

Your Supply Center™

Executive Summary

According to an article in the Harvard Business Review, "...the performance of many supply chains has never been worse. In some cases, costs have risen to unprecedented levels because of adversarial relations between supply chain partners, as well as dysfunctional industry practices such as an overreliance on price promotions."

Could another of these dysfunctional practices be that various people in different departments are using varying processes to order supplies from different suppliers? There are just too many people trying to do the same thing, and they are using inefficient technology to do so. Part of this could be due to poor communications within the company; part, to lack of automation in the ordering process; part, to lack of control over the technology; part, to missing accountability; part, to insufficient reporting; and, part, to stubborn habits. But, whatever the reasons, it all comes down to the absence of an effective system within which everyone can order, and it's costing hundreds of billions annually.

How can order be brought from this chaos? *By a simple, on-line program called **Your Supply Center**. **Your Supply Center** organizes all of a company's suppliers and their products into a single, customized web site for centralized ordering, as well as user, product, supplier and data management. It automates most of the processes involved in procurement, saving everyone time and money. It separates the technology that runs a supply channel from the vendors who supply the products, giving more control over the system. It increases accountability, eliminating maverick spending and waste. And, it increases the visibility of the system through up-to-the-minute reports, affording fresh insight and increased productivity. **Your Supply Center** eliminates the chaos in a company's supply channel by making their system simpler and easier to use.*

***Your Supply Center** simplifies the product procurement process by organizing all of a company's suppliers and their products into a single, customized web site. This *on-line marketplace* gives them centralized ordering, as well as user, product, supplier and data management. They have one source for everything they need, and it is right at their fingertips. Instead of having to go to their suppliers to order, their suppliers are brought to them in their on-line marketplace. Instead of looking through thousands of products to find the right one, they are only presented with choices that reflect their*

order history. Instead of using many different interfaces to make a purchase, the process is uniform for all suppliers. Best of all, **Your Supply Center** requires little to no effort on the part of users. They are provided with both the tool and the experienced team to do the job.

Going hand in hand with simplification for saving time and money is automation. **Your Supply Center** automates most processes involved in procurement, including order requisitions, requests for approval, e-mail confirmations, status reports and inventory levels. A bi-product of this is the elimination of paper invoices, paper requisition forms and all the other paper trails that have been created in the past. Everything is done electronically and instantaneously.

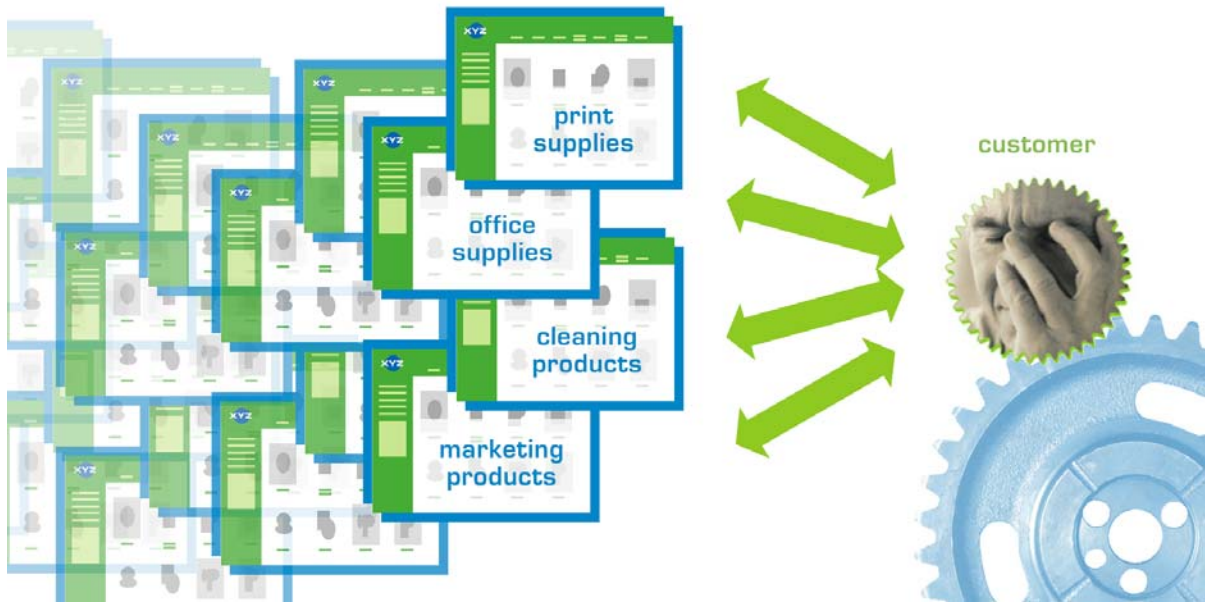
Your Supply Center also interconnects data systems, streamlining the flow of information from one system to the next. It interconnects Accounting with Operations, updates Warehouse inventory and order information, punches out to various procurement systems, and performs other operations.

