Epicor Prophet 21 for
Industrial Distributors

Critical Industrial Distributor Needs

- ▶ Quotes and orders
- ▶ Front counter
- ▶ Scheduled orders
- ▶ Order history/previous requests
- ▶ Customer-specific pricing
- ▶ Contract pricing
- ▶ Document links
- ▶ Accessory and substitute items
- ▶ Manufacturer's rep orders
- ▶ Customer- and vendor-managed inventory
- ▶ Crib integration
- ▶ Vendor pricing updates
- ▶ Rebate management
- ▶ Lot tracking
- ▶ Serial number tracking
- ▶ Service and maintenance

Epicor—A Proud Sponsor of Industrial Supply's 2018 Top 20 Distributors List— Knows Your Industry

As a distributor of industrial equipment or supplies typically sold to the OEM and MRO industry, your business processes are unique, and you need a business software solution that's fit to solve the challenges you face on a day-to-day basis. You need an easy-to-use system that's at the leading edge of technology and is uniquely positioned to drive grown and profitability. Your business software solution must be flexible and robust enough to support multiple branches, your value-added services, productivity improvements, and customer retention as intense eCommerce competition from large-volume Internet distributors is driving prices downward.

Epicor is the preferred business software provider for 1,200 industrial distribution customers, and over 40% of Industrial Supply's Top 20 Distributors List are Epicor customers*.

*2017 Industrial Supply's Top 20 Distributors List

EPICOR.

"We selected Epicor Prophet 21 for several reasons. When we looked at our business, we looked at the leaders in the industry. What does Amazon do? What does Grainger do? We felt if we wanted to grow our business, we were going to need to be at that level."

—ALP Supply

Industrial Industry Relationships

Epicor is an active member of leading industrial trade associations such as Industrial Supply Association (ISA), National Association of Wholesale Distributors (NAW), Affiliated Distributors (AD), NetPlus Alliance, Specialty Tools & Fasteners Distributors Association (STAFDA), Independent Distributors Cooperative-USA (IDC-USA), and Evergreen Marketing Group. Because Epicor seeks to provide industrial distributors with the best solutions to help them meet their business goals, Epicor also regularly seeks out the input of its industrial customers in the development of its solutions and services.

A Comprehensive Solution

The Epicor® Prophet 21® enterprise resource planning (ERP) solution is designed to address the challenges of today's dynamic industrial distributor—enabling users to take full advantage of modern, cloud-ready technologies for lower total cost of ownership (TCO) . It runs on any leading browser—improving usability and mobility while allowing users access from supported devices, anywhere. Epicor Prophet 21 software is designed to help your distribution business scale, change, and grow without major system modifications. It's a future-ready platform that will help support your digital business needs today and beyond.

First, we offer comprehensive functionality for the core needs of any distributor—inventory management, purchasing and planning, sales and order management, and finance. However, Epicor focuses on the unique needs of your business including value-added services. We offer more out-of-the-box distribution capabilities than any other leading software on the market—including vessel and container cost tracking, sales tax, PO variance queues, kitting, assembly and production orders, job management, VMI, buying trend analysis, special project pricing, and more.

Epicor delivers the tools you need to thrive in a changing, competitive landscape. In addition to the deep distribution functionality you receive in the core product, we also offer a number of optional modules that can be added to build the perfect solution for your unique business including an integrated eCommerce platform, powerful BI and analytical tools, and enterprise content management. By choosing Epicor as your software solution, you enter the largest and most engaged community of industrial distributors that includes top organizations like DXP, GHX, United Central Industrial Supply, Eriks, Stellar Industrial, Duncan-Parnell Inc., Abatix, GS Global Resources, Interstate Connecting Components (ICC), and DeeTag Ltd.

