



## **SYSPRO Products used in the Wholesale Suppliers and Distributors Industry**

- ▶ Inventory
- ▶ Requirements Planning
- ▶ Purchase Orders
- ▶ Sales Orders
- ▶ Inventory Forecasting
- ▶ Trade Promotions
- ▶ Return Merchandise
- ▶ SYSPRO e.net solutions

## **Key Features and Functions**

- ▶ Forecasting
- ▶ Multi-site warehouses
- ▶ Available-to-promise
- ▶ Replenishment rules by warehouse
- ▶ Distribution requirements planning
- ▶ Goods in transit
- ▶ Supply chain transfers
- ▶ Inventory management (materials and finished product)
- ▶ Customer/stock code interchange
- ▶ Multiple bins
- ▶ Safety stock
- ▶ Cumulative lead time
- ▶ Approved manufacturers
- ▶ Multimedia
- ▶ Custom forms
- ▶ Pricing
- ▶ Discounts and rebates
- ▶ Dispatch note system
- ▶ Load planning
- ▶ Serial tracking
- ▶ Linked sales orders, purchase orders and jobs

## **Wholesale Suppliers and Distributors**

Whether your company is a merchant wholesaler, a wholesale agent or a sales branch for manufacturers, SYSPRO for Wholesale Suppliers and Distributors is engineered to improve electronic collaboration with customers and external partners in the supply chain, while ensuring data security.

SYSPRO provides you with the tools to process and track large volumes of orders, procure materials from your various global and local suppliers, optimize inventory and customer service levels, streamline your operations and share information stored in multiple locations. Furthermore, SYSPRO's Distribution Requirements Planning system facilitates efficient planning, execution and control of the replenishment of your warehouse distribution channels.

SYSPRO Forecasting will empower you to predict demand through a series of algorithms based on historical sales and trends, thereby reducing inventory while maintaining customer service levels. Our innovative solutions will assist you in overcoming everyday challenges, helping your company to increase revenues and profitability.

### **Business Needs in the Wholesale Suppliers and Distributors Industry and how SYSPRO fills those needs:**

#### **Improve electronic collaboration with trading partners**

Quick response times and accuracy in fulfilling orders are critical to your reputation in a diverse and demanding global market. Your larger customers and suppliers may look increasingly to closer collaboration to cut production timetables and minimize disruption to their supply chain. This could involve working via their electronic order and supply chain systems, to enable streamlining of operations and to reduce margin for error. To achieve this, you must have adequate systems that can deliver information efficiently between you and your trading partners.

SYSPRO facilitates streamlined, secure electronic data interchange and collaborative commerce through features such as CAD integration, Document Flow Manager, SYSPRO e.net solutions, EDI, Office Automation and Messaging, and various Business-to-Business purchase and sales import and export functions. In addition, SYSPRO's Web-based applications are out-the-box solutions which you can run on the Internet/ Intranet and easily customize to suit end-user requirements. If your customers include Original Equipment Manufacturers (OEM) you can import and easily reconcile vendor EDI releases is using SYSPRO's Blanket Sales Order module.

#### **Manage complex and highly variable pricing and discount structures in international markets**

Whether you supply pharmaceuticals, food or other fast moving consumer goods, your pricing strategies are built to accommodate a wide variety of customer types in wholesale and retail environments. SYSPRO enables you optimize pricing for a heterogeneous customer base, providing you with the tools to implement and manage your global pricing requirements and to minimize the costs and effort associated with the administration of trade promotions and deductions.

Comprehensive sales data, along with powerful analysis, querying and reporting tools provide multi-dimensional analysis of product profitability to inform the pricing strategy process, whether it be cost-based, market-based, or a mix. In addition, deriving accurate and competitive pricing for commodity or customizable products is easily facilitated by SYSPRO's powerful costing functionality and visibility. Different costing methods per warehouse, quotations, bill of materials, product configurator and what-if costing functionality enables you to derive cost-based quotes and pricing with confidence.

The system accommodates local and foreign pricing techniques, from manual and simple automated pricing, to contract pricing and complex trade promotions pricing and discounting. Sales order entry and electronic capture is streamlined through pricing automation based on customer and/or stock code

matrices, and contract pricing at customer and/or buying group level by product or product group. Discounted, foreign and quantity break pricing methods are catered for, as well as minimum profit margin checking. The import, export and global price update facilities enable seamless implementation of extensive price changes.

Essential for suppliers of retail and wholesale customers, SYSPRO's Trade Promotions module facilitates the creation of rules that govern pricing, promotions, special offers and rebates, as well as improved promotions tracking. In addition, the system's powerful rebate, accruals and deductions management functionality promotes fast, accurate invoicing and reconciliation, as well as improved cash flow. Optional integration to SYSPRO's General Ledger module facilitates complete management and reconciliation of associated financial transactions.

#### **Manage complex warehousing with sophisticated placement and picking procedures**

Various tools exist in SYSPRO to facilitate placement and picking within a warehouse. The multiple bins facility and ability to set it on or off at warehouse levels is one of these. Picking by bin, provides for picking lists to be generated in bin numbering sequence.