Your Supply Center gives more control over the procurement process by separating the technology that runs a supply channel from the vendors who supply the products. This allows users to change their vendors without changing their system. Eliminating the varying and often incompatible technologies of multiple vendors also eliminates varying interfaces. Both interface and process are uniform for all suppliers.

Your Supply Center also allows managers to set authorization, viewing and pricing filters that control what users see and access, as well as their spending levels and budgets. By establishing and setting these controls, companies can curb maverick spending, reduce errors and avoid costly mistakes. Industry studies have shown that companies with spending controls in place save as much as 15% on their total budgets.

Your Supply Center increases visibility by showing the entire supply chain in a single view. Users have access to reports that track, measure and improve the way they spend money, as well as how resources move through the system. They know, up to the minute, where people, information and products are in the chain, thereby increasing their effectiveness at delivering on time and within budget. Through all its many processes and features, **Your Supply Center** saves time and money in procuring supplies, and ends the chaos that may be plaguing a company's supply channel. By simplifying, automating, and increasing the control and visibility of their product procurement system, **Your Supply Center** increases its effectiveness and eliminates the waste.

External Chaos



Simplification

Your Supply Center simplifies the product procurement process and ends the external chaos that plagues most companies' supply channels. One of the ways it does this is by organizing all of a company's suppliers and their products into a single, customized web site, for centralized ordering, as well as user, product, supplier and data management. This *on-line marketplace* becomes the hub of the company's supply chain, where everything can be coordinated, from optimizing a product's merchandising to monitoring a supplier's performance. Through **Your Supply Center**, a company can buy all their supplies without going outside the system.

Another aspect of simplifying a company's product procurement process is the elimination of all extraneous products and product categories. This is done at the time **Your Supply Center** is set up, and is maintained throughout its lifetime. Users are asked to submit a list of their current products, which are fed into the program and become part of the product catalog. Vendors may add items, and users may request them to be added; but all items are filtered through the program to make sure they fit the user's specified needs.

Users may also add vendors into the system without having to change their current processes, since vendors are plugging into their system rather than the reverse. This saves time and money because of all the work involved in adapting a user's processes to a new vendor's technology. According to one leader in the promotional and incentives merchandise industry, "Whenever a company chooses a vendor based on the vendor's technology, they're making themselves dependent on that vendor for more than just supplies. If they ever need to replace that vendor, they'll have to replace a good portion of their system as well, including their storefront."

Many companies have found the answer to the vendor-technology problem in *Your Supply Center*, a program in which the technology that runs a supply channel is separate from the vendors who supply the products. The industry leader continues: "If you love the products and services your vendors provide, but hate the tools they use to do it, you don't have a good fit. Why not have the best of both worlds? The only way to do that is by separating your vendors' products from their technology." *Your Supply Center* puts the technology to run an efficient supply channel back in the hands of the user, so that, when a company needs to change vendors, they can do so without changing their purchasing system. Now they can depend on their vendors for what they do best—provide great products—rather than for technology, which is probably not their forte.

