



DISTRIBUTION
MANAGEMENT
SOFTWARE

Distribution Made Simple

TECSYS®



Rethinking Distribution

As a distributor, you are painfully aware of margin erosion due to errors and inefficiencies — internally and in your extended supply chain. Challenges arise daily that push you to improve order cycle times while reducing inventory costs. Customer expectations are on the rise and you are under pressure to take your customer service to the next level. Competing on price alone is no longer an option.

Delivering value beyond price is the key to acquiring and retaining customers. Doing so profitably is the key to success. Transforming your supply chain into a true “value chain” requires a modern DMS that can help you reduce non-value related activities and adopt demand-driven strategies.

Built **by** Distributors **for** Distributors

TECSYS' Distribution Management Software (DMS) covers the entire distribution spectrum, including integrated financials and enterprise reporting — that's a lot of touchpoints! To stay on top of things, DMS' scalable transactional engine supports all cross-functional activities, anywhere, any time, so you don't miss a thing. It gives you visibility into every facet of your operations so you can respond to “issues” ahead of time and make the right adjustments whenever they're needed.

TECSYS' DISTRIBUTION MANAGEMENT SOFTWARE CONSISTS OF:

DEMAND PLANNING

SUPPLY PLANNING

PROCUREMENT

INVENTORY MANAGEMENT

ORDER MANAGEMENT

SALES MANAGEMENT

CRM

RETURNS

FINANCIAL MANAGEMENT

Demand Planning

Increasing forecast accuracy is the ultimate goal of every demand planner. The reason is simple — the more accurate your forecasts are, the less time and money you waste by having too much (or not enough) inventory in stock.

MAY THE BEST FORECAST WIN

Selecting the right forecasting method used to be extremely time-consuming. Fortunately, advances in technology and forecasting techniques have relieved planners from a lot of the grunt work.

With **best-fit forecasting**, TECSYS DMS recommends the top three forecasting methods that would have yielded the highest forecast accuracy using a specified holdout period and the Mean Average Percentage Error (MAPE) accuracy measure. Planners have the option to lock in a specific forecasting method for a particular SKU or let the system perform the best-fit exercise.

CLEANSE. FORECAST. MEASURE. REPEAT.

Increasing forecast accuracy starts by cleansing your historical demand to produce a baseline of data that is free of outliers and any past demand shaping strategies — the better your demand history is, the better your forecast results will be! This is a daunting exercise without the right tools.

TECSYS DMS gives planners access to complete and detailed historical demand data at any level of aggregation, right down to the originating transaction. With powerful reporting tools and customizable data filters, planners can locate and investigate trends and spikes using power filters such as Coefficient of Variation (COV).

USE DATA SUPER POWERS TO UNEARTH HIDDEN OPPORTUNITIES

Successful planners continuously measure statistical and revised forecast accuracy then start gathering market or product intelligence that leads to improved accuracy. Having the power to view data in any format and at any level of aggregation enables them to gain insights and discover new opportunities hidden in the data that they never would have noticed before.

CAPTURE AND SHARE DEMAND DATA

Planners need some way to keep track of their research and their demand revisions — a difficult task when dealing with hundreds, and sometimes thousands, of SKUs! With TECSYS DMS, planners can securely capture and link notes and other artifacts for future reference, allowing them to explain revisions weeks or months after the fact.

TECSYS DMS's flexible and adaptable reporting tools give them the freedom to collaborate internally and externally by easily sharing their findings and forecasts with colleagues, suppliers, and customers.

Supply Planning

Whether you make it, buy it, or move it, meeting future inventory requirements while keeping costs down is always a tough game. In a global supply chain full of disruptions, planners and buyers need intelligent, easy-to-use planning tools that can keep them ahead in that game.

RE-SUPPLY CHAIN MANAGEMENT

One of your first decisions as a planner/buyer is to choose the replenishment method best suited for an item. For instance, SKUs with long lead times are particularly challenging, so a time-phased approach to replenishment using Distribution Resource Planning (DRP) techniques is ideal.

