

ASSEMBLED AND DISCRETE PRODUCTS

Benefits

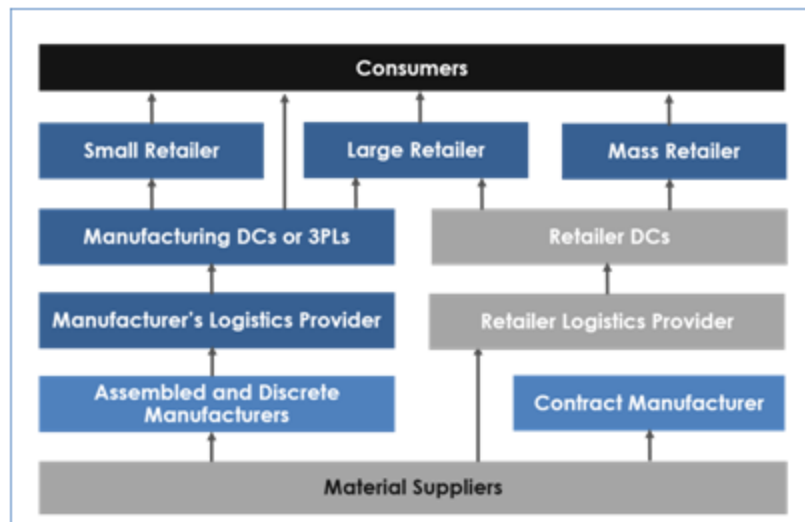
Improve global supply chain visibility and supplier collaboration

Better meeting of changing consumer demands and product variation requirements

Manage promotions and trade management to optimize profits

QAD offers assembled and discrete products manufacturers a complete solution to help address the unique challenges of their industry. Due to the internet and social media, rapidly changing consumer preferences shorten product lifecycles and increase the need for configured products. Global and expanding supply chains make supplier visibility and collaboration key for manufacturers, and effective promotion management is needed to optimize margins. Based on QAD Cloud ERP at the core, and extended by other QAD capabilities, the QAD solution helps assembled and discrete product manufacturers compete effectively in this complex, global business environment.

Assembled and Discrete Products Value Chain



Key QAD capabilities include material traceability, demand planning, supply chain execution, quality management, global financials, promotions management and product traceability. These and other capabilities provide manufacturers of assembled and discrete consumer products the ability to control manufacturing processes while meeting customer demand and ensuring quality and consumer safety. Manufacturers better control risk, align strategy and operations and continuously improve operations.

Better manage manufacturing cycles through improved planning and supplier management and more efficient manufacturing management.

Increase inventory turns and reduce inventory by using sophisticated forecasting methods

and detecting demand forecast changes as they happen.

Improve promotion and distribution management through better trade activity management.

Deliver the products consumers demand through integrated quality processes.

QAD Assembled and Discrete Products Overview

Assembled and discrete consumer product manufacturers use a combination of automated and hands-on assembly to produce a variety of non-powered tools, sporting goods, toys, furniture and other assembled household and consumer items. The assembled and discrete products segment is global in nature where material components are produced and sourced all over the world.

Technology and social media currently impacts this industry by increasing the rate of change of consumer tastes and preferences. Internet buying complicates the value chain and has grown the need for configured products as consumers desire more product customization. Given the global nature of this business, manufacturers must adhere to many financial regulations which often change.

To address these challenges, manufacturers require end-to-end production and supply chain visibility, and constantly pursue streamlining processes for rapidly manufacturing high quality products. Key component items are often sourced from other countries and managing on-time delivery of materials to keep up with finished product demand is a key challenge. Regulations geared toward consumer safety are also changing, which impacts the entire supply chain and manufacturing process.

Synchronization of processes between departments is critical to on-time delivery. Supply chain planning, from customer demand through procurement, while also balancing manufacturing scheduling, is essential to success. Manufacturers often apply lean principles to streamline processes and control costs. Production assets are expensive and require maintenance to keep the shop floor running efficiently. Value added inventories are expensive given product variations, complicating warehousing and transportation. Effective management of inventory is essential to managing margins.

QAD Cloud ERP and closely related capabilities support the unique challenges of global producers of assembled and discrete consumer products. The QAD solution is based on best-in-class, industry-specific business processes needed to compete in today's highly competitive environment. The following are key processes provided by QAD to these manufacturers which successfully address their challenges.

