# **ZUGSEIL Procurement Tools**

Every B-Op Digital which is acquiring products from other <u>B-Op Digitals</u> and/or is distributing products within its organizations naturally takes the B-Op Network role "customer". For this role, ZUGSEIL has developed its Procurement-Suite. This package offers a complete set of tools allowing customers manage their entire supply chain ecosystem and digitally perform all necessary interactions required with their staff and supplying business partners.

Our main service bundles part of ZUGSEIL Procurement-Suite are:

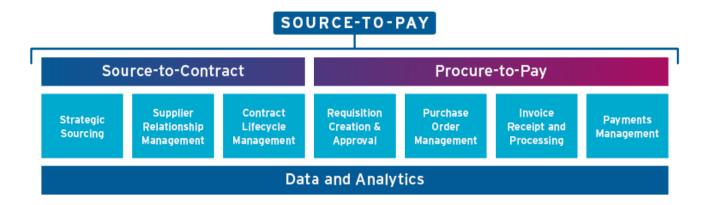
- **ZUGSEIL Shop**
- ZUGSEIL Quality and Returns Management (QRM)
- ZUGSEIL Service Scheduling (SRS)
- **ZUGSEIL PATTY**

This main functionality blocks are related to procurement, warehouse & supply chain management and internal fulfillment & asset management.

**ZUGSEIL BEST** is a bundle of ZUGSEIL Procurement-Suite with our <u>SHOP Extensions</u> for operating a <u>digital service point</u>, allowing to digitalize all processes of <u>personal equipment management</u>.

## **Functionality of the Procurement Suite**

Most important building blocks of successful procurement are <u>identification of the best suppliers</u> and <u>making the right procurement decisions</u> on a daily base. This sounds easy - but it is not. ZUGSEIL Procurement-Suite supports you with both of these tasks.



#### **Source to contract**

With supplier relationship management each organization aims for optimizing its personal ecosystem in the trade sphere by identifying potential suppliers and manage the relation with them. Identifying the best matching suppliers can be supported by precompiling a list of possible suppliers, but the biggest relief of using ZUGSEIL is that repetitive tasks diminish to a minimum.

After the identification of the right supplier the cumbersome and costly (IT) integration-process typically starts. The further you wanted to digitally integrate the more effort you had to invest - time

and moneywise. This is where ZUGSEIL shines and offers unique functionality. *Full digital integration* comes with just a couple of clicks. Our <u>ZUGSEIL Supplier Relationship Management (SRM)</u> integrates with the B-Op yellow pages. Through it, you can just identify suppliers and get introduced. Once this has been done, you define with your partner your mutual level of trust - and that is it. All relevant information is exchanged in the background automatically.

You are ready to go to negotiate and create your contracts digitally: Our <u>ZUGSEIL Enterprise</u> <u>Contract Management (ECM)</u> offers full digitalization of all **Source-To-Contract (S2C)** processes from initial contact to the signed contract, its execution and retirement.

With the contracts being set up your partners will now digitally provide you their catalogs and you can start building your internal catalog from the products made available by your supplier partners.

#### **Requisition Creation & Approval**

Requisition creation is the starting point of procurement. <u>ZUGSEIL Shop</u> offers your organization an entire toolset for creating purchase requisitions and provides process guidance (guided buying) to the processes until a purchase is made. For this purpose our Shop can be extended seamlessly with abilities like <u>personal equipment management</u> through <u>shop extensions</u>. After an internal or regular order was placed, ZUGSEIL offers a broad set of <u>approval mechanisms</u> based on financial, technical or team aspects.

### **Procure-To-Pay**

Once the purchase requisition was created and approved, either the internal fulfillment process or the procurement core process starts. depending if the goods are available on local stock or must be acquired from suppliers. This decision making is supported by our **ZUGSEIL PATTY** functionality, which allows the creation of a ruleset to route purchase requisitions automatically either to local stock through relocation orders or to 3rd party suppliers through purchase orders. The procurement governance allows the organization to build a ruleset, which deminishes decisionmaking from the procurement officers' workloads.

