



**Whitepaper**

# CONFIGURING SAP LEGAL CONTROL

Essential Guidelines for Pharmaceutical  
Companies Operating within the UK

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## Why SAP Legal Control?

When reading our white paper “How to avoid Product Recalls triggered by Delivering Medicine” you will learn that pharmaceutical companies require specific licenses to comply with *Good Distribution Practice*.

Also, it is important to realise that an implemented SAP system will not automatically safeguard you from compliance issues. Please read our white paper “Complacent or Compliant” when you want to get more insight on the importance of compliance within the pharmaceutical industry.

Many companies have developed custom solutions to control compliance during sales order processing, while not being aware that SAP Legal Control functionality could offer a suitable standard solution to meet their requirements.

The main reason why SAP Legal Control is not considered relates to the fact that its functionality is found within *foreign trade*, assuming that domestic sales flows are not supported. But SAP Legal Control can handle both foreign and domestic business transactions.

This document will highlight that SAP Legal Control functionality can achieve the desired control to comply with *Good Distribution Practice* within your organisation.

We provide instructions how to configure the system to avoid:

- Shipping medicine to non-licensed customers;
- Shipping medicine to customers with an expired license;
- Invoice medicine shipped to a competitor.

In addition, also the how to maintain the required license master data will be discussed as well as some suggestions regarding data migration.

Please note that this document uses the legislation within the United Kingdom as an example how to implement SAP Legal Control.

Please contact us when you would like more information, or when you wish to get a live demonstration regarding SAP Legal Control based on the details provided in this document.

## Introducing *Good Distribution Practice (GDP)*

GxP is a general term for *Good Practice* quality guidelines and regulations. These guidelines are used in many fields, including the pharmaceutical industry.

*Good Distribution Practice* or *GDP* deals with the guidelines for the proper distribution of medicinal products for human use. GDP is a quality warranty system, which includes requirements for purchase, receiving, storage and export of drugs, intended for human consumption.

GDP regulates the division and movement of medicinal products from the premises of the manufacturer of medicinal products, or another central point, to the end user thereof, or to an intermediate point by means of various transport methods, via various storage and/or health establishments.

Complying with GDP principles is crucial to retain a license for selling medicines to authorised recipients.

One of the important GDP compliance guidelines is to ensure that “deliveries should be made only to other authorised wholesalers or to persons authorised to supply medicinal products to the public in the Member State concerned<sup>1</sup>.”

## Why SAP Legal Control is the preferred solution to ensure GDP

As always, SAP offers various ways to achieve a specific goal. As the existence SAP Legal Control is not that widely known by the average consultant, SAP Material Listings functionality is often suggested as the basis to control the delivery of medicine to customers.

### SAP Material Listings

With material listing you can control which materials can be sold to each customer.

A material listing is created for a customer. The customer can only buy the materials contained in the list. The system does not allow any materials to be entered if they are not contained in the material listing.

Material listing is controlled using the condition technique, similar to pricing and output determination.

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<sup>1</sup> Article 17 of the Guidelines on Good Distribution Practice of Medicinal Products for Human Use (94/C 63/03)

## SAP Legal Control

Legal Control provides information on whether your sales transactions are legally permitted based on current laws and regulations.

In cases where the data is not in order, you can keep the necessary legal data up-to-date to ensure that you can carry out your transactions in a timely manner.

Legal Control is integrated in the sales document flow so that when a sales order or deliveries are created, the system automatically checks whether all legal data is complete and accurate.

## SAP Document Management

SAP Document Management allows the display of the actual license document when linked to the appropriate customer master data. The ability to show the actual license will add an additional validation of the maintained license master data and will therefore benefit an internal and external system audit.

This functionality will not impact on the required automated recipient authorisation validation during sales order processing.

