

SAP® Business ByDesign™
WHOLESALE DISTRIBUTION RESOURCE CENTER

Release 1.0
January 2011

THE BEST-RUN BUSINESSES RUN SAP™



PROFITABLE GROWTH THROUGH INTEGRATION AND OVERSIGHT

To achieve sustainable, profitable growth as a wholesale distributor, you need business processes that keep you nimble – and you need to simplify the complexities associated with ever-changing business requirements.

Successful wholesale distributors focus on three key requirements:

- **Improving supply chain and operational visibility.** Do you have the data, key performance indicators (KPIs), and timely reports you need to make informed business decisions? Supporting your customers and growing your company based on hard facts – not speculation – requires 360-degree visibility into operations. You need built-in analytics, management dashboards, and integrated metrics to realize daily operational excellence.
- **Protecting against shrinking margins.** As a wholesale distributor, you're always looking to increase efficiency. You want integrated, streamlined, and automated processes that improve productivity, increase transparency, and provide internal controls. Efficient operations let you improve service while reducing operational costs, inventory carrying needs, and working capital requirements.
- **Increasing customer satisfaction and loyalty.** To succeed, you must retain and grow your customer base, even in the face of low-cost competition. Offer high-quality products and service to customers regardless of channel or region. Use flexible business processes to increase agility and responsiveness, making your company a service leader.



THE POWER TO HELP YOUR ORGANIZATION GROW

The SAP® Business ByDesign™ solution is a flexible, robust, and scalable business solution. It delivers the functionality you want now and can grow as your needs expand. It provides timely, accurate, and actionable business intelligence that improves your insight into inventory, client, and operational needs.

As a comprehensive, integrated solution, SAP Business ByDesign allows you to manage business essentials quickly and easily. It offers complete integration of key business areas – sales and marketing, procurement, warehousing, and more. Configurable dashboards and built-in analytics help you track KPIs in real time to identify changes in the business environment as well as opportunities to serve customers more effectively. At the same time, SAP Business ByDesign gives you the flexibility you need to change, grow, and extend the reach of your business – so you can collaborate with partners across your entire network.



IS SAP Business ByDesign RIGHT FOR YOU?

SAP Business ByDesign is a best fit for fast-growing wholesale distributors that don't want to build a large, expensive IT backbone.

- Fast deployment – in as little as six weeks, depending on scope
- Delivered on demand and managed by SAP
- Low monthly subscription fee per user
- Core business processes and best practices built in
- Available in China, France, Germany, India, the United Kingdom, and the United States

LEARN MORE

[Learn more about SAP Business ByDesign in the wholesale distribution industry.](#)

CONTACT US TODAY

To learn more about SAP Business ByDesign, contact your SAP Channel Partner for more information.

Learn More



SELECTING THE RIGHT SOFTWARE

[Hear Bruce Richardson of AMR Research talk about selecting business software.](#)

