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PRESIDENT'S NOTE BY TOM NABER



Another IDEA column

IDEA and data synchronization are certainly not strangers to this space. It has been covered dozens of times here in the past few years...but that's okay—some messages take longer than others to catch on. This note comes more or less from my bosses, the NAED Board of Directors, who want everyone—particularly manufacturers—to know that it is essential to distributors that manufacturers put distributors' net-into-stock pricing and enriched data into the IDW2.

In fact, the Board urges each and every distributor to get on the phone with the highest person that can be found within a manufacturing company and tell him or her how important getting information into IDW2 is to the distributor's efficiency and success. The board members themselves have promised to do just that this summer to CEOs, presidents, CFOs, COOs, and other high-level leaders within the manufacturing community.

As I've written several times in the past few months, manufacturers seem to have stalled in the process of populating their data into the IDW2. The Board admits that although getting data synchronized into the IDW2 isn't an easy process, it is a necessary one.

For manufacturers, net-into-stock pricing means eliminating redundant activities and potential confusion caused by sending multiple e-mails, phone calls, CDs, and faxes. For a distributor, it saves an immense amount of time by providing one location from which to access manufacturer data.

Manufacturers have told IDEA's staff that they don't trust IDEA's security. It seems many would rather drop a CD in the mail, send an e-mail, or even send a fax—you know, those things that can be passed around or picked out of the garbage by anyone who feels like dumpster diving. Even if it doesn't get stolen, is anyone really sure that it will arrive when

it's supposed to arrive? I don't know about you, but I've had lots of overnight packages show up two or three days late.

Besides, IDEA's security is excellent. An outside audit agency recently gave the IDW2 the highest security rating possible.

Enriched/catalog data and product images are pretty important to distributors, and they could have a big impact on increasing sales. More detailed product descriptions improve keyword search capability for the sales and marketing staff, enable manufacturers to differentiate their products from their competitors', and allow distributors to highlight their best-selling products on Web sites and in marketing material. Because IDW2 can store URLs to documents on a manufacturer's server, the latest data is automatically linked to the distributor's Web site or electronic catalog, eliminating the need to deal with large files and burn and distribute hundreds of CDs.

All of this makes sense, doesn't it? IDEA performed a study a few years ago that pointed out that manufacturers with synchronized data can expect a .25% or more increase in profit. Distributors working with the same manufacturer can expect a .5% to 2% increase in profit. When you start comparing manufacturers' goods that seem fairly close in quality and price, back-end efficiency becomes more important than ever in the vendor/distributor relationship.

Therefore, the next time you get the chance, be sure to tell the manufacturer how important synchronized data is to your future and your relationship with that company. If enough distributors make the point, I'm sure it will go a long way to make the electrical distribution channel even more efficient than it is already. ■■■

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