## SAP Listings versus SAP Legal Control

The following table compares the SAP Listings against SAP Legal Control functionality in regards to GDP compliance:

	SAP Listings	SAP Legal Control
Control which materials are allowed for which recipient	YES	YES
Maintain the specific customer license details <sup>2</sup>	NO	YES
Report the specific customer license details	NO	YES
Control that the QA department can reject, approve, extend and expire customer license master data	NO	YES
Allow the QA department to periodically review and extend customer licenses	NO	YES
Determine the specific customer license during order processing	NO	YES
Allow the order to be saved, even when customer license issues have been identified	NO	YES
Allow the QA department to approve sales documents with recorded customer license issues	NO	YES

<sup>2</sup> Please note that this document uses the term 'customer license' to refer to authorised recipients of medicines. In some cases an actual license is not required as long as the recipient authorisation can be verified using an alternative method. For example, registered pharmacies are allowed to receive medicine without the need of a specific license.

### Conclusion

SAP Legal Control offers the functionality to customise the SAP system to translate the GDP guidelines into a necessary set of master data as basis for customer license validation during sales order processing. It also allows you to easily analyse and repair sales orders with reported errors during customer license validation. Changing legal control data can be restricted to those specifically authorised. In addition, SAP Legal Control also offers standard audit reports.

When compared to SAP Material Listings, SAP Legal Control is a superior solution to control customer licenses when compared to SAP Listings.

The implementation of SAP Legal Control requires a project approach. It triggers a change management process because regional and local QA departments will have to become actively involved in the sales order process. They have to maintain customer license master data as well as analysing and updating sales orders with reported customer license errors.

In parallel you can also implement SAP Document Management functionality, allowing a closed loop auditable link between the customer license master data and the actual license agreement documents. However, this is not in scope within this document.

## Legislation within the United Kingdom

Please be aware that every country can have its own specific legislation. This document only focuses on implementing SAP Legal Control for the United Kingdom. Please contact your legal department when you need to implement this functionality in other countries.

In the UK, all medicines go through strict checks to make sure that they are safe and effective. When the medicine passes all the required checks, a product licence is granted. This means that the medicine can be used in the treatment of specific medical conditions.

Pharmaceutical manufacturers must apply to the official government agency for a product licence if they want to sell their medicines in the UK. The government agency is called the Medicines and Healthcare Products Regulatory Agency (MHRA).

The Medicines Act 1968 introduces three legal categories of medicines: General Sale List (GSL), Pharmacy (P) and Prescription Only Medicine (POM). Deliveries to customers of restricted medicinal products are controlled via Wholesale Dealer Licenses. There are two types of licenses, being a) Wholesale Dealer License (WDL) and b) Full Wholesale Dealer License (WL). Customers owning a WDL license are only allowed to receive unrestricted products and GSL medicines, whereas a WL license allows you to receive all products.

Type of license	Type of products
No license	Unrestricted products
Wholesale Dealer License (WDL)	Unrestricted products
	General Sales List medicines (GSL)
Full Wholesale Dealer license (WL)	Unrestricted products
	General Sales List medicines (GSL)
	Pharmacy medicines (P)
	Prescription Only Medicines (POM)

*General Sale List medicines (GSL)* may be sold from a wide range of shops such as newsagents, supermarkets and petrol stations.

Often, only a small pack size of the medicine may be sold. For example, the largest pack size of paracetamol that may be sold from a shop is 16 tablets, whereas packs of 32 tablets may be sold from a pharmacy.

Usually, only low strengths of the medicine may be sold. For example, the highest strength of ibuprofen tablets that may be sold from a shop is 200mg, whereas tablets containing 400mg may be sold from a pharmacy.

*Pharmacy medicines (P)* may only be sold from a pharmacy. A pharmacist must make or supervise the sale.

Before being sold a pharmacy medicine, you will usually be asked if you have any medical conditions and if you take any other medicines. This is to check that it is safe for you to take the pharmacy medicine. For example, you will be asked if you have high blood pressure before being sold certain nasal decongestant medicines because some of these medicines can raise your blood pressure.

Some medicines may only be sold once the pharmacist is satisfied certain circumstances have been fulfilled. For example, emergency contraception (also known as the morning after pill) may only be sold the person who needs the emergency contraception, and she must be over 16.

