
Business Process Management

September 2007

*Addressing
the Pain Points
of Retail Vendor
Management*

**Elegant Execution That Cuts Cycle Time
and Improves Gross Margin**

Vendors and retailers have a tight interdependency which is readily apparent when it comes to getting the right merchandise on the shelf at the right price point at the right time. When you and your vendors can act synergistically, you will cut cycle time and get products to market sooner.

Retail business success depends on accurate product information. Internally, buyers also have to provide a “good hand off” of items to purchase to the IT/EDI department. A good hand off provides correct data for their order management system which can result in a 1% improvement to your gross margin.

In 2005, AMR Research reported that just a 3% improvement in perfect order fulfillment will increase profits by 1%.

AMR Research further estimated that

- 20% of all orders are in error
- 43% of errors results in deductions or overpayments

How can you move from the frantic footwork necessary to push error-prone paper processing to elegant execution that will increase margin?



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Dayhuff Group Vendor Management Solution, built on the IBM FileNet P8 Platform, improves the critical stages of item set up and vendor on-boarding with your suppliers and vendors to improve efficiency and accuracy. Take a look at some of the process points that we address:

Common Pain Points	Process Enhancement	Results
<i>New Vendor Applications</i>	<p>Submission by vendors through secure web browser</p> <p>Automatic routing of forms and supporting documents to retailer's decision makers</p> <p>Electronic signatures applied online</p> <p>All steps continuously tracked</p>	<p><i>Fast notification and easy correction when data problems are found</i></p> <p><i>Data accurately handed off to other departments</i></p>
<i>New Item Set Up</i>	<p>Submission by vendors through secure web browser</p> <p>Automatic routing of forms and supporting documents to retailer's decision makers</p> <p>Electronic signatures applied online</p> <p>All steps continuously tracked</p>	<p><i>Inbound data quality assurance via checks including GTIN uniqueness, check digit validity, and more</i></p> <p><i>Fast notification and easy correction when data problems are found</i></p>
<i>Vendor Submitted Price Adjustment</i>	<p>Submission by vendors through secure web browser</p> <p>Automatic routing of forms and supporting documents to retailer's decision makers</p> <p>Electronic signatures applied online</p> <p>All steps continuously tracked</p>	<p><i>Approved changes can be effectuated immediately throughout all stores</i></p> <p><i>Efficient reconciliation of price adjustment, reducing errors in deductions and overpayments</i></p>
<i>Promotional Development</i>	<p>Vendors and retailers securely monitor each stage of process online</p> <p>Respond to questions online</p> <p>Institute changes online</p> <p>Support for image content and product data for in-store, print catalog and website applications</p>	<i>Reduce promotional development time by up to 50%</i>
<i>Data Transfer to Company IT Systems</i>	<p>Electronic, accurate handoff of data to order entry, accounts payable and other systems such as website</p>	<p><i>Elimination of human errors associated with re-entry</i></p> <p><i>Expedited transfer time</i></p> <p><i>Reduced vendor/item approval to order to payment cycle</i></p>
<i>Company-wide Status Visibility</i>	<p>Real time status of activity</p> <p>All steps continuously tracked</p>	<p><i>Improved service levels</i></p> <p><i>Improved speed of supply chain</i></p>
<i>Company-wide Change Deployment</i>	<p>Centralized data</p> <p>Management allowing easy implementation of new requirements</p>	<i>Reduced cost of change deployment</i>

Our customized screens, tailored to your existing forms, make it easy to initiate actions, make changes and keep abreast of change status as it moves through the system:



How Product Features Stack Up to Other Retail Solutions

Feature	Dayhuff Group Retail Vendor Management	Typical Retail Solution	Typical Legacy System
Secure Web Browser Submissions	YES	YES	NO*
Automatic Routing of Various Forms and Supporting Documents	YES	NO	NO
Electronic Signatures	YES	YES	NO
Real-time Status Reports	YES	NO	NO
Inbound Data Quality Checks	YES	YES	Function of spreadsheet
Automated Notification and Easy Corrections of Data Problems	YES	Limited	NO
Integrated Submission of Vendor Applications	YES	NO	NO*
Integrated Vendor Initiated Price Adjustments	YES	NO	NO
Electronic Transfer of Data to Other Internal Systems	YES	Limited	NO

* Email Attachments

Dayhuff Group's Retail Vendor Management, built on the IBM FileNet P8 Platform, provides a more elegant, effortless and synergistic process to get the right merchandise at the right price point on the shelf at the right time.

To learn more on how to continuously execute smooth handoffs internally and with your vendor community, please contact:

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About Dayhuff Group

Dayhuff Group specializes in delivering fast, focused, high-quality yet cost-effective Enterprise Content Management solutions. Our range of experience, the scope of our expertise, and our delivery model makes Dayhuff Group a special breed in the technology services field. We put those attributes to work in order to guarantee our clients short-cycle project completion with real-world budgets. The result: innovative, problem solving technology services that improve efficiency, reduce costs, and increase revenues. Visit us at www.dayhuffgroup.com

About IBM ECM

As the clear market leader in Enterprise Content Management (ECM), IBM's ECM solutions help organizations make better decisions, faster by managing content, optimizing business processes and enabling compliance through an integrated information infrastructure. IBM's ECM portfolio delivers a broad set of capabilities and solutions that integrate with existing information systems to help organizations drive greater value from their content to solve today's top business challenges. The world's leading organizations rely on IBM enterprise content management to manage their mission-critical business content and processes.

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