



Industrial Distribution

Increasing profitability and competitiveness



Global competition, shorter product lifecycles, lean economic conditions, increasing customer demands—these and other challenges put enormous pressures on industrial distributors.

The escalating requirements of large customers present a particular challenge. Demands for lower prices, improved packaging, specific labeling, and tight delivery requirements create tough conditions—especially for any distributor still tied to conventional supply chain systems and processes. These large customers want value-added supply chain services such as collaborative planning and vendor managed inventories. In some cases, the demand for Vendor Managed Inventory (VMI) can force industrial distributors to implement new business processes on top of old systems that do not provide adequate support.

The challenges increase substantially with outdated IT systems. Simply put, older, inflexible systems create internal inefficiencies that are hard to overcome. It can be difficult for you to forecast accurately enough to manage your inventory effectively. Left unresolved, these issues lead to discounts, lost orders, higher inventory costs, and unhappy customers.

But with the right technology, being competitive gets easier. If you have the right business solutions in place, you can adapt to evolving market and customer demands by improving supply chain operations, effectively managing branch locations and sales staff while keeping costs low, and creating service-related income.

Managing the supply chain

Installing a flexible, robust IT environment is the best way for you to create an efficient, smoothly functioning supply chain that manages integrated contracts and delivers comprehensive service-level commitments. That, in turn, can help you increase your profits.

If your company focuses on improving the systems that control supply chain operations, then you're on the path to obtaining competitive advantages that result from reducing the cost of distribution with systems that support new business requirements and processes.

For example, you can take advantage of capabilities that facilitate easy and efficient real-time access to inventory, customer order status, sales, purchasing, and financial information across multiple locations. You can streamline the flow of information across your organization so that every department in the company works with the same data for real-time decision making.

And you can increase on-time delivery with powerful customer/supplier integration, planning tools, and company-wide inventory visibility.

By using effective supply chain management solutions, industrial distributors can use business automation as a substantial competitive advantage. When coupled with inventory control technology, on-time customer shipments improve, lead times decrease, and there is an increase in inventory turns and accuracy of order-fill rates. These capabilities can help reduce costs drastically and gain a strong position as a low-cost, preferred supplier while creating additional value to your customers.





Improving branch operations

If you run or are part of a large distribution company, then the effectiveness of branch operations and your sales staff are top priorities. With the right business solutions in place, you can make sure that operations beyond company headquarters are running smoothly and contributing to profitability.

This starts by using technology to help you become a trusted advisor who has a comprehensive view of the customer to assist in customer service coordination. With an integrated accounting and customer relationship management (CRM) solution, you can ensure that the CRM tasks performed by salespeople include important information such as quotations, billings, and shipment deadlines.

You can also tighten delivery times and schedules by integrating specific customer requests into your business software so human errors are reduced or eliminated. And you can coordinate all aspects of a customer's profile when multiple personnel are communicating to that customer on a regular basis.

Increasing profitability

With collaborative, tightly integrated software and systems in place, there is greater potential for bigger profits.

Industrial distributors can easily identify and eliminate areas of wasted activity because they no longer have to deal with separate "islands" of information that require extra resources to manage or that operate outside of a global view of company operations. It is easier to support and take advantage of Automated Data Collection (ADC) systems to lower costs—while improving customer service.

And with integrated systems, industrial distributors have smart knowledge management tools at their disposal to identify opportunities for new products and services that can be offered to customers most likely to need them.

Optimal performance with Microsoft Dynamics

Microsoft Dynamics™ provides a set of strong applications that deliver a compelling suite of technologies for industrial distributors. Our integrated tools can help give your organization the critical capabilities you need to support new business practices, shrink inventory and warehouse management costs, respond quickly to customers, and comply with changing and unique customer demands. We can help you achieve real-time visibility across the global supply chain and deliver customer-focused solutions that help grow their business and set it apart from the competition.

The Microsoft Dynamics platform can help your organization to assemble a complete, integrated set of leading-edge business applications. These integrated applications can be deployed quickly and inexpensively without complicated customizations and drawn-out implementation projects. Microsoft Dynamics solutions support:

- Speed order picking with powerful and integrated ADC solutions.
- Real-time reports and alerts to management and customers.
- Efficient response to customer demands such as specific packaging and shipping requirements.

- Implementation of customer-specific shipment, packaging, technology, and reporting requests.
- Customized business reports that help improve business performance.
- Accurate demand forecasting models.
- Easily implemented Web-based systems for customer communications.

Innovative integration

Microsoft Dynamics provides a flexible set of solutions that can be easily adapted to your operational needs. Built on the Microsoft® Windows Server™ platform, Microsoft Dynamics helps you take advantage of technologies such as Microsoft Windows® SharePoint® Services for knowledge management and collaboration, Windows Terminal Services for extending access to data and processes, and Web services that can enable visibility into your customers' and suppliers' systems. Microsoft SQL Server™ delivers a solid foundation for collecting, analyzing, and reporting data across your company's systems. And deep integration with Microsoft Office System applications, such as Microsoft Excel®, Word, Outlook®, Internet Explorer, SharePoint, and Visio®, can help you better understand inventory, plan production and lead times, design reports, and use data required to make accurate and cost-effective decisions.

COMPETITIVE

Partners with industry expertise

Microsoft Dynamics solutions are delivered by a network of partners with expertise in industrial distribution. They can provide local, personalized service—from planning and implementation, to customization, to ongoing support and education. That means you get world-class business solutions from professionals who understand your business and will be there as your business conditions change.

Plan for growth

Organizations need systems that can deliver a strong return on investment (ROI) in meeting current needs, while providing for the opportunity to scale dramatically to account for organic growth, acquisitions, changes in business focus, and other foreseeable future changes to the business. Microsoft Dynamics, along with Microsoft server technologies and productivity solutions, offers tremendous flexibility and scalability to implement the solution to meet today's requirements and to allow for substantial future growth and change.

To learn more about Microsoft Dynamics integrated solutions that can help industrial distributors succeed, visit www.microsoft.com/dynamics/IndustrialDistribution



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Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. Built to work with Microsoft technologies, it works easily with the systems your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, helping increase the productivity and effectiveness of your business, and helping you drive business success.

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