Sometimes, the pharmacist may suggest that you see your GP before they can give you a pharmacy medicine. For example, if you have used clotrimazole pessaries for vaginal thrush more than twice in six months, you should see your GP so they can assess your symptoms and decide on the most appropriate treatment.

You cannot get *Prescription Only Medicines (POM)* without a prescription, usually from your GP or dentist, but in some cases, a nurse, pharmacist or other healthcare professional.

Some medicines may be reclassified from Prescription only to Pharmacy or from Pharmacy to General sale list. This can happen after several years, when it's known that the medicine is safe for most people to use. For example, aciclovir cream, which can be used to treat cold sores, was first available as a Prescription only medicine. After a few years, it was reclassified to a Pharmacy medicine and recently, it has been reclassified again to a General sale list medicine.

Please note that some customers would not need a Whole Dealer License (WDL or WL), i.e. a registered pharmacist.

## System configuration

Use the following menu path within the Implementation Guide (IMG): *SAP Customising Implementation Guide* → *Sales and Distribution* → *Foreign Trade/Customs* → *Legal Control*

The table below provides an overview of the activities and associated transaction codes:

Activity	Transaction code
Document control	
Legal Control - Order Header	VI57
Legal Control - Order Item	VI58
Legal Control - Delivery Header	VI59
Legal Control - Delivery Item	VI60
Define Legal Regulations and Assign by Country	
Legal Regulations	VE50
Country/Legal Regulations	VE52
Define Types of License Masters	VE51
Define Texts for License Masters	VOTXN
Export Control Class	VE60
Define Goods Special Characteristics Code	VECS
Define Groupings	Not available
Assign Export Control Classes To Groupings	VE62
Foreign Trade Data by Country of Destination	VE53
Define Product Classification by Destination Country	VE58
Define Country Groups	VE59
Define Country Classification per Country of Destination	VE57
Check For Consistency In Settings For Legal Control	VE56

Perform the necessary configuration by using the following steps:

1. Maintain foreign trade data by country of destination
2. Define legal regulations
3. Assign legal regulations to countries
4. Define types of license masters
5. Define customer legal control groups
6. Define customer legal control group extensions
7. Define product legal control groups
8. Define valid customer and product legal control group combinations
9. Define product legal control groups by destination country
10. Define country legal control groups
11. Define country legal control groups per country of destination
12. Activate legal control

## 1. Maintain foreign trade data by country of destination

Use the transaction code VE53 or use the IMG menu path *SAP Customising Implementation Guide* → *Sales and Distribution* → *Foreign Trade/Customs* → *Legal Control* → *Foreign Trade Data by Country of Destination*.

Use this step to control foreign trade control by country. Basically you need to verify the 'valid to' date is not in the past to ensure that SAP Legal Control is possible.

## 2. Define legal regulations

Use the transaction code VE50 or use the IMG menu path *SAP Customising Implementation Guide* → *Sales and Distribution* → *Foreign Trade/Customs* → *Legal Control* → *Define Legal regulations and Assign by Country* → *Legal Regulations*.

This step will allow the definition of the legal regulation. Although the Good Distribution Practice regulations apply for all countries within the European Union, the implementation can differ per country. Therefore it is important to understand the types of customer licenses (also referred to as 'Export Control Classes' within SAP Legal Control) and products groupings.

Legal regulation code	Legal regulation description	Individual maintenance of material master for legal control possible?	Display additional codes for legal control?
Z0	GDP (GB)	NO, all materials are subject to legal control by default	NO, there is no need to maintain specific fields that are usually hidden by the system
ZZ	No GDP Check	NO, all materials are subject to legal control by default	NO, there is no need to maintain specific fields that are usually hidden by the system

### 3. Assign legal regulations to countries

Use the transaction code VE52 or use the IMG menu path *SAP Customising Implementation Guide* → Sales and Distribution → Foreign Trade/Customs → Legal Control → Define Legal regulations and Assign by Country → Country/Legal Regulations.

