Elemica

Buy | **Vendor Managed Inventory**

Keep inventory at desired levels through digital supplier collaboration, sharing key data and performing automated order initiation.

Challenge

Issuing, monitoring, and changing POs is laborious and lacks transparency. Companies trying to be more collaborative with a vendor-managed inventory process often have very limited tool sets to make that a reality—such as sharing an endless series of homemade spreadsheets. But this process can waste hundreds of hours annually. And that's just for existing suppliers; onboarding suppliers requires even more work.

In addition to matters of efficiency, inventory management is mission-critical. Between inventory on hand, A/P and A/R there are trillions of dollars' worth of value tied up in inventory. Inefficient management has the potential to hit your balance sheet hard. And supplier misunderstandings can lead to stock-outs or other expensive business disruptions that could risk customer relationships.

How can you give suppliers the data and decision-making tools they need to keep your inventory levels topped up? You could implement a full-scale ERP-to-ERP connection enabling vendor managed inventory, but that only works if your supplier has a planning engine to utilize VMI signals. And it's often not worth it for either party. Manually balancing the time, risk and cost of implementation can be difficult.

Solution

The Elemica Buy™ Vendor Managed Inventory (VMI) module lets you collaborate digitally with suppliers so they can keep your inventory levels right where you want them. Initiate orders automatically to prevent problems and give suppliers all of the data they need to forecast accurately, plan effectively and invest appropriately.

And the best part? The module integrates suppliers without requiring complex planning tools that are expensive to buy and configure for suppliers. Onboarding can be done in just a few hours, giving suppliers real-time inventory insights and direction that will help keep your business on track.

No more spreadsheets, emails or antiquated fax communication. When you use the Elemica Buy™ VMI module, suppliers have instant insights into what you have—and what you need. Orders will happen automatically, and the Elemica platform ensures that regional variables such as language are not a barrier to smooth inventory management. This is more than just a way to improve supplier service; this is a way for procurement staff to free up their time and help de-stress their everyday work and life.

- **Streamline inventory management**
- **Prevent stock-outs more effectively**
- **Protect supplier relationships**
- **Improve supplier responsiveness**
- **Accelerate order speed**
- **Onboard suppliers quickly**

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At a Glance

Vendor Managed Inventory

Features

01 Digitize and integrate VMI-related signals directly into buyer ERP systems

02 Resource-light module requires no work or IT infrastructure on the part of suppliers

03 Scalable for deployment across an infinite number of vendor companies

04 Detailed application portal letting suppliers see your inventory of their products in real time

05 Optional planning engine for suppliers wishing to establish a direct back-office integration

06 Module assists in the aggregation of digital inventory data that could help fuel better analytics

Benefits

Optimize inventory investment, striking the right balance of working capital, productivity and risk

Streamline inventory management, eliminating time-consuming manual work

Automate the orders required to keep inventory at target levels across an infinite number of suppliers

Accelerate transaction speed and supplier responsiveness while improving order accuracy

Improve data quality and reduce the number of errors for fewer supplier oversights and disruptions

Reduce the risk of inventory stock-outs

Elemica transforms supply chains by replacing manual and complex approaches with efficient and reliable ones. The world's leading business network for process-intensive industries, we drive bottom line results by promoting reduced cost of operations, faster process execution, automation of key business processes, removal of transactional barriers and seamless information flow between trading partners.