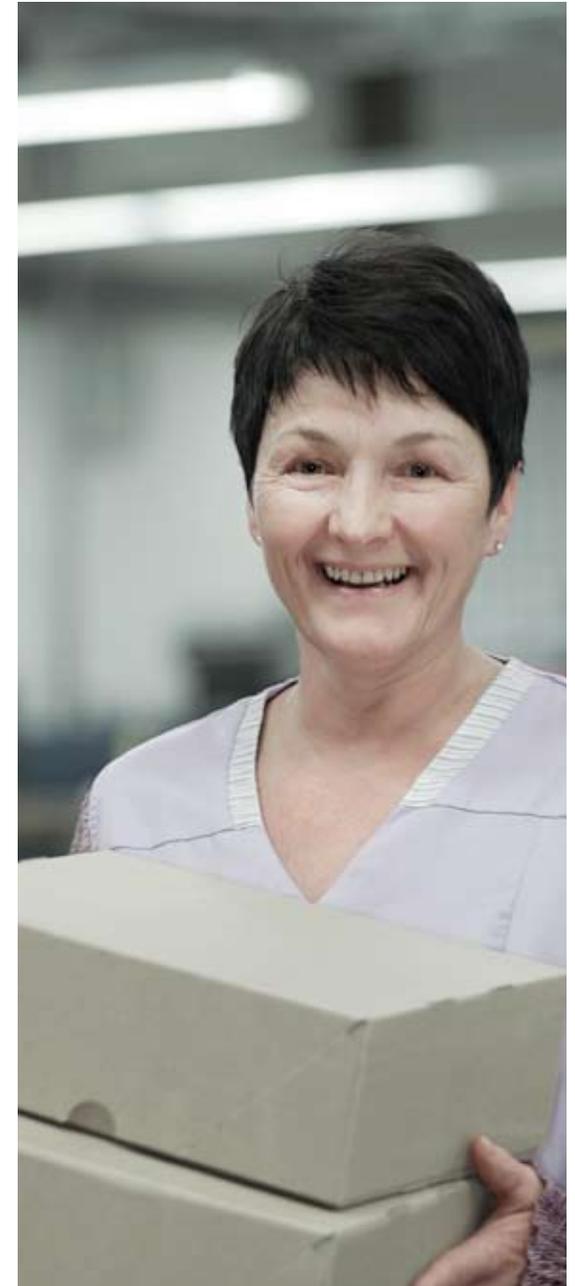
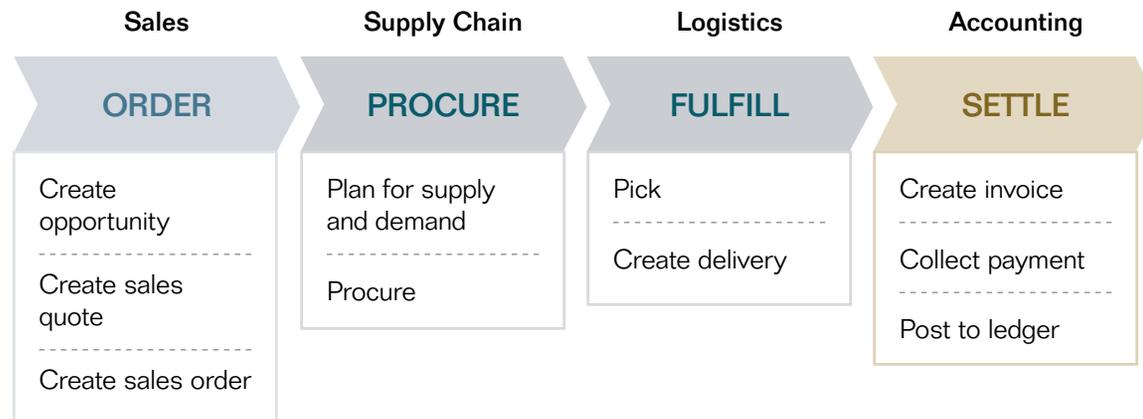


RISING CUSTOMER DEMANDS FOR SERVICE AND VALUE?

The SAP Business ByDesign solution supports your entire sales and distribution operation by integrating order-to-cash processes across sales, distribution, and financial accounting.

SAP software integrates available-to-promise checking and pricing functionality, helping you optimize sales offers based on customer needs and product availability. With integrated processes, each sales order triggers the procurement, warehousing, and logistics support necessary to satisfy customers and collect payment in a timely, accurate manner.

Sales and Distribution Process Flow



SAP Business ByDesign DELIVERS VALUE

Scenario #1: You want to grow revenue by effectively converting opportunities to quotes and orders. You need to automate the quote process, tailor standardized pricing, and leverage better analysis and reports.

Scenario #2: You're seeking to reduce costs by efficiently processing sales orders from stock. You want to provide real-time delivery dates based on inventory levels and outstanding orders. You need an automated invoicing and order management system that links operations with financials.

Scenario #3: You want to optimize assets by leveraging the working capital essential for revenue growth. You need to build consensus-based sales and demand forecasts from accurate, real-world data.