The new Warehouse Management module due for release in Q4 2009 will provide many more sophisticated rules around warehouse storage, picking and put away procedures.

#### **Manage large and diverse inventories**

SYSPRO provides the tools to help you optimize your inventory investment without sacrificing customer service. It enables you to effectively plan and control diverse and extensive product lines in a single or multi-warehouse environment, facilitating the creation of warehouses and bin locations to represent both physical and virtual stock locations.

Whether you stock, sell, purchase or manufacture items by unit, weight, volume, pack or container size, SYSPRO's multiple units of measure per stock item give you the flexibility to accurately record and track stock quantities. Product version control is automated through the Engineering Change Control module, while extensive master data enables you to define parameters for transacting in sales, purchasing and manufacturing.

Inventory Optimization functionality aids the sales and operation planning process. Decision-making on desired levels of inventory and customer service is enhanced through the graphical output from its powerful Pareto analysis and forecasting tools. Master information such as order policies, gross requirements rules, lead times, safety stock and minimum/

## Business Needs in the Wholesale Suppliers and Distributors Industry and how SYSPRO fills those needs (cont.)

maximum levels assist in planning replenishment, while extensive costing facilities ensure accurate costing of sales, purchase and manufacturing activities. Costing methods are available by warehouse and include the average, standard, last, FIFO, LIFO methods. The custom forms feature gives you the freedom to define your own fields for the capture of details, such as hazardous goods information, enabling you to include these in your queries, reports and transaction documentation. Also, you can add standard notations per item for automatic inclusion in various transactions such as sales orders, purchase orders and jobs, as well as link multimedia files to key data.

SYSPRO's serial tracking and lot traceability features facilitate the tracking of materials from purchase through production to customer, thereby providing you with the tools to manage product recalls, should they occur, and the optional 2-phased receipting for purchased and manufactured products provides inspection control. The Goods in Transit system gives you comprehensive quantity, variance and cost control over inter-warehouse transfers, as well as providing input into SYSPRO's Distribution Requirements Planning. The Stock Take system enables you to select on a range of criteria and continue transaction processing once the physical count is complete, so operations are not at a standstill while the count is being captured. Import facilities are available and you can run a number of verification and variance reports to highlight stock take exceptions and provide the necessary checks before confirmation.

SYSPRO's integrated nature and powerful reporting and query facilities give you visibility to detailed stock statuses and transaction history, while perpetual inventory costing provides at-a-glance valuation of stock holdings by warehouse and stock code. Queries include summary stock code quantities, such as warehouse on-hand, on-order, available, free, in-transit, in-inspection, allocated and back ordered, as well as the ability to drill-down to supporting detail.

Extensive reporting is available including detailed kardex movements, identification of obsolete, slow-moving and excessive inventories, as well as reports on summary inventory quantities and exceptions based on various stock level criteria. In addition, the Office Automation and Messaging module provides the ability to create alerts and events which are automatically fired when inventory exceptions, such as 'below minimum' occur.

### Minimize obsolescence

In companies where rapid innovation is critical to remaining competitive, strategies to improve inventory turnover and minimize obsolescence without sacrificing customer service and quality are essential. Such strategies may include a combination of implementing LEAN principles, eliminating excess inventories, improving forecast accuracy, streamlining and automating processes relating to product life-cycle management and improving overall operational visibility.

SYSPRO enables you to automate and streamline order-to-delivery processes, and provides complete visibility to an integrated picture of your operations, thereby enabling immediate communication of changes in unpredictable demand environments.

Excess component, work-in-progress and finished goods inventory is mitigated through the use of SYSPRO's powerful MRP features, which provide a complete view of demand and supply, as well as an accurate time-phased requirements calculation and comprehensive pegging. Component-to-operation linking, along with order policy, lead time and time fence features, enable accurate JIT based materials replenishment.

For those businesses not requiring full-scale MRP but a simpler derivative, SYSPRO offers Advanced Trial Kitting which you can run based on a range of user-selected criteria. Additionally, true order-linked full replenishment is provided through sales order and purchase order-to-job linking and multi-level trial kitting, which enable the automatic raising and linking of the relevant supply orders via review.

SYSPRO Factory Scheduler facilitates the efficient preparation and execution of achievable production schedules and assists the production area in quickly implementing the necessary changes when order profiles vary from plan. Additionally, materials-constraint scheduling helps to prevent the accumulation of excess WIP inventories.

The Sales and Accounts Receivable modules facilitate accurate multi-dimensional analysis on sales data, such as customer, market, stock item, product class and geographies. SYSPRO's Inventory, Inventory Optimization and Requirements Planning modules provide the tools to help reduce forecast error, manage seasonality and optimize inventories to meet customer service targets.

