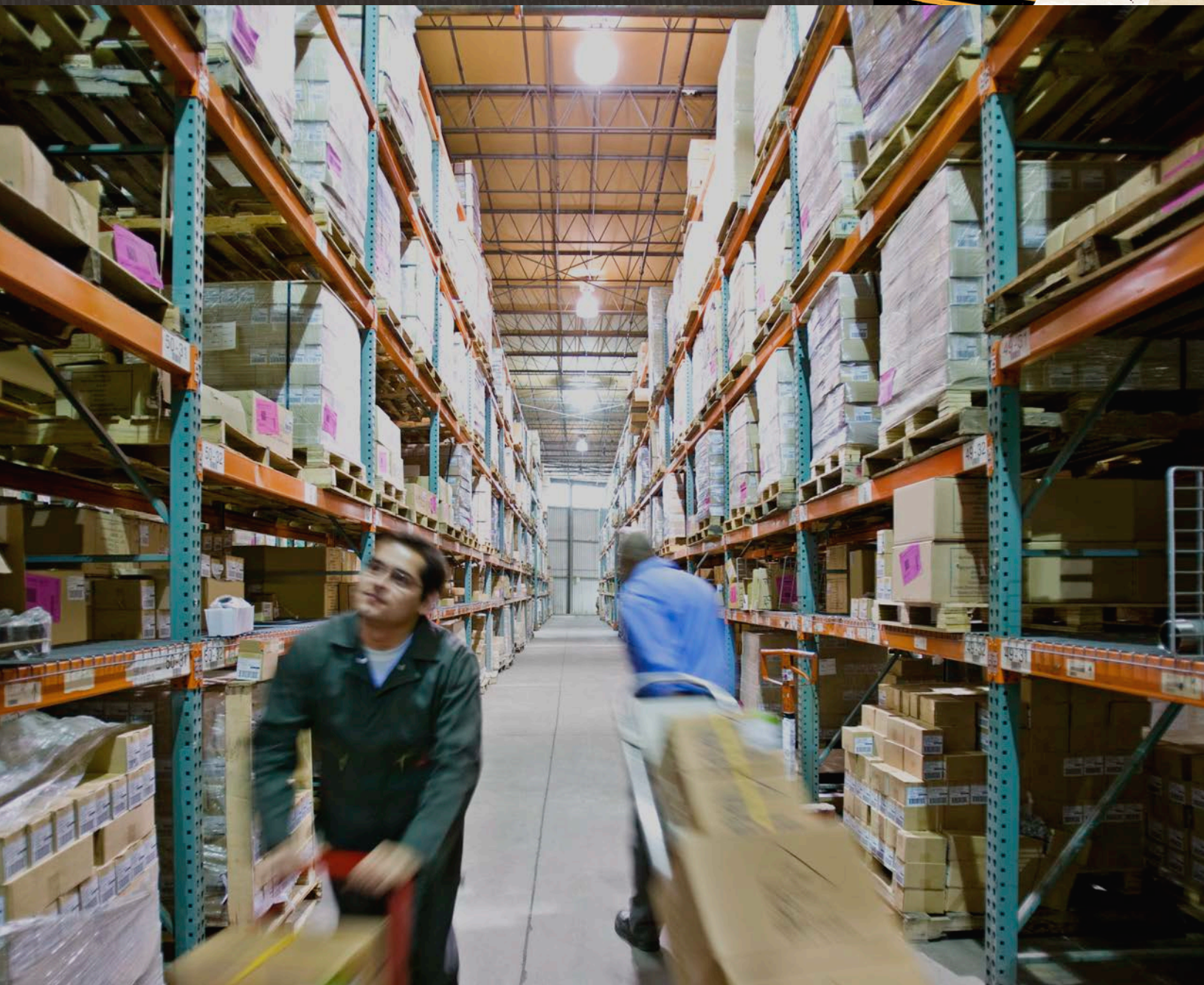


WHITE PAPER

NetSuite for Industrial Supply Distributors

One System to Manage Your Industrial Supply Business



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NetSuite for Industrial Supply Distributors

One System to Manage Your Industrial Supply Business

As cloud applications mature and the world becomes more connected, upgrading a business's IT environment is no longer a way to get ahead—it's a requirement to keep pace. Industrial supply distributors seeking to capitalize on new global opportunities need to unify their supply chains, inventory and order processes to deliver the right products to the right people at the right time.

Yet, to make this unified model a reality, industrial distributors must become more active players in the technology ecosystem, seeking expertise outside the industry to develop equipment connectivity, data analysis and software that are beyond their capabilities.

Industrial distributors also need an agile tech environment in order to capitalize on new business models. Whether expanding into a new channel, market or country, or fundamentally changing their business models, distributors need technology platforms to keep pace and innovate.

How Do Mismanaged Business Processes Impact the Success of Industrial Suppliers?

