

MAKING SMARTER DECISIONS

WITH BUSINESS INTELLIGENCE TOOLS



Today's technology allows businesses to collect and store more information than ever before. Data on customers, sales, vendors, purchases, items, invoices, shipments, and more is literally available at your fingertips. However with the existing business environment in the distribution industry and increasing competitive pressures, just having access to this business data is not always enough.

What distribution companies do with their business data can mean the difference between success and failure. Intelligently looking at business information enables executives to quickly spot trends and changes so they can make more informed decisions and respond effectively. The most successful companies will use business intelligence to meet and/or exceed their business objectives.

DATA MANAGEMENT TOOLS

Business intelligence, also known as BI, is the art of turning data into information that is useful and easily understood. There are a host of tools available today to help you gain a better understanding of the information you collect, so you can make better decisions in a shorter amount of time. Using BI, you can accurately measure the results of your decisions, and fine-tune them as needed.

Business intelligence tools often come in the form of software that can interact with databases to perform a variety of functions.

The most basic of these tools are report writers. These pre-formatted reports can be viewed either on paper or online. Generally, report writers allow you to select report criteria and drill-down to the source for more detail. A drawback of using report writers is that once a report is designed it's not very easy to change its focus.

End-user queries enable you to create your own ad-hoc queries and design reports in a user-friendly manner. End-user queries enable you to gain quick access to information and are great for novice users.

With executive alerts you can create triggers to monitor business conditions and send electronic alerts to push information out in response to changes. For example, if sales for a customer, product, or item fall below a given target, the user would be alerted electronically and sent a report detailing the pertinent data. When incorporated in a Digital Dashboard (see below), emerging trends can trigger alerts.

By proactively monitoring your business, your company can lower business cycle times, dramatically improve employee communication, and give your customers personalized attention with every transaction.

Online analytical processing (OLAP) tools construct multi-dimensional data cubes to provide high speed access to both summarized and detailed views of business information. Some examples of summary data are transaction counts, number of units, total dollars, etc. Cube summaries make it easy to show trends, such as year-to-year, quarter-to-quarter, or month-to-month comparisons. Cube details make it easy to "slice and dice" data, so that information can be viewed and analyzed in a variety of ways, for example: by order, by salesman, by customer, by product group, by item, etc. OLAP tools provide the foundation for comprehensive business decision analysis.

Digital dashboards provide a dynamic presentation layer for information, so data can be presented in a graphic, intuitive framework, making it easier to spot trends and hone in on both problems and successes. Some of the features digital dashboards can provide include:

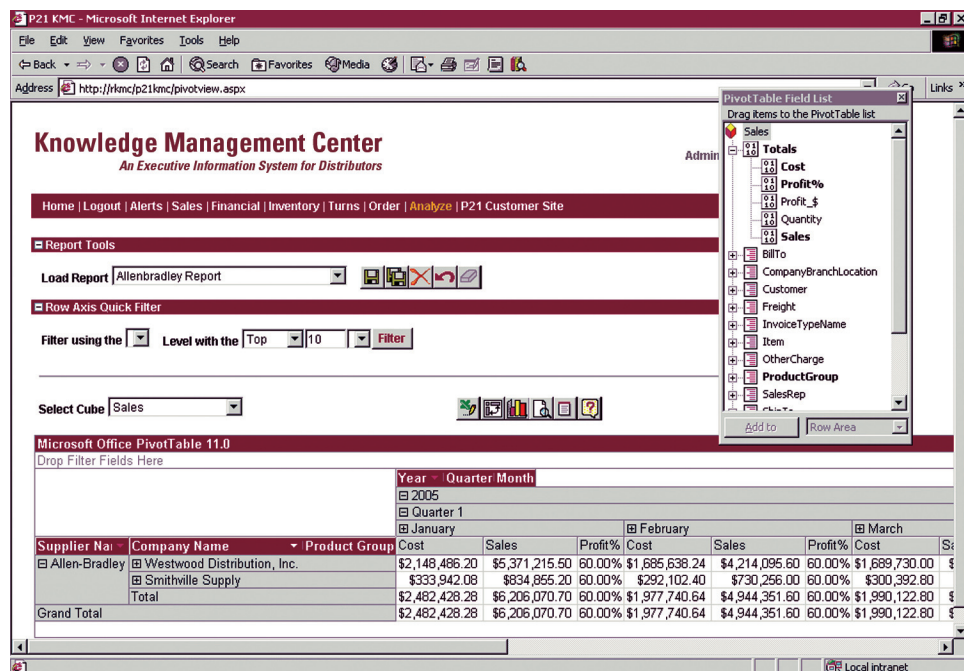
- Scorecards, which give a quick, graphical look at key performance indicators such as profit, inventory, open Accounts Receivable, and open Accounts Payable. Scorecards enable executives to spot trends quickly and easily
- Measuring performance over time and analyzing the results
- Interface to OLAP cubes to provide the ability to drill down, drill up, change parameters, add lines, add columns, and change views
- Analysis by exception
- Customized displays, allowing creation of individual portals for each end-user, including the option of including personal calendar, email, task files, etc.
- Access to internal and external information
- Flexible graphics, such as bar charts, pie charts, donuts, bubbles, pivot tables, etc.
- Import/Export capability with other software tools