For retail or satellite locations, many buyers prefer to use fixed or dynamic min/max thresholds. These, and many other methods, are standard options that TECSYS DMS gives you for managing the re-supply of your inventory.

WIN THE OVER/UNDER GAME

The incredible proliferation of SKUs in consumer markets has resulted in shorter product lifecycles, making it very difficult for planners/buyers to prevent over- or under-stocking, especially those who are responsible for hundreds of items. TECSYS DMS provides tools you can rely on to meet these challenges:

- Dynamic safety stock calculations based on projected requirements
- Scheduled automated changes to a SKU's replenishment parameters
- Demand supersession using ratios
- Upload of data to a demand staging table for review and validation
- Import with Excel

SHARE YOUR HEAVY (WORK) LOAD

It's a known fact that there's a significant reduction in the total cost of purchasing when professional buyers are in charge. Because of this, procurement departments are increasingly responsible for the purchase of a distributor's direct and indirect products, and even its services.

But as buyers' workloads increase, so does the need for sharing their loads. TECSYS DMS provides buyers with full visibility of all their products, vendors and transactions, and allows them to quickly prioritize their workloads or share them by collaborating with others on their team.

RELEASE ORDERS, REDUCE COSTS

The approval of the planned order is where the rubber meets the road — it's the final opportunity for planners/buyers to adjust the suggested order quantity or choose alternate distribution sources. Greater efficiency during this process not only lowers the cost of processing a purchase order but shortens replenishment lead times.

TECSYS DMS's approval process is flexible and equips planners/buyers with tools to easily manage large orders:

Immediate drill-down to high impact items

Ad-hoc transfer of overstock inventory

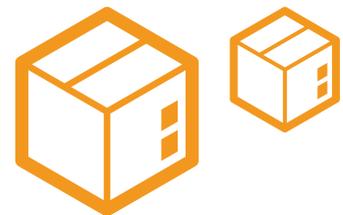
Ad-hoc consolidation of several planned orders into one

Meeting free-freight requirements without the risk of overstocking

Full visibility of unallocated outbound orders

Direct link to view on-demand item requirements with automated updates of order changes

Override of default settings including FOB, Terms, Ship Via, etc.



MATERIALS REQUIREMENTS PLANNING (MRP)

Using spreadsheets to synchronize component availability for a production run is both time consuming and error-prone! Yet many planners work with spreadsheets because their software is either too complex (cumbersome to use) or lacks important features.

Production planners want an “at-a-glance” view of a suggested plan that’s based on a solid forecast and built using a time-phased approach to replenishment — and don’t forget the lead time offset! They need the ability to quickly firm up planned orders while having full visibility of the exploded gross and net requirements.

TECSYS DMS’s material requirements planning (MRP) makes it easy to plan for simple or complex multi-level bills without having to navigate between multiple screens. Powered by its flexible supply chain platform, planners are able to:

- Easily spot exceptions using visual indicators or notifications
- Attach notes and other pertinent information
- Create their own filters
- Design what data to display in their desired format
- Enjoy spreadsheet-like features for viewing and maintaining the plan

WORKING WITH VENDORS: ADAPT AND AUTOMATE

There is a vast difference in the replenishment cycles of products — and often in the replenishment capabilities of your vendors, too. To deal with the inequalities, TECSYS DMS gives your planners/buyers the flexibility to automate many normally tedious manual processes with an adaptable feature set and strong analytics, such as:

- Collaboration using multiple data formats (e.g. EDI, Excel, ANSI) and communication strategies (e.g. FTP, queued scheduling, Web Services)
- Automated compliance of vendor minimum/multiples or vendor free freight
- Informative product and vendor dashboards
- Flexible, easy-to-use reporting tools and notifications
- Customizable replenishment order approval processes

COST SAVINGS THROUGH INTELLIGENT REPLENISHMENT

Great cost savings in the form of fewer purchase orders, fewer invoices and fewer receipts are made possible because you can incorporate non-stock items into the purchasing cycle of stock items, regardless of lead times. You can also incorporate the requirements of dependent and independent demand into your suggested replenishment. Your vendors benefit as well, and their cost savings can translate into lower prices for you.