After the purchase order has been placed with a supplier, the b-op network enables real-time progress tracking on the supplier side, which allows advanced supply chain monitoring by default and without the need for extensive IT integration projects. This delivers unprecedented visibility into the supply chain, which ultimately offers more reaction time after the detection of supply-chain failure threats.

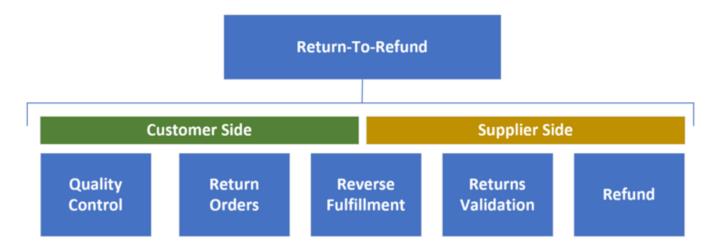
After goods are received the invoice is received fully digital from the supplier, allowing <u>automated</u> <u>invoice checks and validation</u>, which reduces the standard work effort in bookkeeping while speeding up processing times.

#### **Return-To-Refund**

In many cases procured goods are directly shipped from a supplier to an internal customer. Like all direct procurement fulfillment this is error-prone for wrong article, wrong variant and for many reasons. In most eCommerce-cases direct procurement comes with return quote between 5% and 40%. In enterprise procurement scenarios this case is almost never covered as considered irrelevant, rendering wrong products to be unused, thrown away, ... . This may cause high-cost positions which are invisible to controlling as the process is not covered by most systems.

This is where ZUGSEIL shines again by offering a fully digitalized process called Return-To-Refund

as part of its <u>ZUGSEIL Quality and Returns Management (QRM)</u>. The covered process chain starts with the creation of a return order and ends with the refund of the returned goods. All processes of the customer and the supplier side are fully digitalized and transparent. This helps organizations to bring light into a process which was so far ignored and now becomes controllable.



#### Warehouse & Supply Chain Management

Automation and digitalization of these procurement processes deliver value to our customers. Once the order is placed, the fulfillment process should be tracked until the goods have arrived. The B-Op Technology allows real-time tracking even in multi-level supply chain. This allows quick reaction on supply chain disturbances. Once the goods have arrived, an integrated <u>warehouse management</u> <u>system</u> (WMS) ensures that goods are accepted and stored.

For tracking individual products in areas of perishables, medical goods or other items requiring article instance tracking, the warehouse management is fully integrated with our <u>ZUGSEIL CIRA</u>, which enables to exactly know each station in the lifecycle of a single article instance. This can be extremely helpful when products can be reused or refurbished or require regular maintenance to ensure their readiness for operation.

Quality and Returns management are a major effort for any organization, especially as these processes are very communication intensive with the suppliers. <a href="ZUGSEIL Quality and Returns">ZUGSEIL Quality and Returns</a>
<a href="Management (QRM)">Management (QRM)</a>
takes care of digitalization and automation not only of the internal processes, but also of a fully digitalized supplier communication the Return-To-Refund Process even over multilevel supply chains.

### **Internal Fulfillment & Asset Management**

Intra-org fulfillment processes make sense for all kinds of organization. There are two typical scenarios for internal fulfillment:

- Central warehousing for products, where disposition and warehousing must not be
  outsourced. This can be for various reasons like reduction of logistic costs by using an intraorg logistic, mandatory central quality control, required process integration with other core
  processes, ...
- *Many small buffer stocks* for products which must be available locally, e.g, for immediate hand out or to take back used goods for reuse scenarios.

Both cases are supported by our <u>warehouse management system</u> (WMS). In all cases black-out areas

like local buffer stocks become visible and controllable with ZUGSEIL BEST Customer.

## See also

The full functionality ZUGSEIL provides to the "customer side" of the trade sphere is aggregaated under our ZUGSEIL Supplier-Suite product and its extensions, which are all certified by B-Op. The procurement suite consists of these components:

- ZUGSEIL MERCATA
- ZUGSEIL Shop
- ZUGSEIL Service Scheduling (SRS)
- ZUGSEIL Quality and Returns Management (QRM)
- **ZUGSEIL CIRA**
- ZUGSEIL TILA
- **ZUGSEIL PATTY**