SAP Business ByDesign supports each of these scenarios with features such as:

- Automated quote generation and processing
- Automated and flexible pricing
- Product availability checking
- Built-in KPI dashboards and analytics by product, customer, and channel
- Operational processes integrated with master data

SAP Business ByDesign further supports sales and distribution processes with integrated business intelligence and performance management that helps ensure up-to-date reports for every role and function in your organization. You can track metrics and assure performance in all major sales and distribution areas – from sales to supply chain and logistics to finance and accounting – for the greatest overall positive impact.



WHAT CAN YOU ACHIEVE WITH SAP Business ByDesign?

- Improve “perfect order” percentage
- Minimize lost sales from stock outs
- Improve forecast accuracy
- Reduce obsolete or slow-moving inventory
- Increase revenue growth
- Lower selling and order management costs
- Reduce days sales outstanding
- Reduce inventory levels

SELL MORE

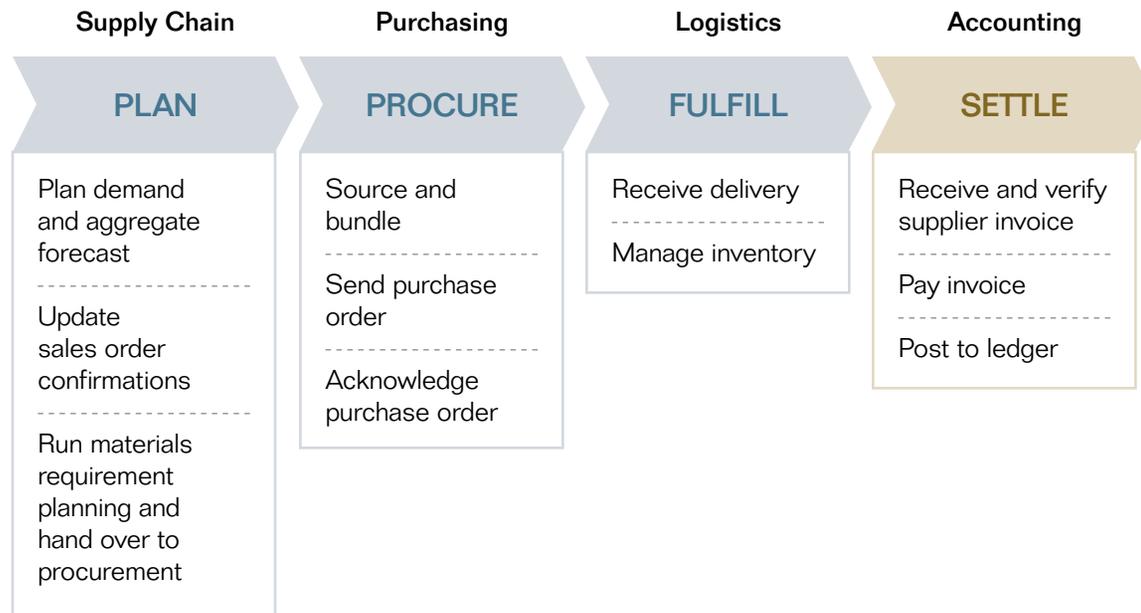
[Hear Sina Moatamed, chief technology officer of BendPak Inc., discuss selling and visibility into the supply chain.](#)



WANT GREATER PURCHASING EFFICIENCY?

SAP Business ByDesign provides complete transparency across the procurement value chain – aligning information flow from purchase order to the physical flow of goods and materials. SAP Business ByDesign helps you fully automate procurement processes for assigning supply and demand, minimizing the need for manual intervention.

Operational Procurement Process Flow



SAP Business ByDesign DELIVERS VALUE

Scenario #1: You want to maintain reliable vendors despite fluctuating prices, availability, and even political upheaval. You need advanced tools to help you with financial planning, forecasting, and integrating suppliers into the supply chain.

