

Design to Cost

SAP Product Lifecycle Costing – Highlights, Roadmap, New Cloud Edition

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PUBLIC



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Agenda

Setting the scene

Highlights since last PLM Info Day

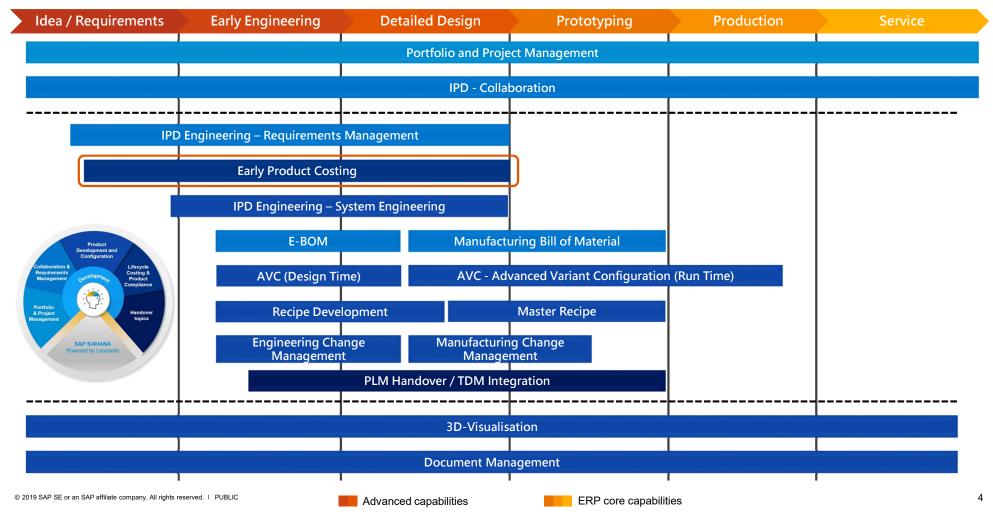
Recent innovations - New Cloud Edition

Roadmap

Summary



Design Business Process with SAP PLM



R&D / Engineering Design Lifecycle

Enable integrated R&D processes across all LoBs with consistent product data

Ideation or Quotation		Early Design	Detailed Design	Production	Service
Idea Generation Idea Evaluation Idea Selection Validate High Level Specification First Costing Estimate	RFP Internal Review Proposal Validate High Level Specification First Costing Estimate Initial Quote Response	Detailed Specification Definition High Level Concept Design Create High Level Structure of BOM Revised Cost Estimate Adapt High Level Structure of BOM	Eng. Project Details Design Planning Detailed Design Digital Prototyping Create Engineering BOM	Plant Material Management Handover to Production Technical Documentation Inspection Planning Routing Design	Handover to Service Service Documentation Model Publication to AIN
Project Proposal	Revised Cost Estimate	Create Concept Alternatives	Make or Buy Decision	Customer Validation	
Revised Cost Estimate	Project Proposal Project Release	Concept Comparison Concept Release	Supplier Nomination Final Product Costing	Physical Prototyping Manufacturing BOM Creation	
			Compliance Check	Release Manufacturing BOM	

Lifecycle Costing – Product Cost Control

Idea / Requirements

Early Engineering

Detailed Design

Prototyping

Production

Service



Manage costs for new product innovations & customer-specific engineered products



Minimize costs by **securing future product margins early**, when the design is evolving & master data is incomplete

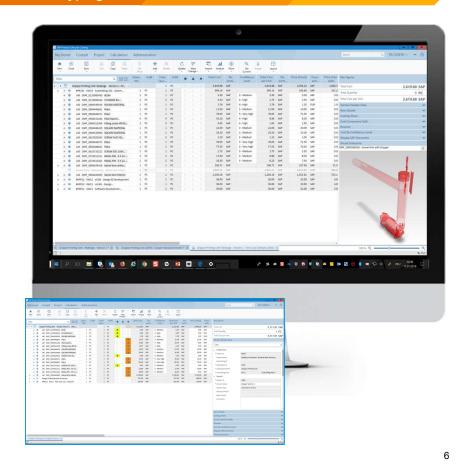


Simulate the impact of cost reduction measures by identifying cost drivers in later stages of the product lifecycle



Gain visibility on cost structures across diverse teams



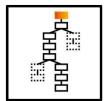


SAP Product Lifecycle Costing – Key Features



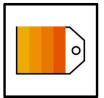
Calculation Structures

Calculations, Versions Variant Matrix Reference Calculations ERP/Excel Import



Calculation Master Data

Material
Cost Center, Work Center, Process
SAP ERP & S/4HANA Integration



Valuation Data

Prices, Rates
Costing Sheets
Multi Currencies, Exchange Rate Types
Units of Measure



