Sunrise®

Collaborative Supplier Management

It's our business to support yours.

In the face of continued globalization organizations have a need to drive optimal financial results while proactively mitigating commercial risks. The supply base has become even more critical to organizations' success and 360-degree visibility into supplier relationships is no longer optional. At Sunrise® we help procurement professionals to gain an advantage in the global consumer goods business by supporting them to adapt to the business trends they face.

Trends business's face today…

Shifting Focus from Unit Cost to Total Cost. Companies are realizing that the purchase price of a product or service doesn't represent the comprehensive cost to their organization and are taking steps to proactively capture these other supplier-related costs. Additional costs often range from direct material costs and manufacturing-related fees like delivery, storage and packaging to indirect goods CapEx costs like installation, maintenance and adding new workforce skills, but this is just the tip of the iceberg. Other factors that can severely impact the bottom line can include:

- costs based on a change in supplier shipping locations or late shipments;
- expenses incurred from supplier quality failure;
- penalties associated with production delays (also resulting in lost revenue) or sub-optimal performance.

Moving from risk reaction to risk avoidance. While many companies are beyond pure risk reaction, more are moving the needle to prevent greater risk and compliance issues.

Staying a step ahead with compliance. While most companies aim to be compliant with their commercial agreements (e.g., payment/pricing terms and discounts, performance elements, channel partner obligations), and respective government regulations, many struggle with maintaining compliance across all contracts and end up fighting fires when issues crop up or inefficiently running every single contract through the finance or legal department.

To fully leverage contract management, companies must first create a consensus savings and compliance plan and establish a central repository of reviewed and approved legal language that represents the company's position on regulatory, policy and commercial compliance standards. This enables them to use contract and sourcing templates to create a contract that reflects the company's starting point for compliance standards with any external entity (e.g. supplier, customer, channel partner, contractor).

To guarantee proper contract review and approvals, the contract management system should incorporate the company's workflow. It should also automatically monitor commercial contract terms and initiate notification for any expirations or pending obligations, as well as integrate with ERP systems to share commercial terms and performance requirements.

By putting these processes in place, a company will be able to analyze and reconcile all transactional spend data with negotiated commercial terms to ultimately ensure realization of savings goals. It also helps facilitate contract enforcement so suppliers are held accountable for their contractual commitments.

We understand the challenges you face.

As a result of the economic slump, many procurement professionals believe they are in a better negotiating position with their suppliers and thus have major influence in the steering of their businesses.

Chief procurement officers (CPO's) must carefully manage their supplier contracts as they "guide the purchasing process" as every type of contract has "some impact on the overall performance of a business," Aberdeen Group advises in its Procurement Contracts: Real Value, Real Returns report. "[T]he effects of procurement contracts are among the most immediate and tangible, leading enterprises to place the highest level of priority practices for developing, administering and supervising procurement contracts during these tight times."

"The effective management of the contract creating process in combination with the development of greater analytics and reporting capabilities around contract compliance delivers real value and returns for enterprises," Aberdeen Group continues.

There are several strategies procurement teams can implement when it comes to managing procurement contracts. Before any of them can be put in place, however, companies are strongly urged, the Association for Operations Management (APICS), to carry out an unbiased and comprehensive assessment of the current procurement contracts management processes and related capabilities.

Creating a contracts template that has the appropriate clauses, terms and conditions as well as installing a central repository for all contracts are additional actions companies could take to improve their procurement contract management process. All authorized parties should have access to the central repository, allowing them to see and compare the past and current contractual information.

"By consolidating contracts and related documents into a central location, the first step to take is enabling action on these contracts," Aberdeen Group says. Contracts that are scattered across the business "handcuff the ability of an enterprise to manage the pricing or service levels governed by these contracts. Additionally, local management and storage means that knowledge of that contract and the relationship with the supplier are often also lost if that contract leaves the company."

