

# IDEA E-BIZ FORUM 2008

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## Increased Trading Partner Profits via the IDW

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# An Electrical Industry Success Story

**John Wilson, Manager E-Commerce for SYLVANIA**

**Phil Hale, Manager IT/E-Commerce for Elliott Electric**



# SYLVANIA: Industrial Commercial

## ■ Two prong approach

- Provide our distributor partners with an ease of doing business
- End-user do more with lighting

## ■ Markets Served: Electrical Distribution, Retail Trade, Commercial Sector, Contractor and Political.

## ■ Strengths:

- Industry leader
- Active NAED member
- End user sales development
- OSRAM SYLVANIA direct sales force



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**OSRAM  
SYLVANIA** 

# Electrical Industry Initiatives



- Founded by 17 Electrical Distributors
- And 17 Electrical Manufacturers
- Central deposit of catalogue data
- Founded in 1995



- Key objectives –
  - Take cost out of "supply chain"
  - Provide platform for e-commerce exchange



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# Electrical Industry Initiatives



key activities/services

- Define industry standards
  - EDI
  - Flat File
  - Data certification
  - Data synchronization
- Provides industry VAN at reduced costs
- EDI to Flat File exchange between partners



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# Electrical Industry Initiatives



paradigm shift

Country-club to industry issues resolution



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# Industry Cross Functional Teams



NAED provides outlet for industry standardization.

- Committees include manufacturers, distributors manufacturer rep agencies, software providers
- Business, legal, technical personnel, & systems



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# Electrical Industry Initiatives

## ■ Industry initiatives benefits –

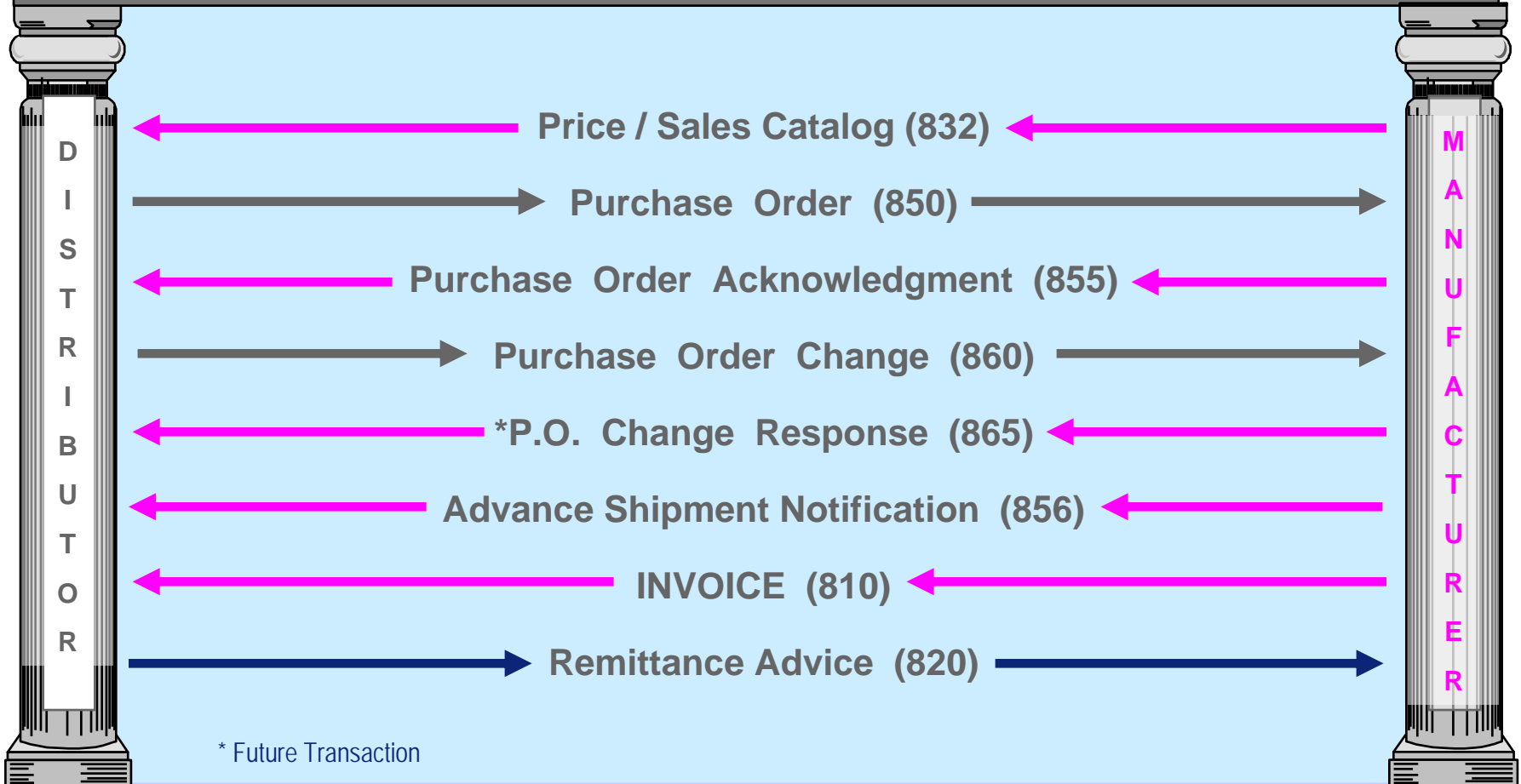
- Manufacturer's product data certification
- Data synchronization between partners
- Enriched data catalogue
- Special Pricing Authorization (SPA) simplification
  - Claim-back pricing – end-user specific pricing
    - Difference between invoice and contract pricing