Eliminating the varying and often incompatible technologies of multiple vendors also eliminates varying interfaces. All suppliers use one system and one technology—the user's—which in turn eliminates the need to interface with various web sites, forms and systems to make a purchase. The process is uniform for all suppliers.

There are other advantages to separating vendors from the technology that runs a supply channel. Different departments in a company may require different things from a vendor, because they have different needs. The technology tools that work well for Sales & Marketing may not work for Purchasing, and vice versa. By separating vendors from their purchasing technology, a company is free to select vendors that work best for each department, and bring them all together into one system that works best for everyone.

According to an article in the Harvard Business Review, "...the performance of many supply chains has never been worse. In some cases, costs have risen to unprecedented levels because of adversarial relations between supply chain partners, as well as dysfunctional industry practices such as an

overreliance on price promotions. One recent study of the US food industry estimated that poor coordination among supply chain partners was wasting \$30 billion annually.” Companies can eliminate these problems by simplifying their supply chain process.

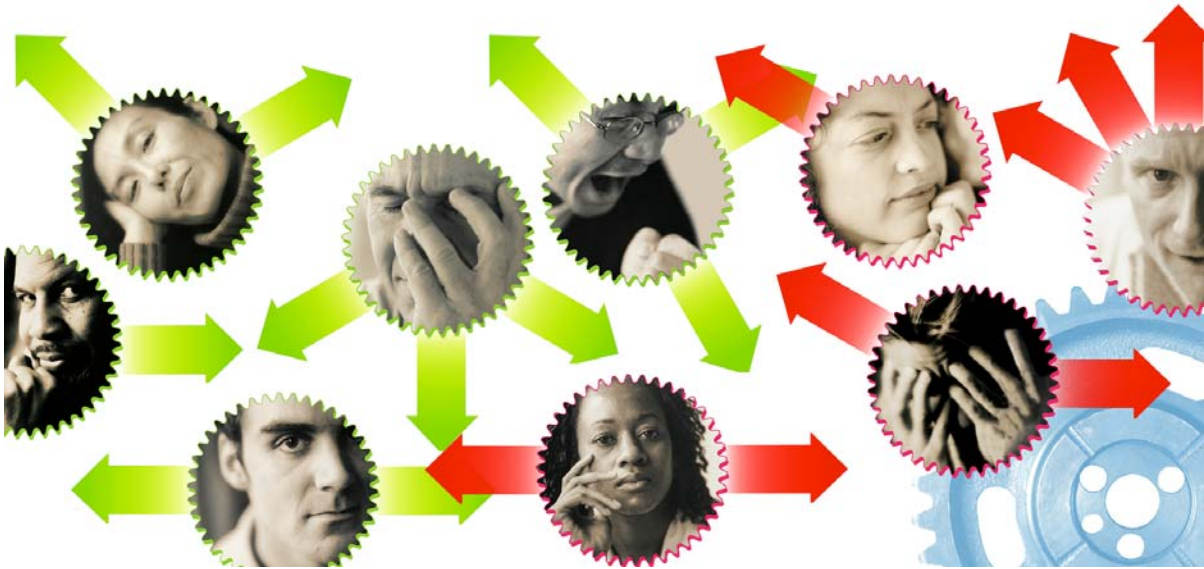
ON-LINE MARKETPLACE—Having everything in one place really makes life simple. *Your Supply Center* will create an on-line marketplace where you can coordinate all your products and suppliers in one place. It will

- give suppliers different ways to publish their catalogs and other information
- allow preferred suppliers various options, such as updating their status
- allow you to create and manage a product and supplier database
- allow you to view and access filters for products and pricing
- allow you to order and manage supplies
- allow you to manage fulfillment and inventory
- allow you to forecast trends
- allow you to consolidate and group purchases