Assign the legal regulations that will be applicable for the individual departure countries. Multiple regulations may apply. For example, when you have one distribution centre in Great Britain supplying domestic customers and customers in the Netherlands, then you need to assign the British and Dutch legal regulations to Great Britain as departure country.

Country of departure	Legal regulation code	Legal regulation description	Legal regulation active?
GB	Z0	GDP (GB)	YES
Other countries	ZZ	No GDP Check	YES

### 4. Define types of license masters

Use the transaction code VE51 or use the IMG menu path *SAP Customising Implementation Guide* → Sales and Distribution → Foreign Trade/Customs → Legal Control → Define Types of License Masters.

This step allows you to configure the capture of license master data. The configuration in this step influences the tabs and fields within tabs when you want to maintain specific license master data. In essence three variants are possible, being a) no check, b) check for unrestricted materials and c) check for restricted materials.

Type of check	Usage	Material specific check	Customer specific check
No check	When no check against SAP Legal Control is required.	No	No
Check for unrestricted materials	When check against SAP Legal Control is required for customers who are allowed to receive unrestricted products only.	Yes	No
Check for restricted materials	When check against SAP Legal Control is required for customers who are allowed to receive all products.	Yes	Yes

Within the scope of GDP compliance the types of checks listed above are suitable to meet all country specific requirements.

Legal regulation code	Legal regulation description	License type code	License type description	Specific destination countries?	Material classification specified?	Special character code active?	Customer specific?	Partner function specified?
Z0	GDP (GB)	Z001	Unrestricted products only	No	Yes	Yes	No	No
		Z002	Default restricted product check	No	Yes	Yes	Yes	No
		Z003	Extended restricted product check	No	Yes	Yes	Yes	Yes
ZZ	No GDP Check	Z000	No license check	Yes	Yes	Yes	No	No

The local site can chose to either use the default or extended restricted product check per product legal control group and legal regulation identified. The extended check offers more scrutiny during the sales order process, but also requires more data maintenance. It is advised to use the extended check when there is one central ordering party delivering to multiple addresses for which only a selected few are allowed to receive restricted stock.

## 5. Define customer legal control groups

Use the transaction code VE60 or use the IMG menu path *SAP Customising Implementation Guide* → *Sales and Distribution* → *Foreign Trade/Customs* → *Legal Control* → *Export Control Class*.

This activity allows you to group customers sharing the same legal control classifications, called export control classes within SAP Legal Control. This customer grouping depends on the legal regulation in each individual country.

Legal regulation code	Legal regulation description	Export control class code	Export control class description
Z0	GDP (GB)	UNRESTRICTED	Unrestricted products
		GSL	Unrestricted products and General Sales List medicines
		GSL+P	Unrestricted products, General Sales List and Pharmacy medicines
		GSL+P+POM	All products
ZZ	No GDP Check	N/A	Not applicable

## 6. Define customer legal control group extension

Use the transaction code VECS or use the IMG menu path *SAP Customising Implementation Guide* → Sales and Distribution → Foreign Trade/Customs → Legal Control → Define Goods Special Characteristic Code.

This activity allows you to specifically identify the type of customer license required for receiving the associated customer legal control group and are referred to as goods special character codes within SAP Legal Control. These customer license groupings depend on the legal regulation in each individual country.

Legal regulation code	Legal regulation description	Export control class code	Goods special character code	Goods special character description
Z0	GDP (GB)	UNRESTRICTED	NONE	No license required
		GSL	WDL	Wholesale Dealer License required
		GSL+P	WL	Full Wholesale Dealer License required
		GSL+P+POM		
ZZ	No GDP Check	N/A	N/A	Not applicable

## 7. Define product legal control groups

Use the IMG menu path *SAP Customising Implementation Guide* → Sales and Distribution → Foreign Trade/Customs → Legal Control → Define Groupings.

