

Benefits

SAP® Ariba® Strategic Sourcing Suite supports a closed-loop, digital, source-to-contract process for direct and indirect materials sourcing. Now you can:

- Create process efficiencies across all spend categories
- Capture more savings by increasing spend under management on one solution
- Achieve contract compliance and stop contract leakage through ERP integration
- Source and contract faster by integrating master data across systems
- Better manage complex bills of materials with PLM integration
- Improve supplier selection to minimize supply risks
- Gain greater pricing and forecasting visibility

In today's outsourced, global economy, business-to-business (B2B) supply chains have become an increasingly important source of profits, savings, and competitive advantage. But until now, there's been no efficient digital process for sourcing both indirect and direct materials – a single solution that works for all spend categories and manages the entire source-to-contract process from integrating new bills of materials (BOMs) from product lifecycle management (PLM) systems, through sourcing, contract management, and manufacturing execution integration.

Relying on separate processes and systems for direct and indirect materials increases contract leakage and IT costs, limits savings and revenue opportunities, and hinders alignment across internal teams. And if you currently use manual processes and niche systems to manage your source-to-contract processes, you can't achieve the kind of internal and external collaboration needed to ensure you realize negotiated savings and your design, sourcing, and manufacturing teams are aligned.

Why SAP® Ariba® Strategic Sourcing Suite

SAP® Ariba® Strategic Sourcing Suite extends the functionality of our industry-leading sourcing solutions into managing the more advanced requirements of direct materials sourcing. The result is a single, closed-loop, source-to-contract solution bundle for managing sourcing and suppliers across all spend categories.

The solutions integrate seamlessly with enterprise resource planning (ERP), PLM, and material master (MM) solutions from SAP. This integration enables you to get products to market faster by integrating sourcing and product design teams. You can also model product costing for complex, multilevel bills of materials, which helps you understand the final product costs and negotiate better savings – all while managing suppliers at the item or plant level to enhance supplier qualification and performance.

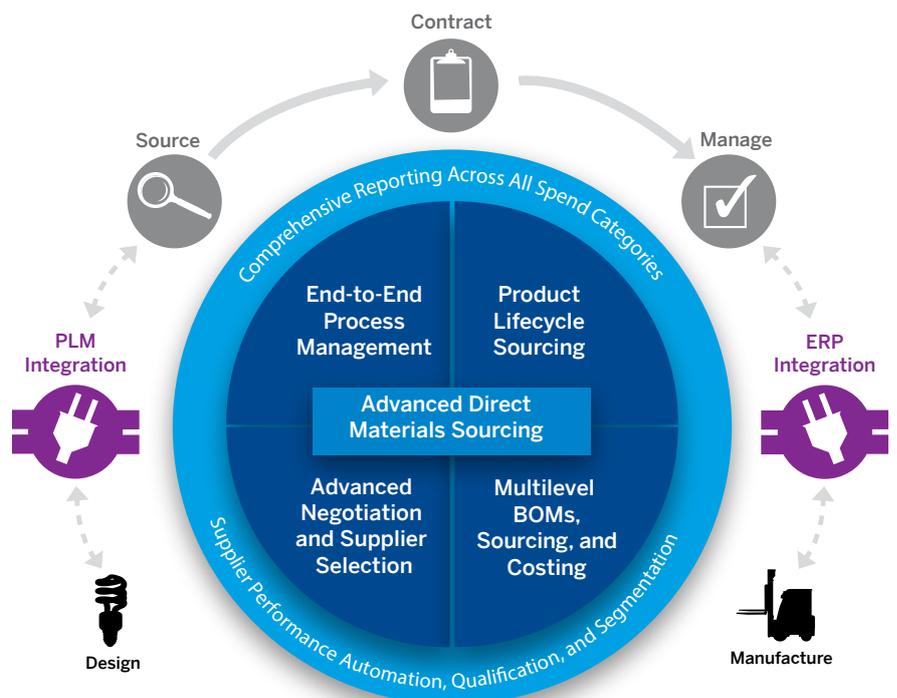


Figure: SAP Ariba Strategic Sourcing Suite

About SAP® Ariba® Solutions

SAP® Ariba® solutions support the marketplace for modern business, creating frictionless exchanges between millions of buyers and suppliers across the entire source-to-pay process. Our market-leading solutions enable companies to simplify collaboration with their trading partners, make smarter business decisions, and extend their collaborative business processes with an open technology platform. More than two million companies use SAP Ariba solutions to connect and collaborate around nearly US\$1 trillion in commerce on an annual basis. To learn more about SAP Ariba solutions and the transformation they are driving, visit www.ariba.com.

Built-in functionality for the procurement of direct goods supports:

- End-to-end process management – from product specification and sourcing to contract management that's integrated with the SAP ERP application – minimizing contract leakage
- Product lifecycle sourcing – with integration to PLM, MM, and vendor management solutions from SAP for seamless data sharing and demand-driven sourcing
- Advanced negotiation and supplier selection functions – including support for new event types, extended events, advanced scoring, and award optimization and analysis, which increase materials savings across more of your supply base and enable highly granular supplier selection
- Product costing of multilevel BOMs for materials and services – with what-if analysis for better volume pricing and more accurate predictions of final product costs
- Direct materials supplier qualification, segmentation, and performance monitoring – to help ensure you select authorized, optimal suppliers; accurately assess their quality, timeliness, and responsiveness; and avoid noncompliance or supply chain disruptions

The Power of End-to-End, Strategic Sourcing

To operationalize strategic sourcing of direct materials, you need an end-to-end process that integrates your sourcing, contracting, and supplier management processes. You also need to monitor your supply base to ensure suppliers meet performance metrics and compliance requirements. That's why SAP Ariba Strategic Sourcing Suite includes built-in contract and supplier performance management functionality.

Contract Management

By using the contract management functionality built into SAP Ariba Strategic Sourcing Suite, you can say goodbye to misplaced and mismanaged paper contracts, as well as the risks and lost savings that go with them. Now you can:

- Manage procurement and sales contracts, IP licenses, internal agreements, and more
- Automate and accelerate the entire contract lifecycle
- Standardize and control contract development and approval
- Collaborate with internal stakeholders and trading partners
- Integrate vendor master and contract data to and from other back-end systems

Supplier Information and Performance Management

SAP Ariba Strategic Sourcing Suite helps you manage supplier information by helping ensure supplier information in your vendor master is accurate and up-to-date. Now, through a single, web-based platform you can:

- Assess and qualify suppliers at the item, plant, or location level
- Access a 360-degree view into supplier information
- Monitor and manage supplier performance with a centralized information portal
- Assess compliance and manage supply risk
- Quickly identify and assess new sources of supply
- Streamline supplier onboarding process workflows and approvals

Ready to Get Started?

Are you ready to connect the people, processes, and information needed to manage all direct and indirect sourcing categories and activities in a simple, smart, and open way? Now you can with SAP Ariba Strategic Sourcing Suite. To learn more, visit <http://www.ariba.com/solutions/buy/sourcing>.

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