User Support

Mass Change Highlighting Layout Search



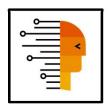
Projects

Project Master Data Lifetimes Surcharges



Analytics

Self Service Analytics
Managed Analytics
Management Reporting
KPI Analysis



Extensibility

Custom Fields / Formulas Integration to other Applications Templates API / Add In Framework



Further Information

Cloud Enablement User Management / Authorization Security Engineering / Locking Single Sign On / Data Security

Highlights since last PLM Info Day



Co-Innovation Workshop, February 2019

Agenda

Customers presenting:

- Daimler current implementation
- Vestas current implementation
- AGCO after being live 1 year
- PWO current implementation

Partners presenting:

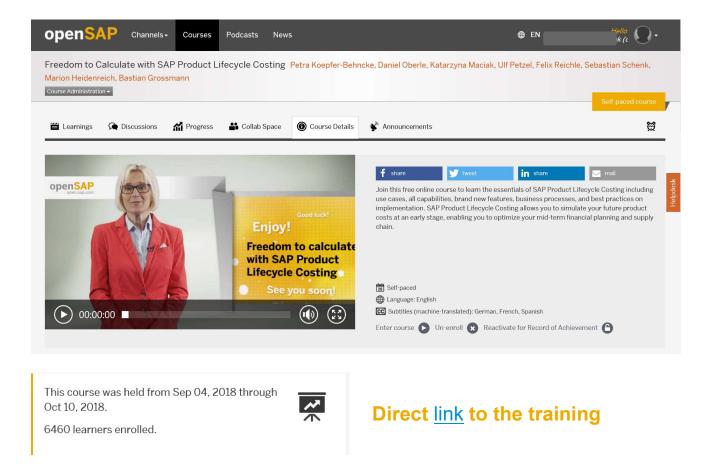
- EXA Simulation Cockpit
- COSTDATA How to include cost databases and benchmark data into PLC. Presentation of PLC – COSTDATA integration.

SAP presenting:

Recent innovations, planned innovations, product direction



openSAP Course – Freedom to Calculate with SAP Product Lifecycle Costing



30+ Customers did and continuously do co-innovate with us



























































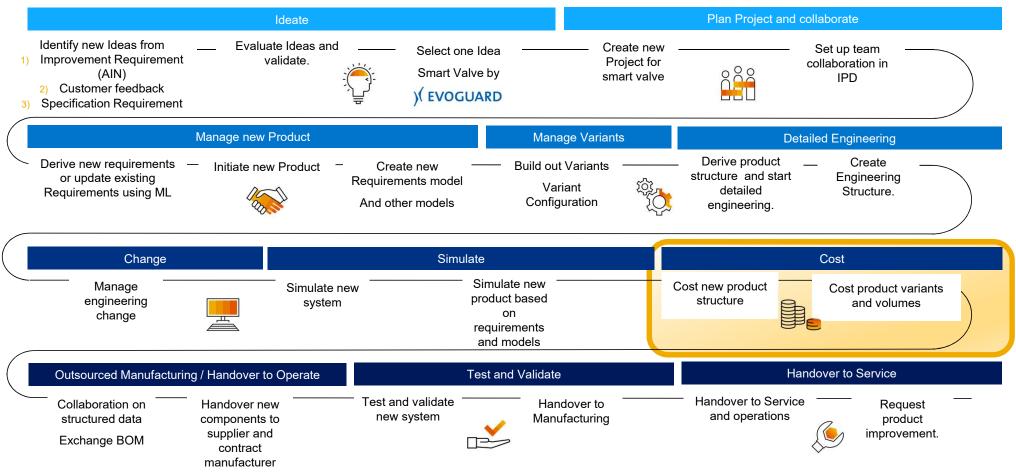


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12

HMI Industrial Fair 2019 – Scenario

DESIGN TO OPERATE (Overview)



Recent Innovations



SAP Product Lifecycle Costing

Product Roadmap: Recent innovations



Recent innovations

- Switch to HANA XS Advanced
- Cloud enablement (Release 1904)
- Auto-updating business client
- SAML authentication with support for two-factor authentication
- Share link to calculation version
- Configuration UI
- Personal Data and Privacy usage report and data export tools
- Improved UI for Post Install Tool

(Release 4.0)

Planned innovations¹

- Folders for organizing projects
- Price and rate components
- Specific price determination per calculation version
- Support formula-based quantity for variant items
- Sum Variant
- Edit lifecycle versions
- Formulas in Costing Sheet
- Public backend API for master data maintenance