This activity allows you to group products sharing the same legal control classifications, simply called groupings within SAP Legal Control. This customer grouping depends on the legal regulation in each individual country.

Legal regulation code	Legal regulation description	Grouping code	Grouping description
Z0	GDP (GB)	UNRESTRICTED	Unrestricted products
		GSL	General Sales List medicines
		P	Pharmacy medicines
		POM	Prescription Only Medicine
ZZ	No GDP Check	N/A	Not applicable

## 8. Define valid product and customer legal control group combinations

Use the transaction code VE62 or use the IMG menu path *SAP Customising Implementation Guide* → *Sales and Distribution* → *Foreign Trade/Customs* → *Legal Control* → *Assign Export Control Classes To Groupings*.

In this step you link valid combinations of customer and product legal control groups per legal regulation. This set of system configuration is vital to support the values available when maintaining the material master data and license master data.

Legal regulation code	Legal regulation description	Export control class code	Grouping code	Default?
Z0	GDP (GB)	UNRESTRICTED	UNRESTRICTED	Yes
		GSL	GSL	Yes
		GSL+P	P	Yes
		GSL+P+POM	POM	Yes
ZZ	No GDP Check	N/A	N/A	Yes

Regarding the GB GDP legal regulation configuration (code legal regulation code 'Z0'), the export control class code and grouping code combinations will make the following assumptions:

- Customers with a WDL license will use the export control class GSL and are only allowed to receive unrestricted products and General Sales List medicines.
- Customers with a WL license will use the export control class GSL+P+POM and are allowed to receive all products.

### 9. Define product legal control groups by destination country

Use the transaction code VE58 or use the IMG menu path *SAP Customising Implementation Guide* → *Sales and Distribution* → *Foreign Trade/Customs* → *Legal Control* → *Define Product Classification by Destination Country*.

In this step, you assign a license type to the grouping assigned to the material classification. Furthermore, this assignment is dependent on the country of destination of the export and the legal regulation.

Country of destination	Legal regulation code	Legal regulation description	Grouping code	Grouping code description	Valid-to date	License type code	License type description
GB	Z0	GDP (GB)	UNRESTRICTED	Unrestricted products	31/12/9999	Z001	Unrestricted products only
			GSL	General Sales List medicines	31/12/9999	Z002	Default restricted product check
			P	Pharmacy medicines	31/12/9999	Z003	Extended restricted product check
			POM	Prescription Only Medicine	31/12/9999	Z003	Extended restricted product check
All other countries	ZZ	No GDP Check	N/A	Not applicable	31/12/9999	Z000	No license check

Please note that the assignment of the default or extended restricted product check depends on the preference of the local site.

### 10. Define country legal control groups

Use the transaction code VE59 or use the IMG menu path *SAP Customising Implementation Guide* → *Sales and Distribution* → *Foreign Trade/Customs* → *Legal Control* → *Define Country Groups*.

This step allows you to group countries for each legal regulation. The aim is to allow different types of legal control checks in the destination country, depending on the departure country. The grouping of countries identifies which countries share similar legal regulations regarding GDP compliance.

Configuration not required.

## 11. Define country legal control groups per country of destination

Use the transaction code VE57 or use the IMG menu path *SAP Customising Implementation Guide* → *Sales and Distribution* → *Foreign Trade/Customs* → *Legal Control* → *Define Country Classification per Country of Destination*.

Configuration not required.

## 12. Activate legal control

Use the IMG menu path *SAP Customising Implementation Guide* → *Sales and Distribution* → *Foreign Trade/Customs* → *Legal Control* → *Document Control*.

This step will activate the legal control function for individual document types and item categories.

The following document types are possible:

- Sales document types: Activating legal control
- Shipping document types: Activating legal control

You can subdivide the item categories as follows:

- Sales document item categories: Detail control of legal control
- Shipping document item categories: Detail control of legal control

Only activate legal control for the sales document types that are assigned to specific sales areas and that trigger a physical delivery of products to customers<sup>3</sup>. When the list of sales document types are known, then only select the item categories that are relevant for picking.