- ▶ Duncan-Parnell Inc. has seen a 133% increase in profits with a 58% increase in sales over 3 years as an Epicor Prophet 21 customer
- ▶ After implementing Prophet 21 software, Abatix had a 40% increase in sales with less than 10% increase in headcount
- ▶ GS Global Resources saved 2,000 hours per year as a result of database consolidation with fast access to meaningful reports for analyzing and improving company performance
- ▶ DeeTag Ltd saw a faster learning curve for new employees and warehouse interns saving $15,000 in training costs annually after implementing Prophet 21
- ▶ ICC saved $40,000 over implementing a separate CRM solution

Stand Out From Your Competition

Epicor is uniquely positioned to help you achieve the business results you need to grow and sustain a long-term competitive advantage. Below are just a few of the ways you can differentiate your business with Epicor business software.

Drive sales growth

Increase sales with Customer Buying Trend Analysis to know which customer/item combinations have had a measurable sales trend up or down over a certain number of days.

Recapture lost revenue from missed purchases by better understanding customer/item combinations with missed purchases over a certain number of days.

Shorten order-processing time with manufacturer rep order entry to simplify billing rep orders by allowing you to enter line items as you would for a typical sales order.

Grow margins

With Epicor Strategic Pricing, you'll get all your transactions to that optimal price—not too high, not too low, but just right. This ensures you maximize profits by squeezing higher gross margins out of less price-sensitive transactions.

Epicor Strategic Pricing can also increase your gross margins anywhere from two to four percentage points by analyzing your database for customer and order information and recommending optimal discount structures across customer and item categories.

In addition, you can improve control over warehouse tasks with the fully integrated, real-time wireless warehouse solution built into Prophet 21 software.

Set yourself apart

Out-of-the-box Consignment/Distributor-Managed Inventory allows you to manage inventory at your customer's location to increase loyalty and service levels. Multi branch transfer management also lets you source product from other locations and centralize your purchasing.

Improve the management and accuracy of customer deliveries with Epicor Proof of Delivery software. Enhance customer satisfaction by adding a return to a driver's delivery list.

Support employee engagement

Improve sales team satisfaction and productivity with automated notifications when any of their accounts are trending down in sales, have missed typical purchases, when backorders are filled, or if a backorder will be late.

Help your sales and services team members be more productive with Prophet 21 Mobile Sales. Keep accounts up to date, enter new opportunities, or update the degree of confidence they have about winning a sale—all organized directly from their device of choice.

Wireless Workbench allows your managers to be proactive in pushing work out to the warehouse—keeping them and the team engaged in meeting goals.

Your ERP System Should Solve Problems, Not Create Them. Find out How at epicor.com.

Agility
You can't always predict the direction future growth will take. A partner who can keep pace is essential.

Functionality
An ERP system requires the capability to do everything that your ERP strategy demands of it. It must be fast, reliable, and easy to integrate with your other systems.

Innovation
An ERP partner who supports innovation is useful. One who understands the risks—and helps you navigate them—is invaluable.

Ease of use
Nobody wants to wade through a difficult and unfriendly learning curve. An ERP system with an intuitive user interface will increase employee satisfaction and productivity.

Considerations When
8
Choosing Your ERP System

Implementation
If you have problems at this stage, it can have a lasting effect on your ERP system's performance—and your profit. Look for a partner with a proven record.

Deployment options
On-premises, private cloud, public cloud, or hybrid deployment options—combined with mobile access for your employees—help enable your organization to remain flexible and responsive.

Industry expertise
A partner with specialized industry expertise can bring useful perspective and insight to your ERP system.

Scalability
An ERP system built on scalable architecture will help you manage growth—and the fewer customizations a system requires to meet your specific needs, the better.

Functionality Supporting Your Critical Needs

Quotes and orders

Your order management processes directly affect your customers and how they view your business. Customers demand faster, better service and will go elsewhere if you can't meet their needs.

