



Quick Start: Create Purchase Blanket Agreement

The following details the process by which to set up a new Purchase Blanket Agreement. This is a companion article to a video Webinar that specifically outlines Hop/Purchasing Contracts.

Overview

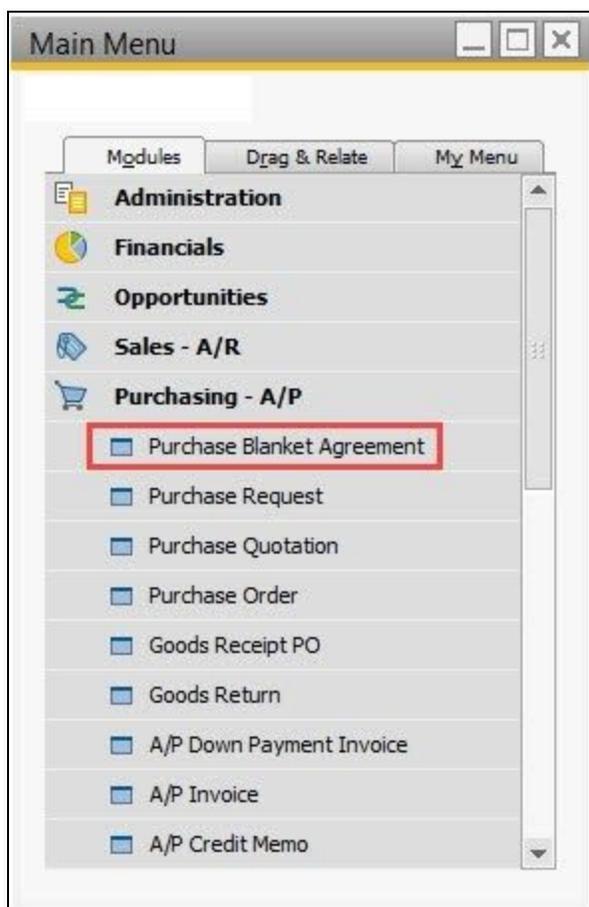
Blanket agreements are long-term contracts between a purchasing organization and a vendor, or a sales organization and a customer, for the supply of items or services over a period of time based on pre-defined terms and conditions. Blanket agreements can be used as a basis for expected revenue forecasts, quantity reservation, and for Material Requirements Planning (MRP)

Below, you'll find that we've broken down the process based upon the two different Agreement Types - General and Specific:

- General blanket agreements are used to track fulfillment of terms to obtain a special bonus at year end. For example, for selling or purchasing a certain quantity of an item or for achieving a defined turnover.
- Specific blanket agreements: Are used to track fulfillment of terms to obtain a special discount for the individual sales or purchasing transaction. They are also used to determine a delivery schedule, for example, by defining at which intervals which quantity of goods should be delivered.

Getting Started

The **Purchase Blanket Agreement** can be easily found in Orchestrated as the first topic under the **Purchasing - A/P** module.



Steps for Agreement Creation

General Agreement

Additional steps for Specific Agreement found below

1. Upon opening a **Purchase Blanket Agreement** you'll notice that it's in *Find* mode, so you'll want to click on the **Binoculars** in the toolbar or key **ctrl-A** to change over to *Add* mode.
2. In the General Area (header), specify the following:
 - BP Code or Name
 - Start Date
 - End Date



3. Optional: In the Description field, enter a short description of the agreement.
4. On the General tab, select the Agreement Type (General or Specific)
 - Specify the Status of the agreement
 - Note: You can create sales and purchasing documents associated with a blanket agreement only if the blanket agreement has the status Approved or Terminated. If the status is Terminated, the posting date of the document must be within the date range of the agreement, that is, between the start date and the termination date.
 - Choose whether to use the prices you specify on the Items tab of the blanket agreement or to use the prices defined in the price list. In the latter case, leave the **Ignore Prices Specified in Blanket Agreement** checkbox selected.
 - If you want a reminder to appear before the blanket agreement expires, select the Renewal checkbox.
5. On the Items tab, specify at least one item, and the prices and quantities governed by the agreement.

* If completing a Specific Agreement Type:



To enter detailed information, such as the intervals at which items should be released against the blanket agreement, double-click a specific item line within the Details tab.

The *Blanket Agreement Details* window appears.

1. Enter the following mandatory information:
 - Frequency
 - From and To date
 - Quantity
 - Consume Forecast
2. After you have made your entries in the Blanket Agreement Details window, choose **Update** and **OK**.