CUSTOMER SERVICE—A more simplified system not only makes things run more smoothly with less chance of breaking down; it also makes things easier for users. By giving them their own unique account center, *Your Supply Center* allows users to access all the information they need to do business with you and participate in your programs. They will be able to

- view order status, history and order pending information
- access incentive, reward and recognition program point information
- keep track of budget allotment availability
- manage personal ID and password
- automate e-mails, communicating order confirmations and program status

Internal Chaos



Automation

Going hand in hand with simplification for saving time and money is automation. While simplifying the product procurement process helps eliminate external chaos, automating it helps eliminate the internal variety. The more processes that can be automated, the less man-hours involved, and the more resources available to use elsewhere. One reason most organizations have internal environments that are so chaotic is that their members are unaware of each other's activities, causing efforts to be duplicated. Part of the reason for this is that members are performing most of their tasks manually, so there's very little way to track their activities, and therefore communicate those to everyone else.

Your Supply Center automates most of the processes involved in procurement, and even integrates vendors' systems into those processes, so that everyone involved can know what is going on at any given time. There is no reason for duplication of efforts because everyone is made aware of what everyone else is doing. *Your Supply Center* automates processes like order requisitions, requests for approval, e-mail confirmations, status reports and inventory levels. A bi-product of this is the

elimination of paper invoices, paper requisition forms and all the other paper trails created in the past. Everything is electronic and instantaneous.

A further advantage of *Your Supply Center* is its ability to interconnect a company's data systems, streamlining the flow of information from one system to the next. It interconnects Accounting with Operations, updates Warehouse inventory and order information, and punches out to various procurement systems. Intra-net and extra-net user credentials and user information are passed safely through secure portals. With such interconnectivity and communication possibilities, a company's employees, vendors and customers can become a real community.

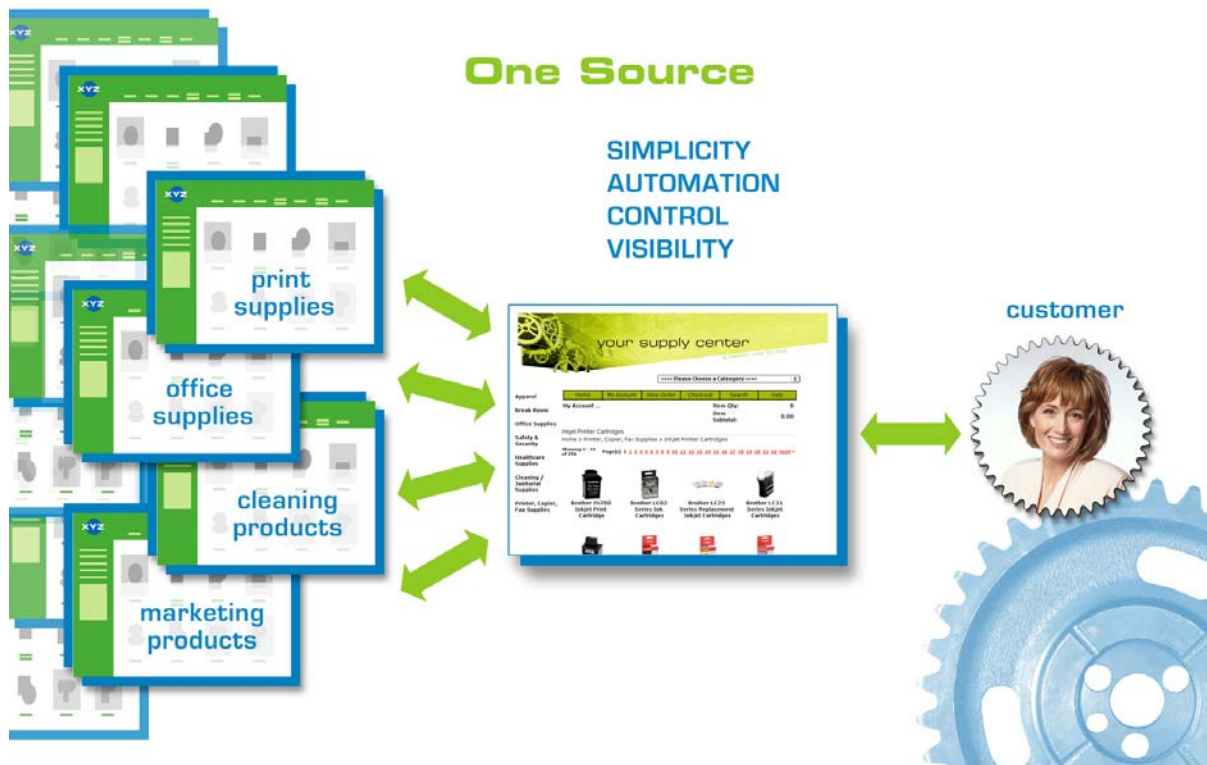
EXPEDITING THE ORDER CYCLE—*Your Supply Center* expedites the order cycle, helping you take orders, manage inventory, and make accurate and reliable deliveries. You will be able to

