



ONE-TIME REQUIREMENTS / SPECIAL PROCUREMENT

EFFICIENT PROCUREMENT PROCESSES IN E-PROCUREMENT

INITIAL SITUATION

For a medium-sized company, this or a similar scenario should be well known: Employees from different departments order special or customized products that cannot be found in catalog ranges. They trigger time-consuming processes for colleagues in purchasing or in the specialist departments. Purchasing must clarify in advance whether offers are available for these products and from which supplier they can inquire about the items. Furthermore, it must be confirmed whether the colleague is allowed to order this article based on his authorizations and position.

This process takes time on both the company and the supplier side, which is associated with higher costs, taking away capacities for more important tasks. Also, orders for special purchases or one-time just-in-time requirements are difficult to implement in an automated process.

Lingemann will be happy to do this work for you!

ANALYSIS BY LINGEMANN

We were able to support one of our customers, a global automotive supplier from southern Germany, with precisely this challenge. Because the combination of the core competencies interior, electrics, electronics, and e-mobility makes our customers unique in the entire industry and thus ad hoc orders and special procurements without

delays or failures are in focus.

In the project discussions with the purchasing department, we were told about an immense number of labor-intensive requirements. The attempt to handle parts of the procurement via marketplaces, unfortunately, did not produce a satisfactory result. A not inconsiderable percentage of the processes could not be mapped. Around 20-30% remained in the conventional BANF process - unfortunately, these were the most time-consuming procurement processes that require research, article, and even supplier creation. Also, there was a desire to process these processes in the standardized order system via an OCI shop.

**WITH THE MEASURES
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IMPLEMENTATION

At the start in 2006, we connected our webshop based on the Onventis procurement solution via OCI to the HealyHudson platform at the time, now directly to SAP. An agreement was made with the users in the factory that future requirements will no longer be directed to the internal purchasing department, but directly to Lingemann. Customer-specific products, special or one-time purchases, and product substitutes are researched, cataloged, and made available to the customer as a temporary catalog of inquiries in the webshop. This is updated every hour. We also send a PDF to the purchasing department for sample testing,

which guarantees a traceable and verifiable process.

To ensure the availability of the fast-moving products, we set up a depot with our Lingemann staff. There, the stored goods are bundled with the processes described above and delivered to their destination in one shipment. And that in a defined time frame and accordance with the customer's packaging specifications.

OPERATION AND ONGOING OPTIMIZATION

Only 8 months passed from the initial product range and price check to the implementation of the project at all of our customer's locations. After successfully establishing the project in Germany, further locations of our customer in Romania were integrated in 2010.

To ensure transparent communication about the orders and invoices, the picking in the depot was carried out for the customer according to cost centers and consumers. Included were monthly reports by plant and product group as well as detailed saving reports, later even across countries.

In the future, we have planned with our customer to work out a central solution for standard article procurement in Europe so that every user can purchase the specified standard article directly without further inquiries.

MEASURABLE SUCCESS

With the measures taken, our customer was able to reduce around 680 suppliers and significantly reduce the number of daily ramp contacts per plant. Bundling of the contact persons of the various manufacturers was made possible because this communication is now channeled through Lingemann.

Our customer was able to gain comprehensive control over the entire ordering process and automated his work processes with us. We have adapted the range exactly to customer requirements and changes can be tracked in the shop at any time.

CONTACT

Are you interested in which support we can offer you for your business? Contact us for a non-binding consultation, we will be happy to advise you!

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