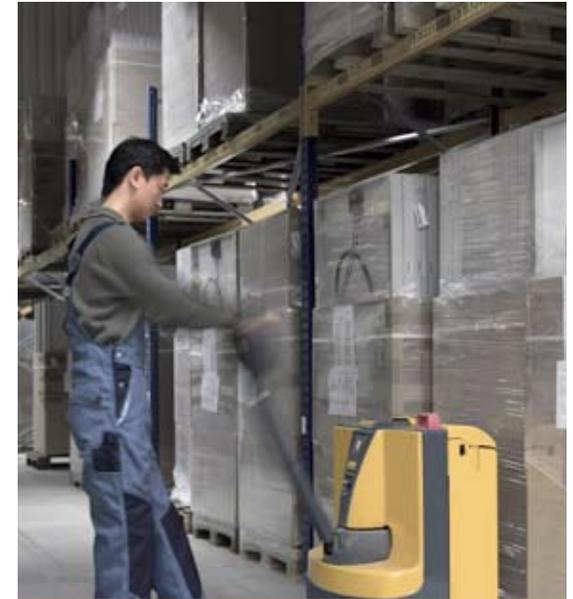
Scenario #2: You need to ensure quality, quantity, and safety at the lowest cost while managing overall spending. You need centralized processes for better visibility into spending and supplier performance.

Scenario #3: You must link purchasing department performance to corporate goals and financial results. You need to automate and standardize processes for purchasing and strategic sourcing.

SAP Business ByDesign supports each of these scenarios with features such as:

- Configurable, easy-to-use dashboards to inform decision making
- Procurement dashboards that display workload bottlenecks
- Automated alerts based on predefined performance thresholds
- Collaboration supported by two-way communication, e-mail, and form exchange

SAP Business ByDesign further supports procurement with integrated business intelligence and performance management that helps ensure up-to-date reports for every role and function in your organization. You can track metrics and assure performance across purchasing areas – from supply chain to purchasing and logistics to finance and accounting – for the greatest overall positive impact.



WHAT CAN YOU MEASURE WITH SAP Business ByDesign?

- Contract-spend ratio
- On-time delivery by supplier
- Purchasing discounts captured
- Purchase order lead time
- Supplier collaboration rates
- Purchasing volume
- Revenue ratio
- Maverick buying-to-total spend ratio
- Raw material inventory days of supply
- Purchasing staffing costs