Efficient automation, management and tracking of product life cycles is provided through the Inventory, Bill of Materials and Engineering Change Control modules, thereby streamlining time-to-market processes, while efficient warehouse and shelf life management is provided through SYSPRO's powerful inventory, lot tracking and serial tracking functionality.

SYSPRO enables you to implement LEAN manufacturing techniques and synchronize supply and demand, thereby helping you to reduce inventory, obsolescent stocks and lead time to your customers.

### Plan and manage distribution of inventory and goods in transit

Whether you supply original equipment manufacturers, diverse retailers, after-sales service outlets, or distribute product to your own distribution centers, effective planning and control of your inventory and order fulfillment activities is essential for operational efficiency and maximum profitability. SYSPRO provides a real-time integrated view of business operations, as well as the means to manage large diverse inventories and to plan and execute sophisticated warehouse replenishment and order fulfillment requirements. Efficient replenishment planning and fulfillment per warehouse is facilitated through

SYSPRO's Distribution Requirements Planning, multi-warehouse and Goods in Transit functionality. The system caters for warehouse-specific costs and order policies, backorders, inter-warehouse lead times, optional inclusion of transfer costs and detailed transfer documentation. Furthermore, the Goods in Transit system enables detailed control, reconciliation and balancing of inter-warehouse transfers.

Distributors supplying major retailers and original equipment manufacturers (OEM) would be challenged to optimize customer service and expand distribution capabilities without e-business capability. SYSPRO's Web Applications enable you to provide your global customers and remote sales force with the convenience of secure 24/7 access to order placement, as well as to queries on pricing, stock availability, detailed statements and order statuses. In addition, sophisticated automated order placement and acknowledgement is facilitated through SYSPRO's e.net solutions and Document Flow Manager. This is further enhanced by SYSPRO's stock code interchange feature which enables customers to query stock and enter orders using their own part numbers.

Customer order fulfillment is managed through SYSPRO's sophisticated sales order picking and dispatch features, while SYSPRO's Customer Relationship Manager and Return Merchandise Authority modules provide the means to manage, control and analyze customer returns and credits. While simple, extended and contract pricing are standard features of the Sales Order module, the Trade Promotions Management module provides complex pricing functionality for distributors, including promotions, rebates and accruals. The Blanket Sales Order module enables SYSPRO customers to easily update call-off schedules for their OEM clients, as well as to reconcile the cumulative position against their OEM contracts.

### Reduce forecast error

In environments where materials and product replenishment planning is largely based on demand forecasts, the forecasts must be as accurate as possible so as to minimize the costs associated with inaccuracies, such as redundant stock and poor customer service. While forecasting is, by definition, an inexact science, its purpose is to improve the quality of predictions, and tracking the forecast error is an essential part of this process.

SYSPRO's Forecasting module provides tools to enable you to track and evaluate your forecasts, as well as to identify the possible causes of forecast errors. These tools assist you in optimizing your forecasts to produce the best possible outcome. The Forecasting module enables the entry of manual forecasts, as well as the automatic generation of forecasts via a variety of forecast algorithms, including those that compute for trends, seasonality and cyclical events. In addition, the module provides a competition forecasting method (also known as focus forecasting or the tournament method) which attempts to select the most suitable forecast algorithm, based on a selected error measurement and your recent SYSPRO sales history data. This enables you to compare results to determine which method is the most suitable for any particular item, whether you forecast on products at code, revision, release, or warehouse level. A tracking signal is used to indicate when the validity of the forecast might be in doubt; those items with high forecast errors are highlighted and can be reviewed and adjusted as required.

Forecast accuracy depends not only on the regular evaluation of the forecast error, but also on the integrity and nature of the source data. In SYSPRO, forecast accuracy is enhanced through the ability to automatically filter and adjust outliers, as well as to manually adjust forecast base data for quantitative and qualitative factors. Reports and queries provide comparisons between actual sales, and suggested, draft and approved forecasts.

### Reduce inventory investment while optimizing customer service levels

SYSPRO's Inventory Optimization and Forecasting modules enable you to minimize forecast error and manage seasonality, thereby helping you to reduce your inventory investment, and improve order fulfillment performance. This is further enhanced by features such as Available to promise and various time fence indicators, that give sales and production staff a reliable view of what they can promise to customers and when.

SYSPRO's Material Requirements Planning gives you clear visibility to the integrated effect of current and future supply and demand, thereby enabling you to make better purchasing and production decisions and reduce excess and obsolete inventories. The inclusion of sources of supply and demand is configurable and various reports and related review programs enable easy potential oversupplies and seamless execution of suggested actions. Also, order policies by stock code at warehouse level enable you to implement lot-sizing rules for purchased and manufactured items.

In make-to-order environments, where a full material requirements planning run may not be required, features such as Advanced Trial Kitting provide full visibility to replenishment requirements for multi or single-level jobs. The purchase order to job link enables purchased or subcontracted materials to be receipted directly into specific jobs. Standard reports such as the Inventory Exception and the MRP Potential Oversupplies report help you identify excess inventories and possible problems with your lot-sizing techniques.