

Microsoft
Business
Solutions

DISTRIBUTION

DISTRIBUTION IN motion

Constant change. There is no time for rest in distribution. As globalization trends continue, new channels are constantly developing. Existing channels are expanding with new approaches—such as global sourcing, cross-sell capabilities, third-party logistics, and radio frequency identification (RFID) solutions.

Companies are shifting to more advanced distribution management processes as increasing competition and disintermediation concerns grow. These trends are driving changes in distributors' business relationships and processes. Traditional buy-hold-sell inventory replenishment processes are being complemented with innovative sell-source-ship methods. Distributors can maintain minimal stock, quickly source materials, and then drop ship delivery.

Customer service expectations are also expanding. Major customers and vendors are requiring specific service-level agreements and compliant technology business processes. This technology enables new revenue streams through value-added services such as Vendor Managed Inventory and Just in Time Delivery programs. Distributors are also expected to keep up with industry standards, such as ASN (Advance Ship Notification)—with container and item level information sent electronically—incorporated with UCC128 compliance labeling.

Rich integration across the distribution processes enables companies to flexibly manage information and materials while controlling costs and performance. The result is a laser-sharp focus on making good decisions throughout the entire operation and on improved customer service.

Improved Supply Chain Processes

Efficient management of the supply chain is essential for meeting customer expectations. A Web-based approach for cross-business communication enables distributors to deal effectively with the different links in an increasingly global supply chain. Now, thanks to an integrated IT structure, employees at Giant Bicycle have immediate access to inventory data from any of the company's multinational locations.

Current technology makes it possible to gain a strong position as a low-cost supplier and create additional revenue in the form of supply-chain services. Portals provide visibility into product

GAIN THE COMPETITIVE **edge**

Thin margins combined with increasing business complexity result in increasing challenges for traditional distributors—especially for small- and medium-market distribution companies.

Greater Operational Excellence Through Technology

Supporting complex processes with ever smaller profit margins requires both operational agility and tight controls. Small- to medium-size distributors are benefiting from affordable IT infrastructures built around applications from Microsoft® Business Solutions to support more efficient processes. Expanding the use of information technology is the best way to add greater value while supporting more cost-effective operations.

The automation at each touch point—from order capture to inventory replenishment—streamlines the many diverse processes within the distributors' businesses. Business intelligence becomes cohesive and comprehensive as information is automatically fed to the appropriate applications and processes. This allows distributors to communicate both inside and outside the four walls of the distribution center with key partners and customers.

availability and delivery data, increasing the response time and the accuracy of commitments made across the supply chain. Web-based storefronts with integrated order and inventory management allow customers to order products directly, simplifying the selling process, improving accuracy, and increasing the speed of delivery.

Tighter Inventory Management

Having the right goods in inventory is critical to success in distribution. An out-of-stock situation can mean a lost sale, or even a lost customer. Flexible inventory applications streamline purchasing, order processing, and inventory management, ensuring that goods-on-hand match customer needs. These tightly integrated solutions can include the use of bar codes and scanners which maintain accurate, real-time inventory data and reduce errors.

Critical forecasting and demand planning can also be streamlined with IT applications. Once goods are in stock, software applications enable distributors to make an ABC-analysis of goods based on the quantity sold, sales volume sold, or contribution to margin. Managers can establish parameters to decide when to replenish the product and how much to purchase. The



Customer Success
Super D

With headquarters and a 50,000 square foot warehouse in Irvine, California, Super D is a leading worldwide wholesaler of pre-recorded audio and video entertainment products. By implementing Microsoft Business Solutions integrated with Maximum Data's "In Touch" software (which uses wireless bar code data collection) the company has realized an increase in revenues from \$11 million to \$47 million (+427 percent) in three years. They have been able to more than quadruple their in-stock title count from 35,000 to 145,000 SKUs. Their order accuracy has increased to 99.7 percent and "same day" fill rate has increased by 40 percent.

"...Our same day fill rate has soared from 65 percent to 91 percent (a 40 percent increase). Given this, and everything else we have been able to achieve in our marketplace, the Microsoft Business Solutions system has paid for itself several times."

David Hurwitz :: Co-Founder and Chief Technical Officer, Super D



Customer Success
Giant Bicycle USA

Giant Bicycle is one of the largest manufacturers of quality bicycles with four factories and twelve distribution sites around the world, as well as the second largest distributor of quality bicycles in the United States. To make their operations run smoothly, Giant Bicycle relies on Microsoft Business Solutions to link all their sites together in multiple locations in Europe and the United States. Now, every employee has the information they need right at their fingertips, giving their distribution facilities immediate access to warehouse information.