IMPROVING INTERNAL PROCESSES

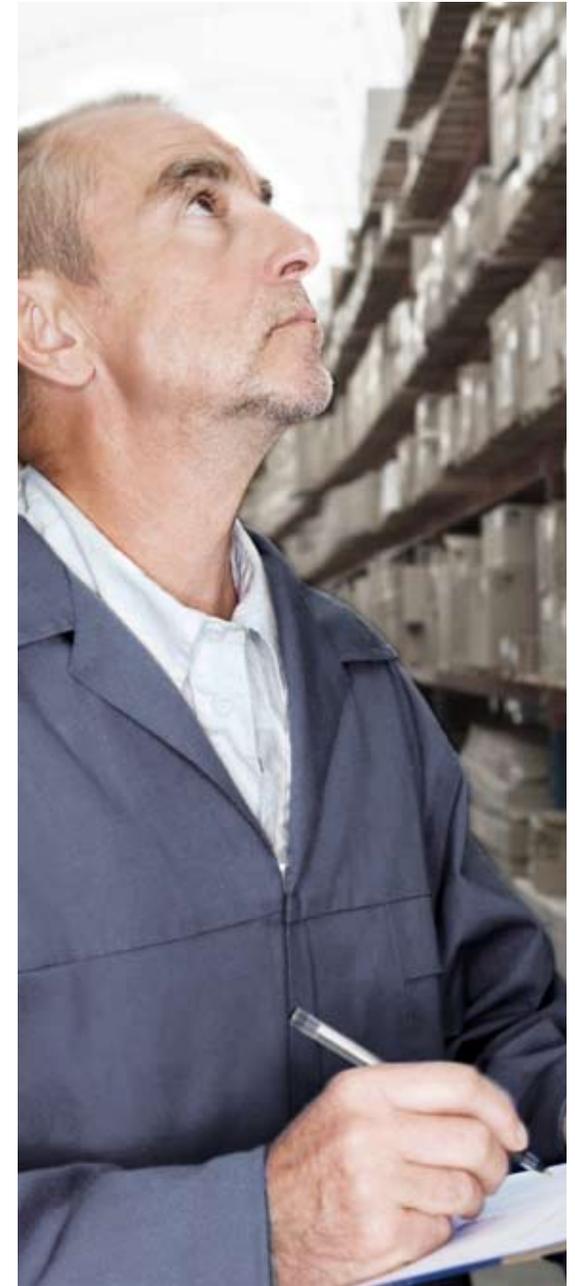
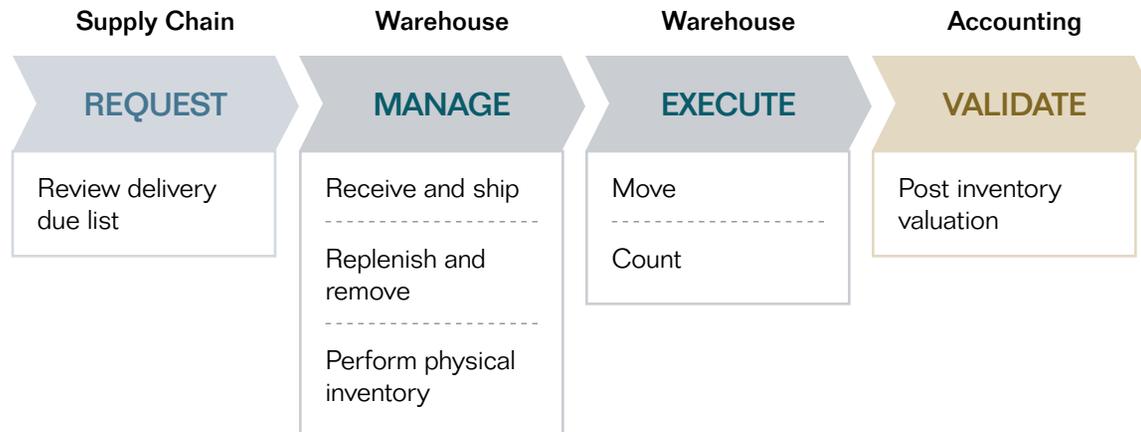
[Hear George Bilkey, president of TAM Ceramics, discuss improving internal processes.](#)



NEED TO IMPROVE WAREHOUSE OPERATIONS?

SAP Business ByDesign provides complete visibility across all logistics and warehouse processes. SAP software enables you to move and distribute products or goods more efficiently. SAP Business ByDesign integrates all processes across the warehousing value chain, supporting service operations and reverse logistics.

Warehousing Process Flow



SAP Business ByDesign DELIVERS VALUE

Scenario #1: You want to gain flexibility and respond more quickly to supplier or customer changes. You also need scalability to support plans for growth.

Scenario #2: You want to run warehouse operations more effectively, to significantly increase productivity. You need to optimize execution efficiency with flexible material flow between and within warehouses.

Scenario #3: You want to track and trace inventory more efficiently, gaining insight into the “on stock” situation. You need to improve transparency into inventory and enable traceability of all goods movements.

SAP Business ByDesign supports each of these scenarios with features such as:

- Scalable (lean to sophisticated) work-oriented models for warehouse layout and processes
- Unified operational processes, with degrees of automation, including mobile devices
- Single point of entry to organize and execute work in warehouses or manufacturing sites
- Management of identified stock, stock overview, and where-used lists
- Integration with financials, inventory valuation, and physical inventory processing

SAP Business ByDesign further supports warehousing and site logistics with integrated business intelligence and performance management – helping to ensure up-to-date reports for every role and function in your organization. You can track metrics and assure performance throughout the warehouse, for the greatest overall positive impact.