Supplier relations are another important aspect of contract management. The Aberdeen Group report encourages companies to engage suppliers as collaborative partners to allow both parties to engage in actions that are beneficial to each side. Having a strong relationship with suppliers gives buyers a chance to take preemptive measures to recognize and avoid supply chain disruptions. This

helps avoid extraneous costs and contentious interactions. Moreover, "establishing a closer working relationship with suppliers also paves the way for compliance by suppliers to contract pricing and service levels," the report adds.

Lastly, businesses are advised to use key performance indicators (KPIs) for measuring contract management performance. These provide "more granular visibility into contract management activities" and allow organizations "to more accurately assess their performance," the Aberdeen study says. The KPIs should not only measure standard contracts-related metrics like compliance and spend, but also cycle times, supplier compliance to service levels and capture of rebates.

Choosing the right solution partner
can help you compete successfully.

For more than 14 years, we've partnered with consumer goods companies across a wide range of industries to develop, implement and support collaborative supplier management (CSM) as a sub-system to our or other enterprise resource planning (ERP) and supply chain management (SCM) solutions designed specifically for the way you do business. Backed by our knowledgeable team and leading technologies, our industry tailored solutions are fully integrated and easy to use. Sunrise® is designed to help you:

- Streamline your operations;
- Reduce your costs;
- Gain improved business-wide performance visibility;
- Capitalize on revenue opportunities;
- Sustain a low total cost of ownership;
- Achieve a fast return on your investment.

Collaborative supplier management,
designed for the way you do business.

Sunrise® provides a collaborative supplier management solution designed specifically for the consumer goods industry. Whether you market or manufacture fast moving consumer goods (FMCG) such as toiletries and cosmetics, non-durable goods such as food, wine and apparel, or durable goods like electronics and home furnishings, we have the industry specific capabilities, services and expertise to help you manage suppliers in a collaborative manner.

Sunrise® CSM key features

- **Standard Templates and Libraries** - Contract templates and clause libraries allow centralized management of all contact language. Access and control is tailored to your company's needs. Clause and template usage is tracked to allow clear insight across all contracts.

- **Contract Repository** - Central storage of contracts allows searching across contracts by all sourcing professionals. Powerful, configurable security rules ensure that just the right access can be assigned to just the right role. Pricing and supplier responses can be pulled straight from the RFx to allow full capture of negotiated terms and conditions. Customizable homepage allow immediate viewing of the contract status.

- **Collaborative Online Contract Management** – Configurable role and/or rules based workflow to establish online supplier collaboration to manage the end-to-end contract life cycle and all pertaining data. Minimizing contract negotiation and/or contract updating process cycle time, while simultaneously providing full historical tracking of all contract modifications.

- **Configurable Alerting** - Powerful alerting allows notification of upcoming contract expirations, renegotiation times or status changes. Never forget to begin a sourcing or rebate process again.

- **Contract Compliance** - Detailed auditing and tracking allows full detailed view of contract modification and provide the ground work necessary in any detailed compliance process. Compliance features ensure invoiced amounts match negotiated contract values to prevent erosion of negotiated savings over the life of the contract.

- **Supplier product code referencing** – Web form based exchange of standardised and synchronised supply chain data of supplier product codes. The exchange supports the Global Data Synchronisation Network (GDSN), the Global Registry (GS1), the Global Trade Item Number (GTIN), the European Article Numbering (EAN-codes) and other standards.

- **Supplier rebate robots** – Powerful automated robots calculate supplier rebates based on exchanged ERP supplier invoice and delivery data. Automated generation of quarterly and/or annually supplier rebate invoices, which are securely exchanged with ERP systems via Sunrise® eConnector Framework (e.g. SAP, Exact etc.).

Sunrise® CSM supported processes

Sunrise® Collaborative Supplier Management (CSM) solutions supported processes are:

- **Spend analysis** - As sourcing professionals, your spend analysis peers are constantly in search of new savings opportunities and new techniques to hold on to the savings you've worked so hard to negotiate. CSM supports centralized spend visibility and according to Aberdeen (Transforming Data into Value) you can see a 25% improvement in on-contract spend compliance and address 20% more spend dollars/euro's each year.