Increasingly, BI tools must interface with the Web in order to communicate key information to the largest number of people, anytime and anywhere, with the least amount of effort and cost. Distributors can use the Web to reach employees on the road or working from home, share order status, invoice, and other data with customers for increased service.

Information that isn't used or overwhelms you is of no use to anyone, so look for tools that allow you to see information quickly and easily. For added flexibility, insist on tools that integrate with a variety of applications, such as reports and spreadsheets. Also, know that your information requirements will likely change over time, and look for tools that are flexible, and can grow with you.

In summary, business intelligence tools are available to help distribution executives respond to changes, spot trends, measure the effectiveness of decisions, communicate anytime and anywhere, cut costs, improve efficiency, and improve profits. Without them, business systems become nothing more than data warehouses of unused information. And, while we all want to keep our warehouses stocked and up to date, the real profit comes in moving the stock to where it can be put to good use.

KNOWLEDGE MANAGEMENT CENTER



Activant® knows that in order to stay competitive in today's economy, distribution executives must access, analyze, manage, and respond to information in a timely manner. Activant Knowledge Management Center (KMC), an executive information solution, allows you to do just that.

Fully integrated with Activant Prophet 21™, KMC provides a snapshot of your business, anytime, anywhere, using parameters you define. Using Digital Dashboard technology, KMC gives you analysis tools, including collaboration capabilities, Internet, reports and graphs, and messaging support, inherent in many Microsoft products.

KMC quickly summarizes sales, inventory, accounts receivable, accounts payable, and open orders, and allows you to set alerts that notify you when business activity falls outside of a predefined range. With KMC you can look at your company at a high level, through pie charts and bar graphs, or drill down for more detailed information.

CUSTOMIZED FOR YOUR BUSINESS

By simply pointing and clicking or dragging and dropping fields within KMC, you can collect the information that you want and tailor your screens and reports, including graphical views of your General Ledger (GL) and budget data. These views have flexible parameters that allow you to graph and compare your actual GL values in relation to your budgeted values, which provide you with valuable financial information that allows you to make proactive business decisions.

And you can share your findings with employees while restricting access to other pieces of information that you do not wish to disclose. For example, you might show your sales department sales figures, but you might not want to show them financial information related to your business.

Of course, everyone has their own preferred way to view data. Whereas one executive might want to look at numbers in an Excel spreadsheet, you might be a visual learner, preferring to see company statistics in a pie chart or bar graph. This is not an issue, as exporting data to Excel from KMC is accomplished by a click of a button. Once you create a desirable report, you can save its format for future use. KMC refreshes the view on your PC or laptop when you boot up or connect remotely.

ABOUT ACTIVANT'S WHOLESALE DISTRIBUTION SOLUTIONS

Activant provides technology solutions and services to more than 3,800 wholesale distributors throughout North America. A leading technology provider for the distribution industry, Activant develops comprehensive enterprise software solutions to help distributors improve customer service and maximize the return on their technology investment. In addition, the company offers an Internet trading network that expedites sourcing, expands geographic reach, and streamlines transactions between distributors and manufacturers. Activant solutions are backed by a host of professional services, including support, consulting, and educational programs.

Activant Solutions Inc. ("Activant") is a leading technology provider of business management solutions serving small and medium-sized retail and wholesale distribution businesses in three primary vertical markets: hardlines and lumber; wholesale distribution; and the automotive parts aftermarket. Founded in 1972, Activant provides customers with tailored proprietary software, professional services, content, supply chain connectivity, and analytics. More than 30,000 customer locations use an Activant solution to manage their day-to-day operations. Activant has operations in California, Colorado, Connecticut, Illinois, New Jersey, Pennsylvania, South Carolina, Texas, Utah, Canada, France, Ireland, and the United Kingdom.

For more information, please visit www.activant.com, e-mail distribution@activant.com, or call 1-800-776-7438, press 1.

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