- capture key information (user info, budget, cost center, etc.) at time of order
- calculate shipping and tax at time of order in real time
- track and communicate order status
- view progress reports for all orders received and waiting to ship
- view all details for individual orders
- track information for line-item products from key drop-ship suppliers
- have real-time inventory options and reports
- adjust limits on allowable quantities for purchase or back-order
- adjust limits on re-order pars
- automatically e-mail inventory replenishment information

INTERCONNECTING DATA SYSTEMS—*Your Supply Center* interconnects various data systems, streamlining information flow from one system to the next. (May require additional fees.)

You can

- interconnect Accounting and Operations
- update Warehouse inventory
- update order receipts and status for single- or multiple-supplier orders
- punch out to procurement systems (Ariba, Commerce One, etc.)
- pass intra-net and extra-net user credentials through a secure portal
- upload participant and user information
- transfer data via FTP, HTTP Posts and Web services
- use data file formats XML, Flat File and EDI



Control

We've already discussed the advantages of separating vendors from the technology that runs a supply channel: it simplifies the system, makes it uniform for all vendors, eliminates the need to change the system or storefront to accommodate new vendors, eliminates incompatible technologies, etc. This gives users control over their own supply channel, since vendors are plugging into their system rather than the reverse.

Your Supply Center also increases the control managers have over their system by allowing them to set authorization, viewing and pricing filters that determine what users see and access, as well as their spending levels and budgets. By establishing and setting these controls, they are able to curb maverick spending, reduce errors and avoid costly mistakes. Industry studies have shown that companies with spending controls in place save as much as 15% on their total budgets. They are able to set these controls according to a variety of parameters.

In addition, just simplifying and automating a company's system greatly enhances their control over it. It is far easier to control a unified, cooperative enterprise than a company that is in constant chaos. *Your Supply Center* keeps managers informed of any changes in the system. More control and greater awareness equates to a better work environment for employees, leading, in turn, to greater productivity.

PURCHASING CONTROLS—*Your Supply Center* provides purchasing controls and visibility on spending by customer, user-group, account, program, department, code, cost center, etc. Spending amount can be set by dollar, percentage, open balance (both depleting and non-depleting) and one-time use. Purchasing methods can be set using one, or any combination, of the following:

- purchase orders, credit cards, P-cards and points
- gift certificates and coupons
- account and cost center codes
- pre-set or open budget dollars
- set spend limits per user and route for approval
- approval by management

Simpler, Easier, Saves Time & Money



Visibility

Your Supply Center shows an entire supply chain in a single view, giving users access to reports that track, measure and improve the way they spend money, as well as how their resources move through the system. They will know, up to the minute, where people, information and products are in the chain, thereby increasing their effectiveness at delivering on time and within budget.

