; Shipments &gt; Shipment link</td>
</tr>
<tr>
<td></td>
<td>&gt; (T) Lines &gt; (I) View Details</td>
</tr>
<tr>
<td></td>
<td>• Workbench &gt; Shipments &gt; Shipment Line display &gt; Line link</td>
</tr>
</tbody>
</table>
Overview of Profile Options

During implementation, you can set values for profile options at various levels to specify how the Oracle Landed Cost Management application controls access to and processes data. The system administrator sets and updates profile values. For more information see, Setting User Profile Options in the Oracle Applications System Administrator’s - Maintenance Guide.

The following profile options are unique to Oracle Landed Cost Management.

Landed Cost Management Profile Options

You can set the profile options described in this section in any order and at any level as indicated in the profile option tables:

- Site (S)
- Application (A)
- Responsibility (R)
- User (U)

In addition, most of the profile options have been provided with default values.

INL: Default Currency Code for QP Charges Generation

This profile option is used in Advanced Pricing integration with Landed Cost
This profile option defines the base currency used when integrating to Oracle Advanced Pricing. All the shipment line amounts are converted to this currency and the currency conversion type indicated in the profile options.

<table>
<thead>
<tr>
<th>LOV Values</th>
<th>Default Value</th>
<th>Where Used</th>
<th>Supported Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>All available currency codes</td>
<td>Blank</td>
<td>Integration with Oracle Advanced Pricing</td>
<td>S/A/R/U</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Generate Charges process</td>
<td></td>
</tr>
</tbody>
</table>

### INL: Default Currency Conversion Type for QP Charges Generation

This profile option is used in Advanced Pricing integration with Landed Cost Management.

This profile option defines the currency conversion type used when integrating to Oracle Advanced Pricing. All the shipment line amounts are converted to this currency and the currency conversion type indicated in the profile options.

<table>
<thead>
<tr>
<th>LOV Values</th>
<th>Default Value</th>
<th>Where Used</th>
<th>Supported Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>All available currency conversion types</td>
<td>Blank</td>
<td>Integration with Oracle Advanced Pricing</td>
<td>S/A/R/U</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Generate Charges process</td>
<td></td>
</tr>
</tbody>
</table>

### INL: Default Shipment Type for Open Interface

The system uses this profile option to determine the Shipment Type the Landed Cost Management shipment headers will be created with, in the Managing Landed Cost as a Service flow, where Landed Cost Management shipments are automatically created for the receipts.
### INL: Quantity UOM Class

Use this profile to indicate the class defined for each unit associated with "quantity" cost factors. The system uses this profile to determine the class used for the "quantity" allocation basis. This profile, along with the weight (INL: Weight UOM Class) and volume (INL: Volume UOM Class) profiles drive the Landed Cost Management UOM conversions for the Generate Charges and Calculate processes.

<table>
<thead>
<tr>
<th>LOV Values</th>
<th>Default Value</th>
<th>Where Used</th>
<th>Supported Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>All available shipment types</td>
<td>Blank</td>
<td>Managing Landed Cost as a Service</td>
<td>S/A/R/U</td>
</tr>
</tbody>
</table>

### INL: Volume UOM Class

Use this profile to indicate the class defined for each unit associated with "volume" cost factors. The system uses this profile to determine the class used for the "volume" allocation basis. This profile, along with the quantity (INL: Quantity UOM Class) and weight (INL: Weight UOM Class) profiles drive the Landed Cost Management UOM conversions for the Generate Charges and Calculate processes.

<table>
<thead>
<tr>
<th>LOV Values</th>
<th>Default Value</th>
<th>Where Used</th>
<th>Supported Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>All available classes</td>
<td>Blank</td>
<td>Generate Charges and Calculate processes.</td>
<td>S/A/R/U</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Managing Landed Cost as a Pre-Receiving Application and Managing Landed Cost as a Service</td>
<td></td>
</tr>
<tr>
<td>LOV Values</td>
<td>Default Value</td>
<td>Where Used</td>
<td>Supported Levels</td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------</td>
<td>----------------------------------------------------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>All available classes</td>
<td>Blank</td>
<td>Generate Charges and Calculate processes.</td>
<td>S/A/R/U</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Managing Landed Cost as a Pre-Receiving Application and Managing Landed Cost as a Service</td>
<td></td>
</tr>
</tbody>
</table>

**INL: Weight UOM Class**

Use this profile to indicate the class defined for each unit associated with "weight" cost factors. The system uses this profile to determine the class used for the "weight" allocation basis. This profile, along with the quantity (INL: Quantity UOM Class) and volume (INL: Volume UOM Class) profiles drive the Landed Cost Management UOM conversions for the Generate Charges and Calculate processes.