- **Collaborative sourcing** - To make decisions based on the most strategic objectives of your business, you need to support the requirements of stakeholders across your business including legal, marketing, manufacturing, quality, and various other interested parties.

  You also need to engage your suppliers in crafting a joint vision for how you can work together to reach your objectives. In most cases, your suppliers will have a vested interest in your success if it means securing your continued business in a strategic category.

  Your strategic category managers can get a complete view of category dynamics and improve stakeholder alignment. By working effectively with suppliers to drive cost out of the system -- rather than fighting over supplier margins – you will ultimately generate incremental and on-going savings.

- **Supplier performance management** - Supplier performance directly impacts company performance: cost, product quality and market competitiveness can all suffer because of an underperforming vendor relationship. You need the visibility to effectively track and manage performance over time to drive continuous improvement.

  CSM enables you to develop optimal relationships with strategic sourcing partners and gain visibility into the compliance and performance of the supply base. This visibility can help to advise compliance and risk mitigation programs, improve supplier relationships, and execute sourcing strategies.

- **Contract Management** - Create your strategic collaborative supplier management process through On-Demand contract management and:
  - Improve planning – configurable expiration warnings ensure lead time for sourcing teams;
  - Decrease cycle time – negotiate online to decrease contract negotiation/update cycles and suppliers update their respective contracts;
  - Enable the team – provide an online contract repository to allow easy access to contracts;
  - Capture negotiated values - pull pricing directly from RFx's into contracts;
  - Document the decisions – enable your control process with full audit reporting
  - Guarantee compliance – validate invoices against negotiated prices to prevent savings and rebate erosion.

Business benefits

- Predictable outcome - Streamlines the supplier contract process;
- Save time & costs - Suppliers maintain their respective contracts;
- Rebate maximization - Secure purchase proposals for next tier rebate level in contract period;
- Margin maximization - Realize rebates and other negotiated savings.

**Sunrise® Collaborative Supplier Management
streamlines the contract process and
ensures value realization of your negotiated savings!**

Integrated Solutions, designed for the way you do business.

eSupplier

- Supplier management
- Collaborative master data
- Collaboration workflow
- Import/export data

eSupplier Portal

- Supplier communication management
- Role and rules based
- Standard libraries
- Communication repository
- Public and private documents

eContracts

- Contract management
- Contract repository
- Configurable alerting
- Contract compliance
- Overarching consolidated contracts
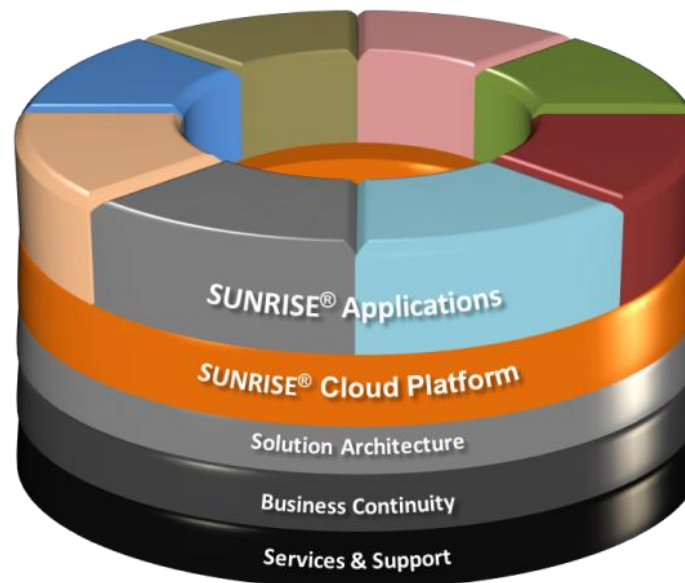- Standard templates & libraries

eCRM

- Leads & Prospects
- Proposal management
- Contacts & Agenda
- Projects & Resource Planning
- Document management