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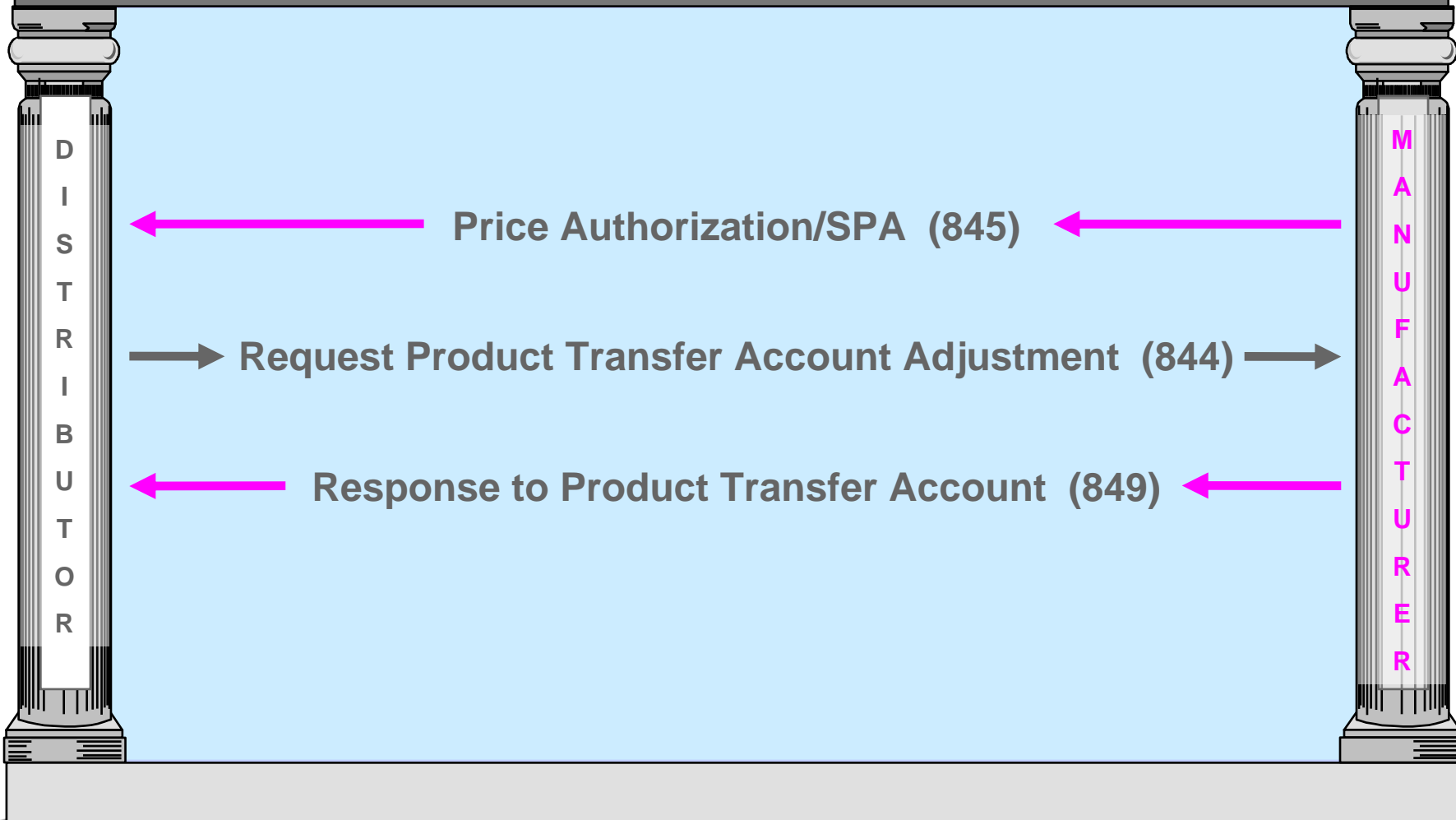
# Purchase Order thru Payment Cycle