Product direction¹

- Public backend API for transaction data maintenance
- Folders for organizing calculations and calculation versions
- Custom fields on project level
- Further improvements for Variant Matrix view
- Instance-based authorizations for master data
- Adaptability of cockpit view
- One-time cost distribution / lifetime
- Scaled prices for Materials and Activity rates

Product vision

- Measure managemen
- Roll-up by any dimension for Analytics
- Versioning for custom formulas
- Syntax checker for formulas
- Central Add-In maintenance
- Quality checker
- Integration with other SAP applications
- Change history for Calculation versions
- Simulation and What-If Analysis (incl. Machine Learning)
- Machine hourly calculation

Continuous investment in cross topics:

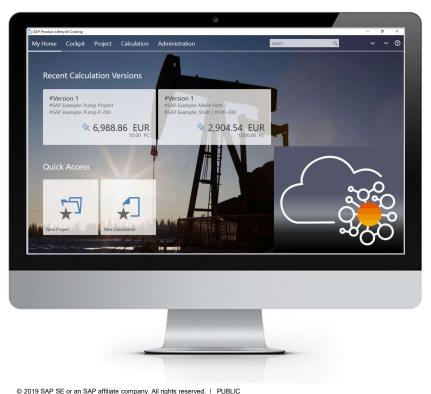
- Extensions to add-in-framework
- Usability improvements

Machine Learning

^{1.} This is the current state of planning and may be changed by SAP at any time without notice.

Cloud Enablement

SAP Product Lifecycle Costing is also available as a public cloud edition



Motivation / Context

Offers a new deployment model

Highlights

- Same functionality as on-premise version
- Lower operation costs
- Faster deployment
- Easier implementation
- Increased resilience and security

On-Premise & Cloud, two alternative Usage Options

Two alternative deployment options for one solution

Criteria	On-Premise Release 4.0	Cloud Release 1903	
Features	Version 4.0	Same features as in Version 4.0	
Cost	 Pay associated hardware, energy and IT costs Hosted by customer on his own servers Priced under a license fee 	Predictable costs over time No additional hardware investment Hosted by SAP in the Cloud Annual subscription fee	
Security	Data security is handled by the customer	Data security is handled by SAP according to strict security standards	
Implementation	Customer has control over the implementation process	Implementation process takes less time	
Upgrade	Customer has complete control over upgrade timing and process Upgrade process takes longer	Continuous updates triggered by SAP	

Roadmap



SAP Product Lifecycle Costing

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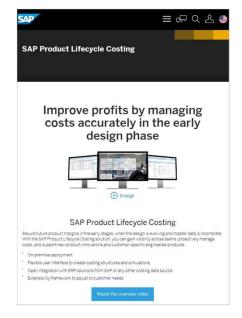
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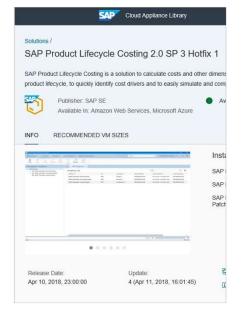
Summary



Further Information





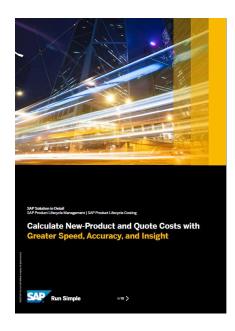


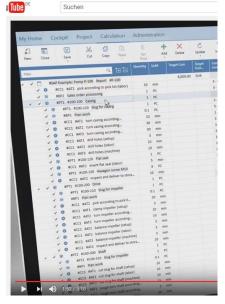
SAP Web Site

SAP Help Portal

SAP Cloud
Appliance Library

Key Assets









24

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Costing Across Global Value Chains: SAP Product Lifecycle Costing (Commentary)

PDF

Key takeaways:

- Global value chains are a fact of life in most industries today, and developing accurate cost estimates across global value chains often requires melding incompatible spreadsheets and costing processes.
- Working with leading customers, SAP developed the SAP Product Lifecycle Costing solution to provide globally available, managed capabilities to help address these issues
- Their early successes in discrete industries are promising, and recent wins are from new industries such as consumer products, food, and fashion.

Global markets almost always demand globally sourced solutions today. This is a huge change from previous experience, one that causes struggles for many companies.

Solution in Detail Brochure

Youtube Playlist

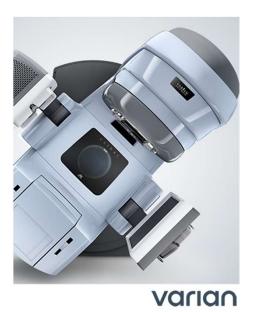
Compendium Flipbook CIMdata Commentary

Customer References









Bühler Group

AGCO

Varian Medical Systems

Thank you!

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