Prophet 21 software enables you to complete the entire order-entry process from one screen, allowing you to:

▶ Enter quotes and orders
▶ Convert quotes to orders
▶ Check stock
▶ Expedite orders
▶ Search price and availability requests
▶ View past invoices
▶ Verify shipping preferences
▶ And more

Whether orders are entered at the counter, remotely via a mobile computing device or laptop, or over the web, information goes directly into your Prophet 21 solution for faster processing—eliminating re-keying errors.

Front counter

Whether you have a small counter or a large customer self-service area, you'll need point of sale and front counter capabilities to help your customers check out. Prophet 21 software has the necessary tools to handle that early morning rush quickly and efficiently. You can help any customer on the spot by accessing your entire inventory from the Order Entry screen, offering a price, placing the order, and then accepting payment or recording the transaction for invoicing.

To speed the order entry process, items can be manually entered or scanned using a wireless or USB bar code scanner. Customer credit can be checked on the fly, and notifications can be sent immediately to the credit manager should there be an exception. Payments can be entered on the transaction—including the ability to accept cash, check, or credit card payments. The Epicor integrated credit card processing solution enables you to accept customer payments with credit or debit cards and receive immediate authorization. You can avoid the inefficiency and inaccuracy of separate terminals while simultaneously simplifying and lowering your costs to comply with the payment card industry (PCI) security standards.

Having proof of pick-up—such as the signature of the person who completes the pick-up on the invoice—can prevent messy disputes and expedite payment. Front Counter Signature Capture uses a simple, easy-to-install capture device that fully integrates with the Prophet 21 Order Entry module to instantly provide you with a permanent, irrefutable record of what left the warehouse, when, and with whom.

Scheduled orders

Customers sometimes place orders that will ship over time. Delivery dates could vary from item to item or even within an item—requiring distributors to ship specific items or quantities on specific dates. Many distributors enter these as separate orders or track these orders outside their system—in spreadsheets or on paper. Prophet 21 software allows distributors to handle these types of orders directly in Order Entry.

Prophet 21 Order Entry allows you to manage release dates at both the order and line level. Multiple releases can be scheduled for the same order and can be entered using a specific date or using a rule—for instance, 12 releases, once a month, starting on a specific date. Default settings allow you to determine when the order is expedited and picked.

Prophet 21 software also helps manage inventory allocations for scheduled orders. Instead of immediately allocating material on a schedule order, Prophet 21 software uses lean principles to allocate the material "just in time." The calculation begins with the expedite date, then—using the next schedule review (purchase) date, the safety stock days, the lead time, and the lead time safety factor—Prophet 21 software allocates the material "just in time."

Order history/previous requests

How often do you deal with customers who ask for the same item they purchased in the past? When you ask for more specific information, do they only remember a portion of the item information, the quantity, or the date they bought it? Prophet 21 software includes a previous request search—allowing you to search through the customer's sales history. You can narrow your sales history search by date range or keywords and—in a few simple steps—add that item to the customer's current order. This saves time and eliminates trips to the file cabinet to thumb through customer invoices.

Customer-specific pricing

You can probably count on your core customers to order certain products from your company on a regular basis. It makes sense for you to reward frequent customers and encourage return business by offering special pricing. When a manufacturer offers you a price break, you may also want to pass those savings on to your customers.

Customer-specific pricing gives you the flexibility to set prices as you see fit—including offering select customers preferred pricing, offering pricing based on quantity breaks, and setting promotional pricing—ensuring you maintain your margins while meeting customer and competitive demands. You can even set start and end pricing dates on a customer, product, or product group basis to meet contractual obligations or for limited-time specials.

Contract pricing

For many customers, you'll need to negotiate pricing down to the item level. Establishing fixed, time-based net prices on a SKU-by-SKU basis. Prophet 21 software enables you to set up time-sensitive contract pricing for these customers. Contract pricing is fully integrated in Quote/Order Entry to ensure the customer gets the right contract price on each transaction. Additionally, starting and ending dates on contracts allow you to track when contracts are expiring and set up contracts that will automatically kick in on the starting date.