Leading industrial suppliers tell us that unwieldy back-office processes and outdated technology can create a number of issues that can impact long-term success, including:

- **High operational costs and inefficiencies** – Time and money spent on manually managing business processes instead of on meeting customer needs.
- **Manual information exchange** – Multiple software applications (accounting, inventory management, HR, WMS) that do not communicate in real-time.
- **Lack of visibility into key business metrics** – No ability to report on profitability by customers or products due to multiple systems and spreadsheets.

With all of these issues, industrial suppliers waste valuable time and energy. In today's highly competitive business environment, companies need to focus more on customer service and business strategy, and less on performing manual processes, managing multiple software systems and updating spreadsheets.

At the core of these issues impacting long-term success, we see a trend: industrial suppliers relying on spreadsheets, aging on-premise systems, point solutions or worse, a combination of all three. With NetSuite's unified model, industrial supply distributors can stop wasting time and resources managing multiple data silos while leveraging real-time visibility for insights into their business.

Successful industrial supply distributors recognize that upgrading their back-office technology is essential to capitalizing on new opportunities. Streamlining operations is crucial to success for improved business practices, inventory and order management, and data-driven business decisions. In today's fast-paced business environment, having this insight can be the difference between thriving and barely surviving.

NetSuite ERP supplies a complete and transparent platform for distributors to streamline back-office operations and eliminate siloed data.

Comprehensive Financial Management: NetSuite Financials provide end-to-end visibility into receivables and payables. Businesses are able to automate the entire order-to-cash process and streamline the procure-to-pay and record-to-report processes. As a cloud-powered platform, NetSuite also enables real-time views of key, pre-built, easily customized financial reports plus insights into budgeting, expense allocations and amortization. This, in addition to flexible revenue analysis—by customer, service or product line—allows businesses to make informed business decisions.

NetSuite Distribution Edition Offerings:

- Role-based, customizable dashboards
- Multiple entity management and consolidation
- Real-time, industry specific KPIs
- Integrated ERP, HCM, WMS, Supply Chain Management, Vendor Portals and Ecommerce

Inventory Management: NetSuite provides intelligent control over inventory replenishment, helping ensure that sufficient stock is on hand to fill anticipated orders, while keeping excess stock to a minimum. NetSuite Inventory Management enables you to:

- Dynamically manage item reorder points and preferred stock levels based on average lead time, historical or seasonal-based sales demand and number of days' supply to stock.
- Reduce lag time with real-time alerts whenever stock falls to predefined thresholds.
- Avoid "stock-outs" to maintain continuity.

Demand Planning: NetSuite's native demand planning module is specifically designed to provide the user with the ability to predict required inventory based on historical demand or sales forecasts. This innovative tool offers the right balance of powerful functionality and ease-of-use to help you manage your inventory more efficiently.

Procurement: With NetSuite Procurement, distributors are able to automate and streamline much of the purchasing process. Companies are able to effectively manage vendor relationships, streamline and improve the accuracy of source-to-pay processes by enforcing approvals, automate and link key transactions, and establish matching workflows to meet compliance guidelines.

Supply Chain Management (SCM): NetSuite has invested heavily into its Supply Chain Management including:

- Product data management, which allows for engineering change order (ECO) capabilities to manage changes that affect the supply chain.
- Supply chain control tower, which acts as central point of visibility for inventory across all subsidiaries/companies around the world to help schedulers, planners and buyers make the right decisions, communicate effectively with customers and suppliers, and hold just the right amount of inventory.
- Inbound shipment management, which enables a business ordering large quantities of product from multiple suppliers to consolidate multiple purchase orders into a single container to simplify future tracking and status updates.

Multiple Entity Management and Consolidation:

NetSuite OneWorld helps industrial supply distributors with multiple locations and subsidiaries streamline operations and provides real-time visibility at the local, regional and headquarter levels within a single system. With OneWorld, industrial supply distributors can develop standard business processes, and deploy them across their divisions and subsidiaries at the click of a button.

With support for over 190 currencies, 27 languages and customer deployments in 203 countries and dependent territories, and country-specific accounting standards across the Americas, Europe, Asia, Middle East and Africa, NetSuite OneWorld enables organizations to seamlessly meet the individual needs of local operations and easily adapt to the latest accounting standards and regulations.