S unrise® Cloud Platform

- Multimedia product catalogue
- Multichannel
- Multi-lingual

eLogistics

- Warehouse manager
- Stock location & control
- Picking routes
- Purchase proposals
- Multichannel warehouse
- Multi layout,-lingual, -tax & VAT
- Grouped orders & invoicing
- Inter-bonded warehousing
- Central and drop-shipment

eReferencing

- Supplier product code alignment
- Web form based
- Supports GDSN (GS1), GTIN, EAN codes etc.

eRebates

- Supplier rebate management
- ERP data analysis
- Rebate calculation robots
- Rebate invoices

eConnector

- Seamless connectivity framework
- Supports standards like
    - JMS, ESB
    - Web services, SOA
    - OData
- SAP IDoc

SUNRISE® Applications
SUNRISE® Cloud Platform
Solution Architecture
Business Continuity
Services & Support

S olution Architecture

- Service Oriented Architecture (SOA)
- Microsoft .NET framework
- MySQL database

B usiness Continuity

- Backup online and on premises
- Replication to multiple locations
- 24 x 7 system monitoring
- Secure environment

S ervices & Support

- Consulting
- Product development
- Application exchange
- Standard and extended support levels

Expertise to help,
you succeed.

Your immediate and long term success depends on more than just finding the right cloud-based software solution. You need a business partner that understands your industry and unique business needs. A partner that will be there before and after the sale to ensure a successful implementation, support your user community on an ongoing basis, and meet your business requirements over the long haul — with a proven team that will be as adaptable as you are to your changing business needs.

Sunrise's team of knowledgeable professionals is here to support you — from pre-sale to post-implementation — to ensure your immediate and ongoing success. Through our industry focus and expertise, we can provide advice and recommendations on business processes to help optimize the efficiencies of your supply chain, reduce your costs, improve your business performance and maximize your profitability. Working together, we can help you thrive in the competitive consumer goods market while attaining a quick and lasting return on your investment.

Around the clock, around the world,
support that makes a difference.

Sunrise's multi-lingual, committed support professionals are available up to 12 hours a day through our Support operations in the Asia Pacific region and Europe. At customer request Sunrise® provides 24/7 support as part of the Premier Support. We'll work with you to identify, troubleshoot and resolve technical issues, provide advice and recommendations on business processes and best practices, and help tailor your solution to maximize your efficiencies and business benefits.

Behind the Sunrise® solution is standards-based, leading technologies that deliver rich functionality and solid reliability for your business:

- **Interoperability** – leverage application programming interfaces (APIs) and our service oriented architecture (SOA) for a seamless, consistent view of data throughout your organization;
- **Performance** – achieve optimal user responsiveness and data storage and retrieval results through our n-tier architecture;
- **Resiliency** – ensure application availability with our inclusive basic monitoring services or our more advanced monitoring, database replication, and disaster recovery solutions;
- **Scalability** – meet your needs today while easily scaling for future growth requirements without sacrificing system performance or response times;
- **Globalization** – extend the reach and usability of your data through our system's built-in localization tools, backed by localized support.

Sunrise, more than a vendor,

rather your partner.

Sunrise's sole focus is on pure cloud based business solutions for consumer goods companies. Your priorities are ours. We operate where you do. Our development strategy is driven by your needs — so we bring your industry specific requirements to market faster and in a more tightly integrated manner.

Our professional services teams, from project management to support, are specialists in the consumer goods industry. Unlike providers of more generalized applications, we don't have to learn your industry because we already know it. And we'll work with you to recommend industry best practices to improve your bottom line.

Through our beginning-to-end solutions, we eliminate your need to invest in add-on systems, allowing you to keep total costs down while improving business visibility. Industry specific requirements are integrated within the Sunrise® application. With less need for customizations, you can reduce start up and maintenance costs, improve solution time to deployment, simplify and lower the cost of upgrades, and speed and enhance your return on investment.

With Sunrise® as your partner, you can achieve tighter integration, better visibility and faster results.