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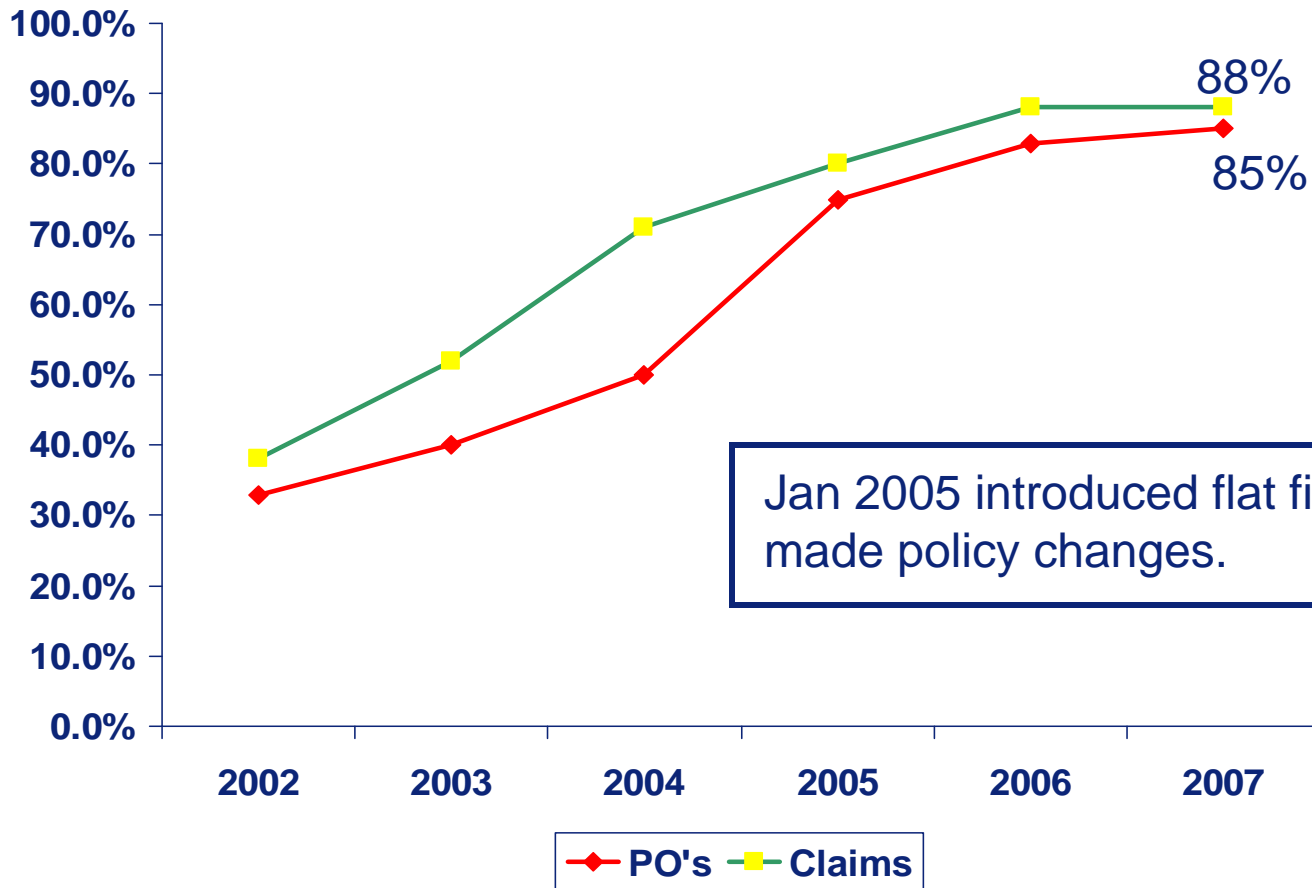
# Price Approval thru Claims Cycle