NetSuite Value Chain Assessment – Wholesale Distribution				<div></div> Using	<div></div> Licensed	<div></div> Desired
		PRIORITIES	FOUNDATIONAL	COMPETITIVE	BEST IN CLASS	TRANSFORMATIVE
 Commerce		HIGH	Legacy Ecommerce, Limited Presence	Simple Search, Basic Check Out, Disconnected And Disjointed Data	Single Platform, B2B & B2C, No Mobile	Omnichannel, Real-time, Scalable, Single-data Model, Responsive Design
 Marketing	<div></div>	HIGH	Limited Customer Data And Communication, Brochure Website	Customer Lists, Unified Messaging, Drip Marketing Knowledge Base	Promotions, Business Intelligence, Workflows, Unified Messaging	Lead Scoring, Segmentation, SEO, Real-time Metrics And ROI
 Sales	<div></div>	HIGH	Basic Contact Information	Centralized Contact, Management, Forecast Planning	Pipeline, Forecasting, Commission Management, Variable Pricing	Sellers' Scorecards, Real-time Visibility, Dynamic Pricing
 Orders	<div></div>	HIGH	Quantity And Price	Accept Orders From Multiple Sources (EDI, Phone, Fax, Web)	Tracking, Workflows, Pricing Models	360 Degree View, Reporting, Automation Manage By Exception
 Sourcing	<div></div>	HIGH	Manual, Spreadsheet-centric	Demand Planning, Consolidated Views, Multiple Locations	Messaging, Exception Flagging, PO Tracking, Consolidated Procurement	Vendor Portals, Supplier Collaboration, Buyers' Scorecards, Contracts
 Warehouse	<div></div>	HIGH	Paper-based Workflows, Operator Driven, Basic Inventory Tracking	RF/Mobile Barcode Scanning, Manual Replenishment And Cycle Counting	Inventory Allocation By FIFO/FEFO, Dynamic Putaway, Integrated ASN	Wave Planning, Cartonization, Labor Planning, Dynamic Slotting
 Support	<div></div>	HIGH	No Issue Tracking, Customer Data In Silos	Non-collaborative, 1:1 Issue Tracking	Central Customer Data Repository, Team Collaboration	Complete Customer View, Customer Portal, Workflow, Automation, Infrastructure
 Financial Management & Reporting	<div></div>	HIGH	No Integrations, Limited Monthly Reporting	Limited Integrations, Dimensional Reporting	Multi-company Management, Consolidation	Real-time Reporting And Dashboards, Sales Tax, Approval Routings And Workflows
 Technology	<div></div>	HIGH	Fragmented Systems, Poor Data	Multiple Tools And Technologies, Internally Managed	Single Data Model, Customized Frameworks, Optimized For Scale	Multi-tenant Real-time Cloud, Automatic Updates, Embedded Intelligence
 Human Resources	<div></div>	HIGH	Employee Records, Compliance, Reporting, Time & Labor Managed Manually	Employee Database Managed By HR, Limited Reporting, Analysis In Excel	Built In Reporting, Dashboards And Workforce KPI's, Unified Time Tracking, Integrated Payroll	Real-time Integration, Proactive Notifications, Manager & Employee Self-service, And Workforce Analytics
 Budgeting & Forecasting	<div></div>	HIGH	Manual, Spreadsheet-centric, Time Consuming	Distributed Management Systems	Integrated Budget Vs. Actual, Change Controls	Customized Data Entry Sheets, Rolling 12-month Forecasts, Single Version Of Truth

Ecommerce: As the distribution industry trends toward direct-to-consumer sales and business-to-business portals, SuiteCommerce empowers businesses to create a unique, personalized, and compelling mobile and web experience.

Human Capital Management (HCM): In such a high churn industry, having the right HR system in place is critical. NetSuite SuitePeople empowers managers and HR professionals to streamline employee information, new hires, employee onboarding, payroll, promotions and compensation changes, all from a single suite. Key features include:

- Core HR Capabilities
- Payroll
- Employee Center
- HR Analytics

Customer Relationship Management (CRM): As you scale and acquire customers, NetSuite CRM provides a seamless flow of information across the entire customer lifecycle—from lead all the way through opportunity, sales order, fulfillment, renewal, upsell, cross-sell and support. In addition to delivering real-time visibility of your customers,

“NetSuite has taken our business to the next level by giving us total integration across the platform and a tremendous ability to mine data.”

Al Morrison, Vice President Operations, iAutomation

NetSuite CRM mobility extends collaboration and productivity beyond the workplace. With intuitive tools that provide your mobile workforce with the ability to easily access and upload important data they need outside the office, they're empowered with information at their fingertips.

In addition, the SuiteCloud development platform enables customized mobile applications for all unique business needs, while complementary mobile solutions from SuiteCloud Developer Network partners enable you to extend mobile functionality in such areas as field service, sales and warehousing—regardless of the mobile platform your organization uses.



A Pathway to Success

With NetSuite, industrial supply distributors are getting more than just a software package—they are getting a lifelong business partner that is committed to their success. Built with industry-based leading practices derived from over 20 years of collective implementation experience, NetSuite is designed to deliver value on day one. Moreover,

we take a consultative approach—from sales to implementation to support—to ensure continuity across your lifecycle as a customer. We have a deep understanding of the challenges industrial supply distributors are facing in today's market. As the pace of change accelerates, NetSuite is here to keep you on a pathway to success.