Use the legal control code 'C' to let the system check against dispatch and export transactions, including domestic.

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<sup>3</sup> See configuration document for sales documents for more information

## GDP test scenarios

Each individual European country has its own legal regulation regarding delivery to customers for restricted products. Also it is common that one multinational company has many distribution centres within Europe potentially shipping products to all countries in the world.

Therefore restricted material 'A' stored in a distribution centre in Great Britain may have the product legal control group POM (Prescription Only Medicine) assigned for domestic shipments, but different product legal control groups need to be maintained for the same material when exporting to other countries.

When writing test scenarios, you need to know the following:

- Legal regulations for each country to which restricted products are shipped.
- Customer and product legal control groups per country.
- Valid combination of departure and destination countries per product shipped.
- Types of customers who are allowed to receive restricted products without a license per destination country.

## Basis for testing

The implementation of SAP Legal Control needs to ensure that “deliveries should be made only to other authorised wholesalers or to persons authorised to supply medicinal products to the public in the Member State concerned”.

There is a distinction between ‘authorised wholesalers’ which have a specific license for receiving restricted products and ‘authorised persons’ like registered pharmacists, doctors and nurses who would not receive specific licenses.

In some exceptional cases it would still be legal to delivery restricted products to unlicensed recipients. For example, within Great Britain it is allowed to delivery medicines to supermarket distribution centres as long as ‘it falls under the responsibility of their superintendent pharmacist’.

Special attention is required for sales representatives who receive restricted products as consignment stock for distribution to authorised recipients. They function as a middle-man for the distribution of restricted products between the company and the authorised recipient. Consignment stock processes are mandatory as the ownership of the restricted product is only transferred when the sales representative physically hands over the product to the authorised recipient.

## Material master data

Legal Control is part of Foreign Trade within the SAP R/3 system. Therefore the Legal Control settings for materials can be found on the foreign trade tabs, in the section 'Legal control.

The country of departure is derived from the plant code. The various legal regulations available are controlled via system customising.

For each row determine the most appropriate combination of the *export control class*, *grouping* and *special character code*. It is important that the correct rules for value assignment is understood when maintaining the material master.

In this document the *grouping* is also referred to as the product legal control group, identifying the product classification based on the associated legal regulations.

In this document the *export control class* is also referred to as the customer legal control group, identifying the assortment of products that the recipient is allowed to receive.

In this document the *special character code* is also referred to as the customer legal control group extension, containing the identification of type of license required to receive the specified product legal control group.

The following value assignment per field is required:

Legal regulation code	Legal regulation description	Grouping code <sup>4</sup>	Grouping description	Special character code <sup>5</sup>	Special character description	Export control class code	Export control class description
Z0	GDP (GB)	UNRESTRICTED	Unrestricted products	NON E	No license required	UNRESTRICTED	Unrestricted products
		GSL	General Sales List medicines	WDL	Wholesale Dealer License required	GSL	Unrestricted products and General Sales List medicines
		P	Pharmacy medicines	WL	Full Wholesale Dealer License required	GSL+P+POM	All products
		POM	Prescription Only Medicine				
ZZ	No GDP Check	N/A	Not applicable	N/A	Not applicable	N/A	Not applicable

<sup>4</sup> Notice that the grouping code is the deciding factor for the values assigned to the special character code.

<sup>5</sup> The special character code has a 1-to-1 link with the export control class code.

## License master data

### No license check

One license master data record is required for those countries for which SAP Legal Control is not taken into account.