<table>
<thead>
<tr>
<th>LOV Values</th>
<th>Default Value</th>
<th>Where Used</th>
<th>Supported Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>All available classes</td>
<td>Blank</td>
<td>Generate Charges and Calculate processes.</td>
<td>S/A/R/U</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Managing Landed Cost as a Pre-Receiving Application and Managing Landed Cost as a Service</td>
<td></td>
</tr>
</tbody>
</table>
Actions field
understanding, 3-13
actual landed cost
calculating, 4-56, 5-15
importing, 4-56, 5-15
viewing shipment
   as a service, 5-16
   pre-receiving, 4-58
associations
   managing, 4-43
   viewing shipment, 4-46
automatically created shipments
   searching, 5-7

benefits
   using Landed Cost Management, 1-3

Calculate process, 4-49
charge lines
   managing, 4-36
   viewing for shipment, 4-41
charges
   generating for shipment, 4-35
cost factors
   setting up, 2-7
Cost Factors page, 2-7
Create Cost Factor page, 2-7
Create Shipment page, 4-8, 4-12
understanding, 3-7
Create Shipment Type page, 2-13

Display field
understanding, 3-3

estimated landed cost
calculating
   pre-receiving shipment, 4-49
   viewing for landed cost as service, 5-11
   viewing for shipments (pre-receiving), 4-51
estimated landed cost information
   importing from Receiving, 5-5