Document links

Epicor Prophet 21 software offers a cost-effective, reliable alternative to filling your office with space-consuming file cabinets. Eliminate the need to walk back and forth between desks and file cabinets to retrieve your paperwork with document links. By giving you the ability to scan paper documents and link them to records within the solution, Prophet 21 software helps boost employee efficiency while cutting the time and expenses associated with maintaining traditional paperwork.

Document links allow you to link maintenance and transaction records to any file on your network—from vendor invoices and customer purchase orders, to specifications and material safety data sheets (MSDS). You can even scan and save handwritten letters and faxed communications or link to emails that relate to specific orders. Because your employees will have better access to important customer and product information, service can improve. In addition, because they can email or fax the documentation directly from Prophet 21 software, your employees can simply click on a link to those documents and send them instantly.

Accessory and substitute items

Because Prophet 21 software has the built-in ability to suggest accessory items and substitutions, you can grow your margins and make even your most inexperienced sales people sound like seasoned pros. Does every one of your sales and service representatives know—or remember—to offer "go-with" items? Prophet 21 software solves this issue by automatically "suggesting" products that go with items on a customer's order—helping to increase sales and improve customer satisfaction. In addition, Prophet 21 software automates substitution processes. For example, if one of your most popular SKUs is backordered, the solution will remind your sales representatives to offer a similar—or even identical—product. This feature ensures that you will never turn customers away because products are out of stock.

Manufacturer rep orders

Whether you call it an "order," an "agent order," a "commission order," or a "manufacturer rep order," any order where you act as the sales representative for a certain manufacturer, supplier, or vendor requires special treatment. Since these orders are billed and filled by the manufacturer, processed without creating a customer receivable, and paid as a commission from the manufacturer, they cannot be treated as a normal order. The manufacturer's representative functionality in Epicor Prophet 21 software manages such orders by providing you with the features necessary to separate manufacturer rep orders from normal orders while tracking how they impact your bottom line and business processes.

Once enabled in your order processing system settings, manufacturer rep order entry simplifies billing rep orders by allowing you to enter line items as you would for a typical sales order. However, since rep orders are a non-inventory process, Prophet 21 software is designed to not allocate any quantities from inventory and will print manufacturer rep order forms in place of pick tickets, packing lists, and invoices.

Customer/vendor managed inventory

Many distributors now offer to manage storerooms and stock bins and determine usage for their customers. This service is gaining momentum as one of the most important value-added services a distributor can offer. If performed manually, this process can be incredibly tedious, time-consuming, and inaccurate. However, with the right tools, it can lead to increased sales, better inventory control, and satisfied customers.

Prophet 21 software allows you to manage any customer's inventory through either consignment—when you keep your stock in their warehouses—or bin management—when you regularly replenish SKUs at their locations. You can schedule blanket releases, track what inventory is with which customer, and monitor usage trends to determine how much stock you need to carry to satisfy needs. Cycle-counting features can confirm that inventory counts are accurate—both at your company and at customer locations—and lot and serial number tracking permits you to track stock and ensure well-organized inventory rotations. With the scalability and flexibility of your Prophet 21 system, you will have the capability to manage numerous customers' stockrooms.

Crib integration

Epicor Prophet 21 software also provides the ability to integrate with tool cribs or vending machines in place at customer sites. Tool cribs allow your customers easy access to inventory and can be automated to pass information about usage back to Prophet 21 software without the need for a salesperson to make an onsite visit.

Vendor pricing updates

Let your service representatives focus on proactive tasks—not data entry. With an open database and unparalleled connectivity, it's easy to upload manufacturer price lists and data sheets. Plus, the solution can automatically convert metric measurements into inches and feet after you upload data from overseas manufacturers—simplifying the process of importing product and reducing the chance of errors.