SHARE YOUR REPLENISHMENT PLAN

For a SKU, or category of SKUs, sharing the replenishment plan with all stakeholders is as important as sharing the forecast. Whether planning for the replenishment of independent (finished product) or dependent (component) demand, TECSYS DMS creates planned orders based on the planning intervals and planning horizon of your choice, along with the lead time offset to ensure safety stock thresholds are protected. The replenishment plan can be viewed any time, even during the approval process of a planned order, or may be uploaded to a spreadsheet and shared with your vendor.

Procurement

To gain and sustain a competitive advantage, procurement professionals need to spend less time tracking, expediting and matching receipts and purchase orders, and more time evaluating new supply sources (or re-evaluating existing ones). Your service levels hinge on it!

MAKE SURE THE PRICE IS RIGHT

Pricing discrepancies can cause all kinds of chaos, such as unexpected over-charges for items and over-time for your staff while they manually fix the mismatches! TECSYS DMS reduces price discrepancies by supporting GS1 standards — the most widely-used supply chain standards system in the world — such as GS1's Location Number (GLN) and Global Trade Item Number (GTIN) which synchronize and harmonize the exchange of master data between trading partners.

TECSYS DMS provides your procurement staff with great upload tools to import and validate price increases received from your suppliers. Automating this workflow not only reduces human error which results in fewer price discrepancies (and less chaos), it also decreases the amount of time you have to spend maintaining vendor contracts and pricing updates.

GET YOUR SUPPLIERS ONBOARD

Collaborating electronically with suppliers (onboarding) is a sure way to cut costs and reduce errors. Your bigger suppliers are probably insisting on it, and this is a good thing because you are helping reduce their cost to serve you, and that translates into lower purchase costs for you in the end.

Documentation such as purchase orders, advance shipment notices and invoices represent the largest volume of onboarding transactions. To make onboarding more attractive for your suppliers, TECSYS DMS supports several data formats: EDI, XML, CSV and Excel.

DELIVER DEPENDABILITY

Whether shipping directly, or initially shipping to your warehouse location for immediate delivery, your customers depend on you to deliver their products to the finish line on time. In some industries, delays can result in order cancellations or having to sell products at greatly discounted prices – not to mention serious customer service consequences! That's a risk you can't afford.

TECSYS DMS allows you to track all your supplier deliveries from start to finish, and get them there on schedule. It features:

- Full visibility of all your inbound shipments, including the capture of relevant information about each leg of the delivery
- Full visibility on inbound transfers from your distribution center to satellite and supply locations
- Querying on inbound shipments that can potentially delay a specific work order
- Tracking of consolidated deliveries at the port of exportation
- Ability to attach related documents for future reference
- Customer service tools to efficiently communicate the delivery status of special order items and advanced bookings
- A self-service portal for customers and vendors

THE FINAL COST: IT ALL ADDS UP

Beyond the purchase price, distributors also have to account for charges from other sources — freight, duty, brokerage, insurance, and currency exchange, to name a few. Figuring out a product's final cost can get complicated, especially when multiple product types are shipped within a single container!

TECSYS DMS allows you to record any number of charges, in any currency, from as many vendors as required. These charges are more fairly calculated using weight, volume or value, and automatically allocated to each product, with full traceability of each charge component. This method gives you a true final cost that has been validated and fully reconciled.



Inventory Management

Running your business with a well-managed inventory is a balancing act that requires you to have constant visibility on your entire product portfolio — and not just those items that are stocked!

SEE IT AND BELIEVE IT

There's a fine line between not having enough products and having too many. Either one can create financial problems for your business and erode your customer service. Using TECSYS DMS's powerful inventory dashboard gives you end-to-end visibility of all physical inventory assets across your supply chain network, even products that are not in stock. And it comes complete with analytics that provide inventory statistics you can totally trust.