[QAD DSCP \(Demand and Supply Chain Planning\)](#)

[QAD TAM \(Trade Activity Management\)](#)

[QAD Supplier Portal — Supplier Management](#)

[QAD Lean Manufacturing](#)

[QAD QMS \(Quality Management System\)](#)

[Planning and Scheduling Workbenches](#)

[QAD Warehousing](#)

[QAD EAM \(Enterprise Asset Management\)](#)

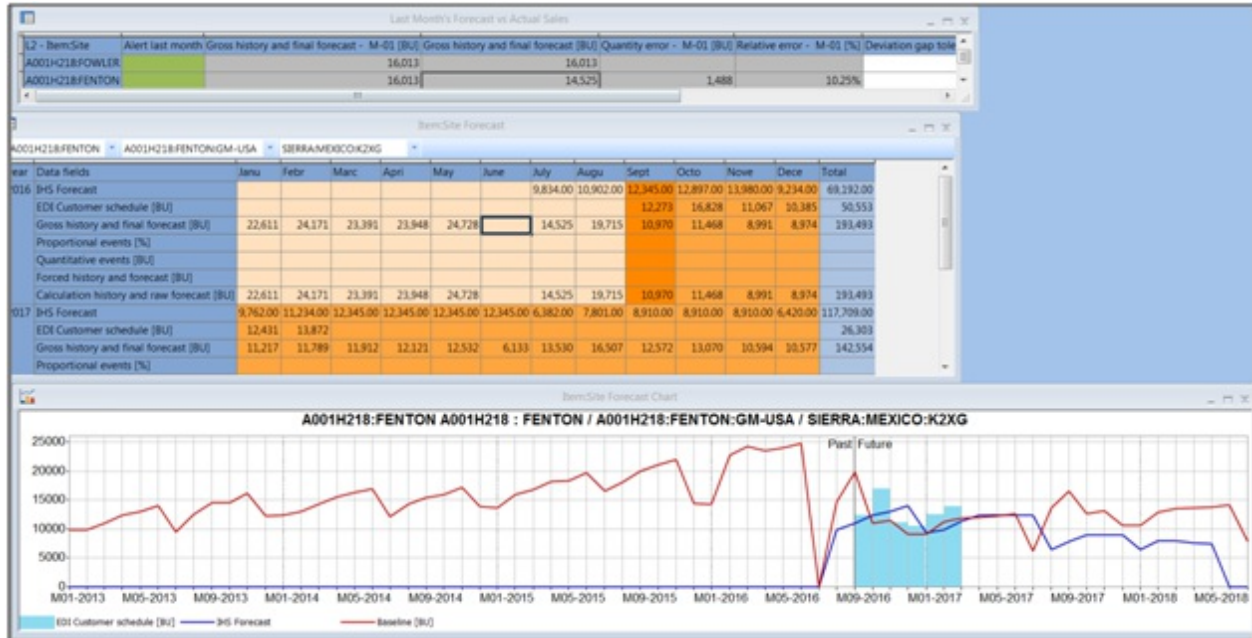
An overview of the key processes in this industry follows. For information about the other processes, please visit QAD.com.

QAD DSCP (Demand and Supply Chain Planning)

QAD DSCP provides the tools needed by assembled and discrete product manufacturers to better build and manage forecasts. QAD DSCP **improves the reliability and accuracy of forecasts** by ensuring collaboration across all departments and personnel involved in the forecasting process. **Manufacturers can manage forecasts at any level** – customer, item, group or family – with input from a variety of sources – sales representatives, customers, marketing and finance.

QAD Demand Planning creates sales forecasts based on historical data (typically EDI data), market analysis data and customer production data. It handles exceptional events such as holiday shutdowns. It uses **sophisticated statistical modeling to pinpoint anomalies that can skew demand** and can smooth historical data, determine the effect of exceptional events and generate a forecast for each individual item by automatically selecting the best-fit statistical model. It also supports situations where manufacturers rely on new product introduction for major company revenues.

QAD DSCP Long Range Forecast



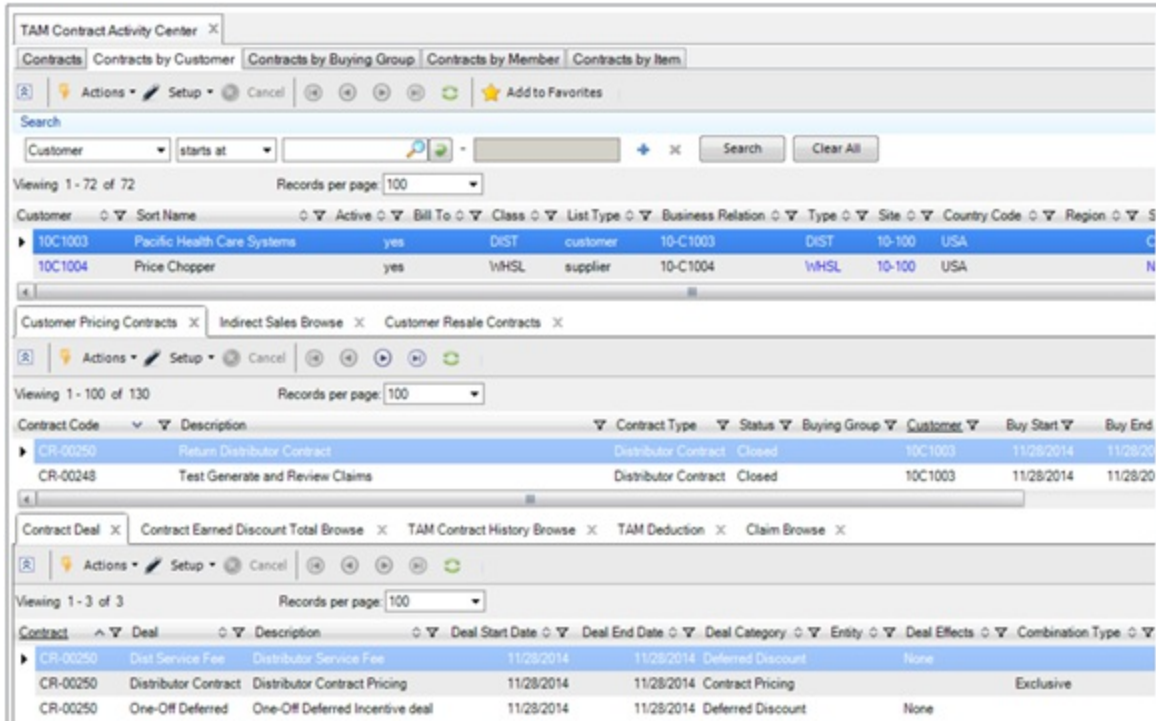
QAD TAM (Trade Activity Management)