With better information, users can improve their insight *and foresight* to make more informed decisions and do a better job complying with regulations. Whether they're tracking sales, expenses, participants' purchasing habits, the effectiveness of a program, the status of an order, interest in a particular product, or inventory levels, information is power and, with **Your Supply Center**, they have it right at their fingertips. Users are able to keep up with the ever-changing needs of individual customers as well as the market in general, and are able to respond to those needs in a timely way.

INFORMATION AND REPORTS—**Your Supply Center** gathers information and generates reports, assisting you in decision-making, forecasting and budgeting. You'll be able to

- track sales by store, program, product, user-group, etc.
- track participants' purchasing levels, methods of payment and budget
- track participants individually, by program, points balance, target, etc.
- review order status and history
- review product status by interest level and purchasing activity
- design customized reports
- report inventory levels and availability



Your Supply Center Benefits

There is a progression to the *Your Supply Center* program. It starts with the basic step of getting organized and continues through the establishment of benchmarks on spending. Each step has its own benefits.

ORGANIZE AND MANAGE THOUSANDS OF ITEMS—The first thing *Your Supply Center* will do is help you get organized. It will bring together all your information, catalogs, price sheets, vendors and products into *one place*. This will allow you to see your entire supply chain in *one view*, helping you determine who is doing what, what’s working, and what needs to be changed. With *Your Supply Center*, you’ll have only one place to go for everything you need.

CONSOLIDATE AND BECOME MORE EFFICIENT—Next, *Your Supply Center* will establish *a more efficient way* of doing things by consolidating your processes. All your vendors will be

brought to you on your on-line marketplace, and you'll go there to do your ordering. Employees will no longer have to go to dozens of web sites or search through stacks of catalogs to find what they're looking for; nor will they have to use different methods to order. Even changing vendors will be easy and will not disrupt your system, because you control the technology. All ordering will occur on your on-line marketplace and will have a uniform, consistent process, saving everyone time and money.

AUTOMATE YOUR PROCESSES—Now you're ready to move from printed catalogs and paper order forms to the magic of automation. It will be *far quicker and easier* to do things electronically on line than the old fashioned way. All your information will be in *one database*, allowing you to cross-reference, track progress and print out reports *with the touch of a mouse*.

BRING YOUR VENDORS ON BOARD—Your present vendors will still be part of your new way of doing things; only now you'll have a quicker, more efficient way to see, select and order their products. Now *they* will be a part of *your* system, rather than the reverse, which will give you *the control you need*.

AUTOMATE YOUR APPROVAL PROCESS—Continuing with automation, *Your Supply Center* will establish an e-mail route for your approval process. Whenever you place an order, this process will be initiated automatically and will include whomever you specify. This will give you *one less thing to think about*.

INCREASE YOUR SAVINGS AND CHOICES—Additional vendors, as well as products with *better pricing and value*, will also be included in *Your Supply Center*, giving you more choices. Many of these will be brands you currently use. Members of our Buyers Group typically save 15-25% over their previous spend.