MAINTAIN OPTIMUM INVENTORY LEVELS

Inventory needs to be stored, insured, counted and, of course, financed. Over a period of time, inventory is susceptible to loss, theft and shrinkage. It can also become obsolete if not used within its shelf life. To a CFO, the longer it sits, the more it costs!

Unfortunately, distributors must carry some inventory to meet expected service levels, so the trick is to carry the least amount possible. The good news is that TECSYS DMS offers strong demand planning and supply planning tools to help achieve optimum inventory levels for products that absolutely must be stocked:

**Hub and spoke network
replenishment (Satellite
and Point-of-use)**

**Distribution Resource
Planning (DRP)**

**Material Requirements
Planning (MRP)**

Order Management

A modern order management system should function as a hub — a centralized repository of all orders, no matter where they come from — and should automate the fulfillment of order lines independently, based on business rules.

AUTOMATION IS KING

Traditional order management systems are not built to support today's complex and rapidly-evolving marketplace. Automation is the name of the game when it comes to reducing order cycle times, regardless of the fulfillment strategy of the SKUs involved. TECSYS DMS's flexible and adaptable business rules allow you to set up specific sources of supply at the customer level and/or at the SKU level including:

Vendor direct

Satellite location based on the customer's location

Distribution center direct

COLLABORATE SEAMLESSLY WITH CUSTOMERS AND TRADING PARTNERS

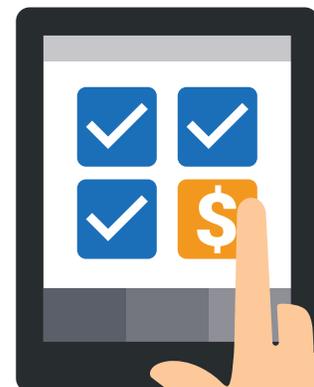
Ideally, this automation also includes the electronic transmission of orders, shipments and invoices. Large customers probably demand it, however smaller customers may still be phoning or emailing their orders to you. You can reduce your cost-to-serve by implementing a customer portal or integrating with an e-commerce tool — both of these strategies have the potential for increasing market share.

TECSYS DMS supports many types of data formats for sending and receiving transactions with your trading partners, and also supports flexible communication strategies for sending ASNs and invoice. For example, you can email an invoice and send a paper copy with the shipment. Optionally, you can have a PDF of the transaction generated (order confirmation, ASN and invoice) and store a link of the PDF directly within the transaction for easy and fast retrieval.

TURN ORDERS INTO CASH SOONER

As is often the case in B2B fulfillment, turning an order into cash requires that the goods be shipped. The most common scenario for distributors is to create an invoice per shipment.

TECSYS DMS supports deposits and prepayments on orders, as well as flexible invoicing strategies. The sooner a customer is invoiced, the sooner a payment can be expected. In fact, reducing order cycle times benefits both distributor and customer.



Sales Management

To compete on pricing in today's volatile marketplace, achieving and maintaining the right price requires strong analytical tools and robust pricing functionality.

NAIL DOWN THE RIGHT SELLING PRICE

Distribution is not just about having the right products at the right place and the right time — it's also about having the right price! This is especially true for distributors whose pricing initiatives involve thousands of products and customers.

TECSYS DMS delivers powerful tools for managing pricing based on any combinations of customers, products, locations, vendors, etc., to allow you to compete when pricing is highly sensitive while greatly reducing manual price overrides. For example:

- Price matrix for determining gross pricing
- Discount matrix for determining net pricing
- Promotional pricing
- Rebate pricing

TAKE ADVANTAGE OF ADDITIONAL REVENUE OPPORTUNITIES

Billing for services involved in delivering an order, or setting up temporary surcharges on specific products, can provide you with important revenue opportunities. In some industries, these additional charges are vital to the bottom line. TECSYS DMS lets you explore additional revenue opportunities with flexible, unlimited and automated add charges.

Specific charges may be applied to an order or shipment, either at the header or line level. A charge may be static (fixed value) or dynamic based on value, weight or number of SKUs. Charges may also be tier-based with a specific minimum or maximum charge value.