Rebate management

Many top vendors offer rebates that help distributors maximize profits. Robust rebate functionality helps you manage these rebates and insures you have the functionality you need to take advantage of anything your manufacturers might offer. Track vendor rebates electronically for more accurate books and a healthier bottom line. Simplify the often tedious task of handling vendor rebates by completely automating the process. Each step—from negotiation, to receipt, and beyond—is recorded in real time and reflected in your solution's General Ledger and price schedules. This way, you never lose track of a $2,000 rebate you earned and sales and order entry staff always see proper gross margins to offer customers appropriate pricing. Additionally, your accounting staff will benefit from the ability to produce detailed, easy-to-understand rebate reports and—more importantly—the accurate, concise information you need to send vendors to claim your rebates.

Lot tracking

Tracking item lots from origin through final shipment is a critical task many distributors must manage each day. Customers often demand to know when, where, by whom, and to what specifications a product was made, and they want you to provide documentation detailing each step of any process. Without the right tools and technology, managing these processes can easily overwhelm even the most organized businessperson. Fortunately, Epicor Prophet 21 simplifies lot tracking by making it easy for distributors to manage the most complex products and processes.

Prophet 21 software allows you to assign virtually limitless attributes to each lot—enabling you to determine exactly which data you associate with each item. Many distributors might also need to keep information about a product's genealogy from manufacturers and suppliers. Prophet 21 software makes it easy to record this type of information.

Some customers—like those in the aerospace, automotive, and medical industries—may require that you send specifications and/or certifications related to the lot they purchase, while others may not want such detailed information. Prophet 21 software lets you customize records to match customers' documentation needs and will automatically print, fax, or email the information with packing slips, invoices, or other pieces of correspondence.

Serial number tracking

Important for recalls and record-keeping purposes, tracking serial numbers can be a big part of your business. Prophet 21 allows you to record the serial numbers on any item coming into or leaving your warehouse and offers flexibility in how you track this information. You can choose to group all items manufactured at the same time together, or you can assign lot numbers at the point of sale.

Service and maintenance

To help distributors automate the service and maintenance process and more quickly and effectively meet their customers' needs, Epicor developed the Service and Maintenance module for Epicor Prophet 21. Service and Maintenance allows users to enter and process service quotes and orders at all phases of a service transaction. You can order and replenish parts directly from your existing inventory, set up labor and technicians to manage work performed, track full sales and service history for all serial numbers, and minimize data entry through an automated process.

Warranty information and preventative maintenance schedules can also be set up at the item level. Warranty records note expiration dates for given serial numbers, as well as coverage details down to the individual part and labor level. When processed on a service order, customer pricing is set based on coverage rules by the warranty, and warranty claims can be generated to manufacturers for reimbursement. Similarly, if you or the manufacturer recommends preventative maintenance, Prophet 21 software can automate the reminder process and facilitate creation of service orders against preventative maintenance schedules.

Once a service order is entered, the dispatcher can schedule the service by viewing a graphical display of technicians' availabilities and dragging and dropping specific labor tasks into an open time slot—which will automatically create start and end times for the technicians to complete the associated labor.

Our focus is clear—make it easy for distributors to stay current on technology, move to the cloud, leverage solutions that fit their industry and empower them to drive digital transformation and growth. Epicor products are working today on a global scale, delivering impressive benefits to companies just like yours. By providing flexible, industry-specific software designed around the precise needs of our customers, Epicor solutions promote growth while managing complexity and increase efficiency so your business can stand out from the competition.

About Epicor

Epicor Software Corporation drives business growth. We provide flexible, industry-specific software designed to fit the precise needs of our manufacturing, distribution, retail, and service industry customers. More than 45 years of experience with our customers' unique business processes and operational requirements are built into every solution—in the cloud or on premises. With this deep understanding of your industry, Epicor solutions dramatically improve performance and profitability while easing complexity so you can focus on growth. For more information, connect with Epicor or visit www.epicor.com.

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