Use the following instructions to maintain the license master data:

Step	Action	Expected result
1	Execute transaction VX01N.	Initial screen 'License Create' appears.
2	Maintain the following fields: Legal regulations = code 'ZZ' [No GDP control] License type = code 'Z000' [No license check] Company code = company code that owns the restricted products Press the ENTER key to continue.	Data screen 'License Create' appears. Tab 'General data' active for data input.
3	Maintain the following fields: External license number = Free text 'Valid from' date = i.e. January 1 <sup>st</sup> 2000 'Valid to' date = i.e. December 31 <sup>st</sup> 9999 Click on the 'Export control class' tab.	Data entered is validated by the system successfully. Tab 'Export control class' active for data input.
4	Maintain the following fields: Material classification = code 'N/A' [Not applicable] Special characteristics code = code 'N/A' [Not applicable] Click on the 'Countries' tab.	Data entered is validated by the system successfully. Tab 'Countries' active for data input.
5	Maintain the following fields: Country of destination = all destination countries for which the SAP Legal Control is not required. Click on the 'Status' tab.	Data entered is validated by the system successfully. Tab 'Status' active for data input.
6	Click on the status code 'C' to accept the license master data.	Overall status of the license master data changed from 'Created' to 'Application accepted, license active'.
7	Save the data.	License master data saved. Internal license number assigned by the system.

### Unrestricted products only

One license master data record per legal regulation is required to validate sales for unrestricted products via SAP Legal Control.

Use the following instructions to maintain the license master data:

Step	Action	Expected result
1	Execute transaction VX01N.	Initial screen 'License Create' appears.

2	Maintain the following fields: Legal regulations = i.e. code 'Z0' [GDP (GB)] License type = code 'Z001' [Unrestricted products only] Company code = company code that owns the restricted products Press the ENTER key to continue.	Data screen 'License Create' appears. Tab 'General data' active for data input.
3	Maintain the following fields: External license number = Free text 'Valid from' date = i.e. January 1 <sup>st</sup> 2000 'Valid to' date = i.e. December 31 <sup>st</sup> 9999 Click on the 'Export control class' tab.	Data entered is validated by the system successfully. Tab 'Export control class' active for data input.
4	Maintain the following fields: Material classification = code 'UNRESTRICTED' [Unrestricted products] Special characteristics code = code 'NONE' [No license required] Click on the 'Status' tab.	Data entered is validated by the system successfully. Tab 'Status' active for data input.
5	Click on the status code 'C' to accept the license master data.	Overall status of the license master data changed from 'Created' to 'Application accepted, license active'.
6	Save the data.	License master data saved. Internal license number assigned by the system.

### Default restricted product check

Multiple license master data records are required to validate sales for restricted products via SAP Legal Control. The default restricted product check can be applied for all license types.

Use the following instructions to maintain the license master data to maintain data for a British customer with a valid Wholesale Dealer License (WDL):

Step	Action	Expected result
1	Execute transaction VX01N.	Initial screen 'License Create' appears.
2	Maintain the following fields: Legal regulations = i.e. code 'Z0' [GDP (GB)] License type = code 'Z002' [Default restricted product check] Company code = company code that owns the restricted products Press the ENTER key to continue.	Data screen 'License Create' appears. Tab 'General data' active for data input.
3	Maintain the following fields: External license number = Issued license number 'Valid from' date = start date of the license 'Valid to' date = end date of the license <sup>6</sup> Click on the 'Export control class' tab.	Data entered is validated by the system successfully. Tab 'Export control class' active for data input.
4	Maintain the following fields for the first row: Material classification = code 'UNRESTRICTED' [Unrestricted products] Special characteristics code = code 'NONE' [No license required] Press the ENTER key.	Data entered is validated by the system successfully.
5	Maintain the following fields for the second row: Material classification = code 'GSL' [Unrestricted products and General Sales List medicines] Special characteristics code = code 'WDL' [Wholesale Dealer License required] Click on the 'Customers' tab.	Data entered is validated by the system successfully. Tab 'Customers' active for data input.
6	Maintain the following fields per row: Customer number = internal customer number representing a recipient that is authorized to receive the products listed in the 'Export control class' tab. <i>There is no limit on the number of customers that can be maintained.</i> Click on the 'Status' tab.	Data entered is validated by the system successfully. Tab 'Status' active for data input.
7	Click on the status code 'C' to accept the license master data.	Overall status of the license master data changed from 'Created' to 'Application accepted, license active'.
8	Save the data.	License master data saved. Internal license number assigned by the system.