OTHER SALES MANAGEMENT CAPABILITIES

- Sales Quotes
- Repeat Orders
- Order Holds
- Stock Reservations (depleting or non-depleting)
- Substitutions
- Back-order management
- Option to deploy fully-integrated, world-class warehouse productivity and optimization tools
- Option to deploy fully-integrated transportation and delivery tracking modules



CRM

A fully-integrated CRM provides your sales reps with the tools they treasure most — mobile, easy-to-use, 360-degree views of their customers, organized in a way that optimizes their time.

COMPLETE CUSTOMER VIEWS AT YOUR FINGERTIPS

From the moment they log into the system, sales reps will enjoy the simplicity and productivity benefits of being able to work on a single platform with real-time access to all of their transactions for viewing and/or editing. They'll start their day with a CRM dashboard showing all of their open activities, quotes and orders.

Complete customer information is only a click away, and documents and emails can be attached for future reference. When involved with collection activities, sales reps can quickly access past-due invoices and send them by email. To resolve any outstanding issues, all the information they need is at their fingertips.

ALREADY IN A RELATIONSHIP?

If you already have a CRM, no problem. TECSYS DMS integrates easily with best-of-breed CRM solutions.

Returns

An efficient, fully-integrated reverse logistics process designed to reduce the costs of handling and tracking product returns will satisfy operations and produce happy customers.

EXECUTE THE PERFECT RETURN

Your goal, as a distributor, is to process the perfect order every time. But it's just as critical that you also aim for the perfect return, because customers return products for a multitude of reasons and will bring their business elsewhere if they get frustrated in the process of doing so!

As lower and lower margins leave no wiggle room for inefficiencies, returns can erode a distributor's margins and reduce profitability. The perfect return involves complete and accurate paperwork, full compliance, visibility and traceability during the process, and a satisfied customer whether the outcome be a refund or a replacement product.

AUTOMATION AND WORKFLOW

TECSYS DMS offers distributors a highly automated returns process with flexible workflow. Whether dealing with a customer at the counter or receiving a returned product in the warehouse, the system can be pre-configured using business rules by customer, by location and/or for particular system users.

CUSTOMER RETURNS

Customer returns are fully integrated and can efficiently manage high-volumes of returns common in certain industries. The return process begins with a RMA request, followed by the RMA, the physical receipt(s) against the RMA, the confirmation of the shipment contents and finally involves inventory disposition and/or customer compensation.

- Optional or mandatory RMA request that can be deployed as a self-service application
- Optional or mandatory RMA including support for blanket RMAs
- Flexible return price policies
- Behaviors driven by established reason codes for denial and approval
- Inventory disposition based on established reason codes
- Support for multiple receipts against a single RMA
- Receive using any of the item's established units of measure (each, case, etc.)
- Easy lookup and upload capabilities from original invoice

VENDOR RETURNS

As an interdepartmental activity, vendor returns require tight integration to procurement, warehousing and finance to prevent bottlenecks resulting from poor communication.

Rules governing vendor RMA

Automatic creation of return from damaged inventories

Return from on hand or damaged inventories

Rules at SKU level to indicate whether or not the item must be physically returned to the vendor

Full traceability of pending vendor credits per SKU with ability to capture attachments and/or notes

Optional, automatic creation of the payables debit memo



Financial Management

Modern CFOs are looking to drive business performance, not just monitor it. Financial staff need to be liberated from transactional work and allowed to deliver evidence-based information that influences and supports business decisions.

CFO & CIO: THE SUPERHEROES OF ENTERPRISE PERFORMANCE

Finance and IT represent the dynamic duo of enterprise performance. According to a recent study by PricewaterhouseCoopers, companies with a high level of collaboration between C-suite execs and the CIO are four times as likely to be “top performers” in growth and innovation. TECSYS’ powerful supply chain solutions and modern platform allow Finance to mine enterprise data with a lot less reliance on IT. Meanwhile, the same platform allows IT to extend and adapt business processes at a fraction of the normal cost.