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# SYLVANIA's Percent Electronic Purchase Orders & Claims



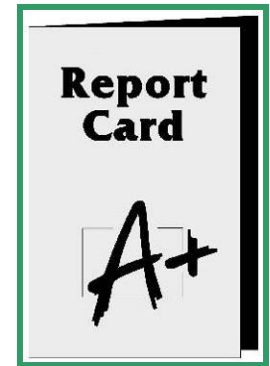
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# Electrical Industry Initiatives

## ■ Next developments –

- Continue SPA standards development
  - Claiming done, request for pricing in committee
- Industry Report Card
  - Definition of terms (example is shipping days)
    - Unit vs Line Fill Rates, number of shipments to complete
  - Agreement on elements in committee
  - Take personality out of the standards
- Foundation R & D
  - Raised \$7+ million
  - Examine industry issues, commission research, education and training to improve channel profitability, efficiency and productivity.



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# Trading Partners Depend on Each Other

- It's no longer
  - Vendor/Customer
- It's a partnership –
  - Mutual objectives
  - Sharing of ideas
  - Cross-Functional Team concepts

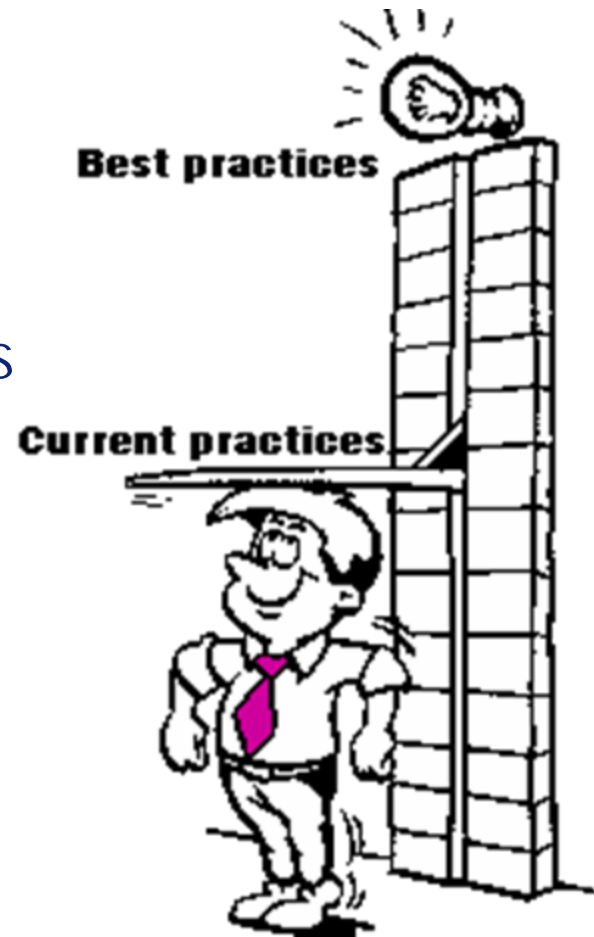


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# Cross-Functional Teams

- Drive industry Best Practices thru –
  - Simplification
  - Mutual definitions
  - Take cost out of the supply chain
  - Share ideas between Trading Partners
    - Include systems
    - Include all disciplines

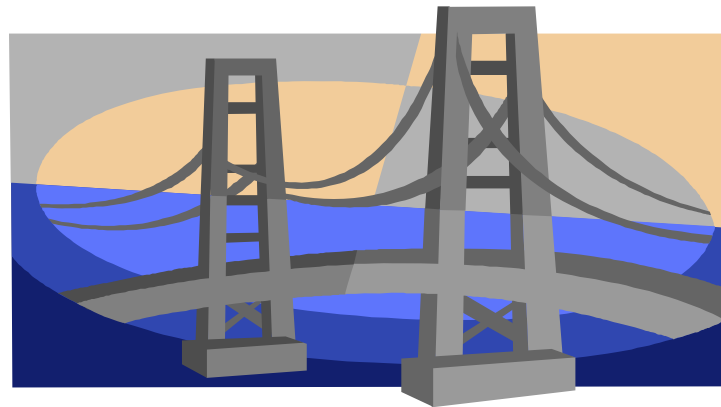


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# Software Providers Bridge the Gap

Distributor



Manufacturer

Software Provider



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