Find Shipments section
understanding, 3-6

Generate Charges process, 4-35

Inventory organization context
understanding, 3-3
inventory organization options
   setting up, 2-2
landed cost as a pre-receiving application
  process flow, 4-3
  understanding, 4-2
landed cost as a service
  process flow, 5-3
  understanding, 5-2
  viewing estimated landed cost, 5-11
Landed Cost Details page, 4-51, 4-58, 5-11, 5-16
Landed Cost Management
  benefits, 1-3
  integration other Oracle applications, 1-4
  overview, 1-1
  profile options, B-1
  setting up profile options, 2-18
Landed Cost Management options
  setting up, 2-9
Landed Cost Management setup process
  overview, 2-1
Landed Cost Management variance account
  setting up, 2-2
landed cost shipment
  creating from a simulation, 6-19
landed cost simulations
  creating shipments from, 6-19
  managing charges, 6-12
  managing existent, 6-8
  managing simulation details, 6-12
  reviewing existing, 6-5
LCM Options page, 2-9
M
Manage Associations page, 4-43
Manage Charges page, 4-36
Matches Interface Import program, 4-56, 5-15
O
options
  setting up Landed Cost Management, 2-9
Oracle Advanced Pricing
  setting profile options, 2-8
Organization Parameters - Inventory Parameters
  window, 2-2
Organization Parameters - Other Accounts
  window, 2-2
organizations
  enabling for Landed Cost Management, 2-2
overview
  integration other Oracle applications, 1-4
P
pages
  Cost Factors, 2-7
  Create Cost Factor, 2-7
  Create Shipment, 4-8, 4-12
  Create Shipment Line Type, 2-11
  Create Shipment Type, 2-13
  Landed Cost Details, 4-51, 4-58, 5-16
    as a service, 5-11
  LCM Options, 2-9
  Manage Associations, 4-43
  Manage Charges, 4-36
  Organization Parameters - Inventory Parameters, 2-2
  Organization Parameters - Other Accounts, 2-2
  Receiving Options, 2-4
  Shipment Hierarchy, 4-51, 4-58, 5-16
    as a service, 5-11
  Shipment Line Types, 2-11
  Shipments Workbench, 5-7
  Shipment Types, 2-13
  Update Shipment, 4-17, 4-24
  Update Shipment Line, 4-28
  View Charge Line, 4-41
  View Manage Associations, 4-46
  View Manage Charges, 4-41
  View Shipment, 4-30, 4-32
  View Shipment Line, 4-33
procedure
  add a charge line, 4-39
  add an association line to the shipment, 4-45
  add shipment lines to an existing shipment, 4-27
  calculate estimated landed cost for the shipment, 4-50
  create Landed Cost Management shipments, 4-8
  delete a charge line or association, 4-39
  delete a shipment line type, 2-13
  delete shipment types, 2-18
  enter shipment lines for a shipment, 4-12
  generating charges for the shipment, 4-35
resubmit the shipment for actual landed cost calculation, 4-58
run the Matches Interface Import program, 4-57, 5-15
run the Shipments Interface Import program, 5-6
run the Submit Pending Shipments program, 4-57, 5-16
search for automatically created shipments, 5-7
set up Advanced Pricing profile options, 2-9
set up cost factors, 2-7
set up Inventory organization options, 2-3
set up Landed Cost Management options, 2-9
set up Landed Cost Management profile options, 2-20
set up Receiving options, 2-5
set up shipment line types, 2-11
set up shipment types, 2-14
submit the shipment to Receiving, 4-55
update a specific shipment line, 4-28
update associations for the shipment, 4-44
update charge lines for the shipment, 4-37
update shipment lines, 4-24
update shipment line types, 2-12
update shipments, 4-17
update shipment types, 2-17
validate a shipment, 4-48
view actual landed cost for the shipment, 4-59, 5-17
view a specific shipment line, 4-34
view associations for the shipment, 4-46
view charge lines for the shipment, 4-42
view estimated landed cost for the shipment, 4-52
as a service, 5-11
view shipment lines, 4-32
view shipment line types, 2-11
view shipments, 4-30
view shipment types, 2-13
processes
Calculate, 4-49
Generate Charges, 4-35
Submit, 4-54
Validate, 4-48
process flow
landed cost as a service, 5-3
Landed Cost Management as a pre-receiving application, 4-3
setting up Landed Cost Management, 2-1
profile options
Advanced Pricing
set up for Landed Cost Management, 2-8
setting up Advanced Pricing, 2-8
setting up Landed Cost Management, 2-18
programs
Matches Interface Import, 4-56, 5-15
Shipments Interface Import, 5-5
Submit Pending Shipments, 4-56, 5-15
R
receiving
setting up Landed Cost Management options, 2-4
receiving options
setting up, 2-4
Receiving Options page, 2-4
S
setting up Landed Cost Management overview, 2-1
process flow, 2-1
shipment
calculating estimated landed cost
(pre-receiving), 4-49
creating, 4-8
entering lines, 4-12
generating charges, 4-35
importing and calculating actual landed cost, 4-56, 5-15
managing associations, 4-43
managing charge lines, 4-36
searching automatically created, 5-7
submitting, 4-54
updating, 4-17
validating, 4-48
viewing, 4-30
viewing actual landed cost
as a service, 5-16
pre-receiving, 4-58
viewing associations, 4-46
viewing charge lines, 4-41
viewing estimated landed cost
pre-receiving, 4-51
Shipment Hierarchy page, 4-51, 4-58, 5-11, 5-16
    shipment line
        updating specific line, 4-28
        viewing specific, 4-33
    shipment lines
        updating, 4-24
        viewing, 4-32
    shipment line types
        maintaining, 2-11
Shipment Line Types page, 2-11
Shipments, Line Groups, or Shipment Lines table
    understanding, 3-7
Shipments Interface Import program, 5-5
shipment status
    understanding, 3-16
Shipments Workbench, 5-7
    Actions field, 3-13
    Create Shipment page, 3-7
    Display field, 3-3
    Find Shipments section, 3-6
    Inventory Organization context, 3-3
Shipments, Line Groups, or Shipment Lines
table, 3-7
    understanding, 3-1
    Update Shipment page, 3-9
    View Shipment page, 3-11
shipment types
    maintaining, 2-13
Shipment Types page, 2-13
simulated landed cost
    creating for a purchase order, 6-2
    understanding, 6-1
Submit Pending Shipments program, 4-56, 5-15
Submit process, 4-54

U
Update Shipment Line page, 4-28
Update Shipment page, 4-17, 4-24
    understanding, 3-9

V
Validate process, 4-48
variance account
    setting for Landed Cost Management, 2-2
View Charge Line page, 4-41