SEE EVERYTHING, KNOW EVERYTHING...SECURELY

TECSYS FMS provides full traceability of all your enterprise data, from the summary ledger to the detail ledger, to the related journal entry and right down to the originating transaction, in any currency. This completeness of data coupled with powerful embedded analytics is truly empowering.

TECSYS FMS comes with at-a-glance operations dashboards organized by business segment with a wealth of key performance indicators by year and period. Graphical and/or columnar information is easily and securely shareable at any level of aggregation, on any device. Role-based design also allows CFOs to control who can see, share or modify information

FINANCIALLY FRIENDLY

Imagine a software solution friendly enough to share — internally and externally! TECSYS FMS supports trading partner collaboration via traditional EDI and other data formats, but more than that, trading partner web portals can easily be set up to truly maximize productivity and reduce cycle times.

TECSYS FMS’s intuitive user interface increases the efficiency of receivables and payables activities, while its automation and workflow capabilities minimize labor costs. Considering that personnel costs typically account for about two-thirds of the total cost of finance, investing in high-performance tools is clearly a winning strategy.

BUSINESS BENEFITS AND KEY CAPABILITIES

GENERAL LEDGER

Never wonder again about where a number comes from, because TECSYS FMS allows you to easily drill-down/drill-around ledgers, journals and transactions using powerful business views with dynamic filters — the power and flexibility that only modern technologies can provide.

TECSYS FMS offers multi-company financial reporting, available anytime thanks to real-time updates. Going beyond financial reporting, TECSYS FMS allows you to measure enterprise performance using built-in dashboards.

- Consolidated financial statements
- Budget management
- Flexible cost allocation strategies
- Fast and easy bank reconciliation
- Tax remittance, VAT and UST

RECEIVABLES MANAGEMENT

A healthy and lean order-to-cash cycle is good for business — get paid fast and take good care of your valued customers using a smartly designed tool. TECSYS FMS's accounts receivable is fully integrated with TECSYS' Order Management and Customer Relationship Management (CRM).

- Centralized or de-centralized controls
- Easily audit the A/R control account(s)
- Real-time credit control (support for charge-to, bill-to, ship-to)
- Customer-specific invoicing to satisfy your most demanding customers
- Minimal collection efforts through automation and workflow
- Efficiently manage deductions
- Tools for customer collaboration (EDI, self-service portal and impressive columnar and graphical reporting)

PAYABLES MANAGEMENT

Procure-to-pay systems enable the integration of the purchasing department with the accounts payable (AP) department. This integration should not involve post-it notes and emails sitting in everyone's already overflowing inboxes. TECSYS FMS's accounts payable allows you to efficiently manage supplier invoices resulting from direct and indirect procurement activities.

- Centralized or de-centralized controls
- Support for multiple currencies
- Reduced cost per invoice
- Efficient management of price discrepancies
- Improved early discount compliance through automation and workflow
- Tools for customer collaboration (EDI, self-service portal and impressive columnar and graphical reporting)

BUSINESS INTELLIGENCE AND ANALYTICS

- Pre-packaged metrics and dashboards
- Events and notifications

About TECSYS

TECSYS provides transformative supply chain solutions that equip our customers to succeed in a rapidly changing Omni-channel world. TECSYS solutions are built on a true enterprise supply chain platform, and include warehouse management, distribution and transportation management, and supply management at point-of-use, as well as complete financial management and analytics solutions.

Customers running on TECSYS' Supply Chain Platform are confident knowing they can execute, day in and day out, regardless of business fluctuations or changes in technology; they can adapt and scale to any business need or size; and they can expand and collaborate with customers, suppliers and partners as one borderless enterprise. From demand planning to demand fulfillment, TECSYS puts power into the hands of both frontline workers and back-office planners, and unshackles business leaders so they can see and manage their supply chains like never before.

TECSYS is the market leader in supply chain solutions for health systems and hospitals. Over 600 mid-size and Fortune 1000 customers trust their supply chains to TECSYS in the healthcare, service parts, third-party logistics, and general wholesale high-volume distribution industries.

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