"Information is the key and information is exactly what Microsoft Business Solutions has given us, reducing duplication of effort and the amount of paper work."

Mike Forte :: Director of Strategic Information Systems, Giant Bicycle USA

parameters can be determined by account sales and marketing forecasts along with other relevant input contributors.

A more flexible IT environment is especially effective in improving the efficiency of warehouse operations. Warehouse management capabilities optimize layout, picking methods, movement processes, and accuracy to maximize utilization and secure an efficient product flow through the warehouse. Distributors can then rely on order management software to ensure accurate and on-time order fulfillment. Emergency Medical Products, for instance, implemented advance software to boost the accuracy of their order fulfillment to 99.8 percent, ensuring that healthcare organizations around the country get the right products on time.

Better Information for Improved Response

Instant access to decision-driving information ensures that all parts of a distribution business run more efficiently, and helps distributors plan for the future with confidence. Flexible computing environments offer distributors a number of ways to get at data, including online inquires, Web-based reporting, customer self-service tools, sophisticated financial consolidation, and OLAP analysis applications.

Providing up-to-date, accurate information to customers is especially critical to the sales team. With automated solutions, the sales team can answer questions on stock availability and pricing with real-time information. Sales order management

and inexpensively without complicated customizations or drawn-out implementation projects. Working with our partners, we have added the deep vertical functionality needed for the wide range of distribution verticals such as consumer product goods and industrial distribution organizations.

Our solutions are based on advanced, secure Internet technology that extends and enhances traditional business technologies and provides a powerful development environment. Moreover, Microsoft Business Solutions provide a solid growth path for years to come, with our ongoing commitment to enhanced solutions and the continued integration of Microsoft software to deliver ever-increasing value.

Build a World-Class Operation

Microsoft knows that deep industry expertise is required to address the range of distribution needs. That is why we partner closely with more than 6,000 companies around the world to bring firms outstanding software applications combined with the world-class capabilities needed to meet specific business needs.

To ensure a seamless computing environment, all our solutions and our partners' offerings integrate fully with Microsoft Office and Microsoft Business Solutions ERP software to meet the diverse needs of the distribution industry.

We offer an outstanding portfolio of enterprise-wide solutions combined with first-rate financial resources and the technical

THE PERFECT **delivery**

applications assist in handling multiple channels, as well as facilitating the return of merchandise.

A flexible IT approach can also capture valuable knowledge of customer buying patterns that can be leveraged to build customer responsiveness and loyalty. UCS Forest Group has automated key aspects of the sales process to improve insight into customer needs to improve follow-on sales effectiveness.

Optimal Performance with Microsoft Business Solutions

Microsoft Business Solutions offers a set of strong applications that deliver a compelling suite of technologies for midrange distribution organizations. Our integrated tools give distributors the critical capabilities they need to manage every aspect of their business, from order entry and procurement to sophisticated inventory and shipment management.

Our technology platform allows small- and medium-size distributors to assemble a complete, integrated set of leading-edge business applications. Integrated applications from Microsoft Business Solutions can be deployed quickly

expertise to improve those systems over time. All this is combined with seamless and cost-effective implementation channels to deliver solutions for small- to medium-distribution organizations.

Stay Ahead of the Competition

Tightly integrated tools from Microsoft Business Solutions can help distributors achieve more efficient processes and lower operational costs while providing great service. To learn more about how affordable, integrated Microsoft Business Solutions are helping distributors get the right product to the right customer on time, visit:

<http://www.microsoft.com/BusinessSolutions/Industry/Wholesale>



STAYING ahead

Customer Success
UCS Forest Group

UCS Forest Group is a North American distributor of specialty forest products, with divisions in Canada and the United States. UCS Forest Group turned to Microsoft Business Solutions to automate critical sales activities, create additional value for customers, and streamline purchasing.

The new solution allowed UCS Forest Group to improve the speed and quality of their customer services response by streamlining the purchasing process through accurate vendor profiles and centralized product information. It also has helped position the company for growth.

"Our goal is to consistently create value to our customers with innovative products and services that exceed their expectations. Microsoft Business Solutions is an important tool in allowing us to do that by making our salespeople more knowledgeable of each customer's unique needs."

Mike Dabner :: Director of Operations, UCS Forest Group



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