<sup>6</sup> Some countries (like Great Britain) issue licenses with an indefinite end date. Therefore the 'valid to' field can be used for internal purposes to ensure the need for a periodic license check to avoid shipments to customers for which the license has been revoked.

## Extended restricted product check<sup>7</sup>

Multiple license master data records are required to validate sales for restricted products via SAP Legal Control. The extended restricted product check can be applied for all license types.

Use the following instructions to maintain the license master data to maintain data for a British customer without a license but authorised to receive all products:

Step	Action	Expected result
1	Execute transaction VX01N.	Initial screen 'License Create' appears.
2	Maintain the following fields: Legal regulations = i.e. code 'Z0' [GDP (GB)] License type = code 'Z003' [Extended restricted product check] Company code = company code that owns the restricted products Press the ENTER key to continue.	Data screen 'License Create' appears. Tab 'General data' active for data input.
3	Maintain the following fields: External license number = Free text 'Valid from' date = start date 'Valid to' date = end date <sup>8</sup> Click on the 'Export control class' tab.	Data entered is validated by the system successfully. Tab 'Export control class' active for data input.
4	Maintain the following fields for the first row: Material classification = code 'UNRESTRICTED' [Unrestricted products] Special characteristics code = code 'NONE' [No license required] Press the ENTER key.	Data entered is validated by the system successfully.
5	Maintain the following fields for the second row: Material classification = code 'GSL' [Unrestricted products and General Sales List medicines] Special characteristics code = code 'WDL' [Wholesale Dealer License required] Press the ENTER key.	Data entered is validated by the system successfully.

<sup>7</sup> Extended restricted product check is advised for all customers authorised to receive restricted products but not owning a specific license. This check is also preferred for customers using a central purchasing department ordering for multiple sites for which some locations are not authorised to receive restricted products (i.e. supermarket chains only offering pharmacy services in selective stores).

<sup>8</sup> It is advised to force an annual review of the license master data for customers authorised to receive restricted products but not owning a specific license.

6	<p>Maintain the following fields for the last row:  <b>Material classification = code 'GSL+P+POM' [All products]</b>  <b>Special characteristics code = code 'WL' [Full Wholesale Dealer License required]</b>  <b>Click on the 'Customers' tab.</b></p>	<p>Data entered is validated by the system successfully.  <b>Tab 'Customers' active for data input.</b></p>
7	<p>Maintain the following fields:  Customer number = internal customer number.  SP = mark when the customer is allowed to order the products  BP = mark when the customer is allowed to receive the billing documents.  WE = mark when the customer is allowed to receive the products ordered  PY = mark when the customer is allowed to pay the received billing documents.  <i>There is no limit on the number of customers that can be maintained.<sup>9</sup></i>  Click on the 'Status' tab.</p>	<p>Data entered is validated by the system successfully.  Tab 'Status' active for data input.</p>
8	<p>Click on the status code 'C' to accept the license master data.</p>	<p>Overall status of the license master data changed from 'Created' to 'Application accepted, license active'.</p>
9	<p>Save the data.</p>	<p>License master data saved.  Internal license number assigned by the system.</p>

<sup>9</sup> When the customer is authorised to receive restricted products without a specific license, then it is advised to create one license master data record per legal entity. For example, create at least one license master data record for each individual supermarket chain (i.e. ASDA, Tesco or Sainsbury's).

## Suggestions related to data migration

Maintaining the legal control related master data requires custom developments as there are no standard LSWM related objects available.

Regarding customer specific licence master data, evaluate whether a specific code in the customer master in combination of customer hierarchies would allow automated creation of new licence master data and evaluation of existing licence master data.

Regarding material specific legal control master data, evaluate whether a specific code in the material master can be used as a default to determine the export control class, grouping and special characteristics code for each available legal regulation.

Further details regarding data migration will be provided in a separate white paper.