WHAT CAN YOU ACHIEVE WITH SAP Business ByDesign?

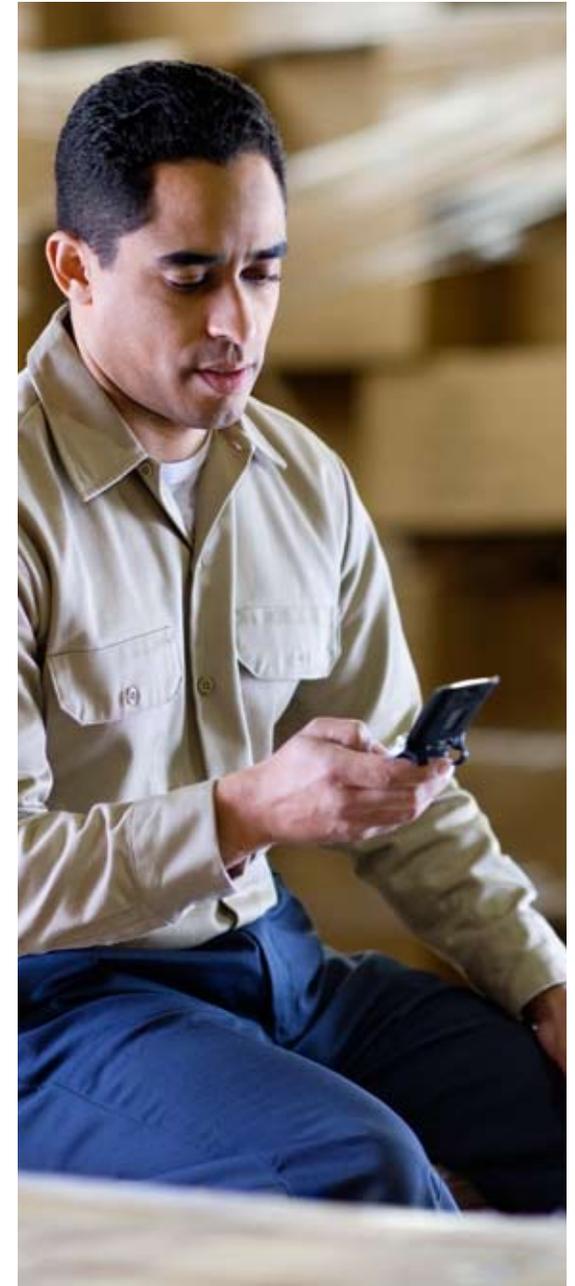
- Faster adaptation of warehouse processes
- Improved tracking and tracing
- Decreased inventory costs
- Less revenue lost due to stock outs
- Reduced damage and shrinkage
- Traceability of all goods movements
- Time savings due to transparent and accurate inventory
- Reduced cost of logistics
- Reduced time to prepare, execute, and monitor warehouse processes
- Decreased time to complete warehouse tasks
- Reduced logistics labor cost per unit

FOCUS ON BETTER WAREHOUSING TECHNIQUES

In 2008, Skullcandy implemented SAP Business ByDesign to support its escalating growth. The result was a highly scalable infrastructure, making the company more process-oriented with better supply chain visibility.

“Interrupting the business is always bad, but it’s particularly bad for a company that is growing as fast as ours,” says Jeremy Andrus, president of Skullcandy. “The most important thing for our large customers is to feel confident that we can deliver – that whatever the challenge, we can get the product there. When you’re talking about a very large global distributor and major customers, missing a shipment is death to a small and growing business. With SAP Business ByDesign, we are confident that, even during the busy retail season, we won’t miss a beat.”