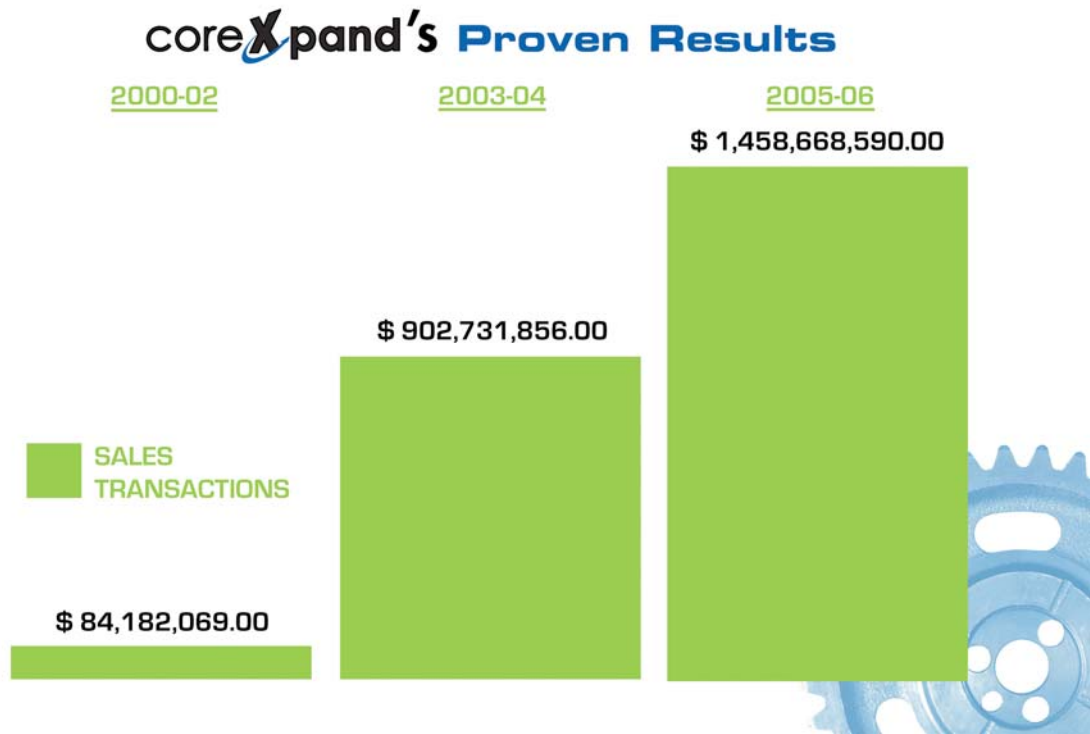
ESTABLISH BENCHMARKS FOR PRICING—Once we've helped you establish the vendors and products that best serve your needs, we'll determine what is a fair price for each product category so you can begin saving money on your purchases and *bringing your costs under control*.

Channel DRIVER™
the multifunctional on-line tool



Conclusion

Through all its many processes and features, *Your Supply Center* saves companies time and money in procuring supplies, and helps end the chaos plaguing their supply channels. By simplifying, automating, and increasing the control and visibility of a product procurement system, *Your Supply Center* increases its effectiveness and eliminates wasted effort. Visible changes include the consolidation of all of a company's vendors into one web site; the elimination of paper forms and faxes; the automation of most processes, including report generation; and the establishment of controls on purchasing and spending. Depending upon how far a company goes with the system, they could see an entirely new face on their company. But they will also see changes internally in attitude and other values generated by new incentive, reward and recognition programs. *Your Supply Center* is designed to help companies do what they do best, inside and out, through a multifunctional, on-line tool that quickly pays for itself.



About CoreXpand™

CoreXpand is the leader in on-line catalog marketing. With over 13 years of previous experience in the distribution industry, CoreXpand provides on-line business solutions that consolidate and streamline supply channels, while driving sales and increasing brand loyalty. CoreXpand was founded in 1999 in Atlanta, GA, and has since proven itself many times over by helping companies of all sizes expand their core business capabilities.

Channel DRIVER™ is the name of our feature-rich, easy-to-use on-line tool. Catalog-4-ONE™ is our program for creating individualized on-line catalogs; *Your Supply Center* is our program for creating on-line supply centers. Both programs are contained in the Channel DRIVER tool, as are many other features and programs. Channel DRIVER requires no IT involvement, so companies are able to deploy programs rapidly for their entire channel.

We currently have over 2,000 programs running on line for companies of all sizes, including many Fortune 500 companies. Our proven results attest to the satisfaction of our customers.

Contact Information

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