QAD Trade Activity Management provides the ability to use historical information to plan promotions. It provides **increased visibility of all discounts earned against promotional deals**, available on a real-time basis. Promotional data is maintained at the invoice line level and includes all relevant details needed for profitability analysis. Manufacturers can copy varying levels of detail from live promotions or create templates from past promotions.

QAD TAM provides **flexible deal management capabilities for individuals and groups by customer and items**. Deal categories include: Immediate discounts and order line/order level discounts commonly referred to as Off-Invoice deals which may include deferred discount; future discounts based on sales activity commonly referred to as Bill-back and Rebate deals; bonus goods – free or discounted goods based upon previous order lines; allocated funds – fixed monies with a defined payment schedule independent of sales activity commonly referred to as Lump Sum deals.

QAD Trade Activity Management delivers an efficient and powerful **solution for managing deductions**. Key deduction management capabilities include the Deduction Review workbench for viewing and maintaining deductions and Earned Discount Visibility.

Trade Contracts Activity Center



QAD Supplier Portal – Supplier Management

QAD Supplier Portal offers a **collaborative, web-based solution that supports any procurement model** including discrete purchase orders, supplier schedules, Kanban and Vendor Managed Inventory including consignment and subcontract purchases.

With QAD Supplier Portal the **manufacturer and suppliers share real-time information about inventory, replenishment requirements, demand, shipments and invoices**. It includes alerts for any issues that might affect production or product delivery and includes track and trace functionality to help track incoming shipments.

Suppliers use self-service to acknowledge orders, record shipments and Advance Ship Notices (ASNs) and can create containers and print barcoded labels. Suppliers can also generate draft invoices making it easier to match shipments, receipts, invoices and streamline the payment process. Suppliers can review the manufacturer's requirements and check shipment receipts and invoice status, 24 hours a day, 7 days a week – cutting administrative costs and reducing errors. It provides **better visibility into demand which helps suppliers plan more effectively and reduces their costs** – something they can pass on to the manufacturer via lower prices.

The information sharing and streamlined communication of QAD Supplier Portal give manufacturers the agility needed to **better meet customers' demands while reducing inventory and supply chain costs.**

QAD Supplier Portal Advance Shipping Notice Tracking

| Messages Inventory Orders Schedules ASNs TMS Receipts Invoices SQP RFQ Admin Help | | | | | | | | | | | | | | | | |
|---|---------|---|----------|----|----------------|-------------------|----------|------|------------------------|---------------|--------|-----------------------|------|-----------------------------|---------------|---------------|
| Supplier: (All) | | | | | | | | | | | | | | | | |
| ASN Header & Lines | | | | | | | | | | | | | | | | |
| ASN Number: | | 31S1002-080216 | | | | | | | | | | Status: | | Received | | |
| Ship To: | | 10-200 30 Ridgedale Avenue East Hanover, NJ United_States | | | | | | | | | | Ship Date: | | 2016-08-01 23:00 US/Pacific | | |
| Dock/Gate: | | Dock A | | | | | | | | | | Target Delivery Date: | | 2016-08-08 06:39 US/Pacific | | |
| Remark: | | | | | | | | | | | | Create Date: | | 2016-08-02 06:39 US/Pacific | | |
| Reference Links: | | | | | | | | | | | | Ship From: | | | | |
| | | | | | | | | | | | | Manufacturer: | | | | |
| Line | Item ID | Supplier Item ID | Quantity | UM | Shipper ID | Country Of Origin | Location | Dock | | Replenish Qty | Site | Order Number | Line | Release | Delivery Date | Schedule Date |
| 1 | 62250 | | 2000.00 | LB | 31S1002-080216 | | 020 | | Detail | 6239.2 | 10-200 | PO071621 | 1 | | | |

For more information on how the QAD solution for assembled and discrete product manufacturing can help your company, please contact QAD at +1-805-566-6100 or email info@qad.com.