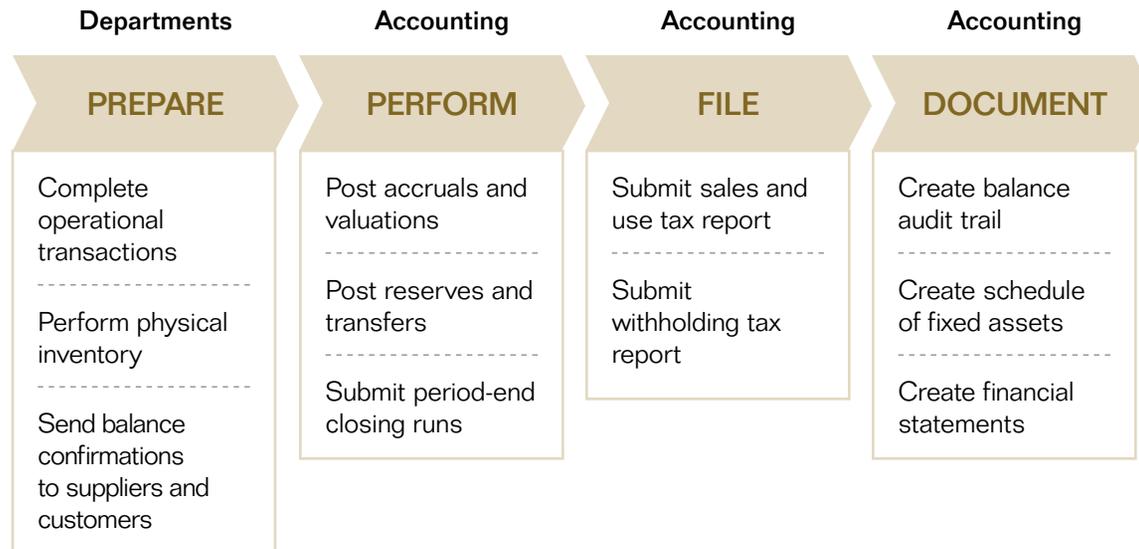
“We’re much better at forecasting now,” Andrus says. “We don’t keep too much inventory on hand, and we also don’t have sudden shortages that require us to spend a lot of money flying in products rather than [ground] shipping them in. We have a greater ability to be strategic and get our products from point A to point B at the right time.”



NEED TO DELIVER TIMELY, HIGH-QUALITY INFORMATION?

SAP Business ByDesign accelerates and standardizes your period-end close. SAP software offers closing functionality that helps streamline processes, helps ensure that tasks are performed in the correct order, and fosters collaboration. SAP Business ByDesign also helps support an accurate, transparent close while facilitating compliance and increasing reporting confidence.

Financial Close Process Flow



SAP Business ByDesign DELIVERS VALUE

Scenario #1: You hope to increase investor confidence with smooth, transparent, and consistent closing data flow. You need to accelerate period-end closing, standardize financial processes, and support regulatory compliance.

Scenario #2: You want to drive accounting productivity while keeping talented financial analysts motivated. You need to simplify routine tasks, standardize closing cycles, and facilitate employee collaboration, so analysts can focus on more strategic initiatives.

Scenario #3: You want to ensure unified financial information and increase IT efficiency. You need to simplify, automate, and orchestrate closing processes across all organizational units.

SAP Business ByDesign supports each of these scenarios with features such as:

- Automated reconciliation and accrual
- Streamlined and sequenced closing steps
- Parallel accounting functionality
- Task control tool with the ability to define task sequence
- Real-time reconciled data from operational components
- Complete process integration

SAP Business ByDesign further supports financial closing with integrated business intelligence and performance management that helps ensure up-to-date reports for every role and function in your organization. You can track metrics and assure performance during financial close for the greatest overall positive impact.



WHAT CAN YOU ACHIEVE WITH SAP Business ByDesign?

- Accelerate period-end financial close
- Reduce the number of systems, databases, and other equipment used during financial close
- Reduce closing costs via fewer employees involved in closing
- Reduce total cost of capital
- Increase investor confidence
- Reduce interest rate from banks and stakeholders

BRINGING FINANCIAL CLARITY TO THE BUSINESS

[Hear Brent Walters, CFO of OneVision Solutions, discuss bringing financial clarity to the business.](#)



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