

Advanced Business Systems, L.L.C.



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Advanced Business Systems is now offering Business One

ABS is pleased to announce that it has been named as a distributor of SAP's Business One management software. SAP Business One is an affordable, easy-to-implement business management solution designed specifically to meet the needs of small and mid-size enterprises. It gives managers on-demand access to critical real-time information through one single system containing financial, customer relationship management, manufacturing, and management control capabilities.

Many smaller businesses today have hit a plateau and are having trouble finding ways to grow profitably while obtaining the proper information to make critical business decisions. Business owners or managers have invested in multiple software applications but they still feel a lack of control over their business operations and sales processes. To support new growth and profitability while preparing for the future, small and midsize businesses (SMBs) need an affordable, powerful business solution that makes it easy for everyone in the organization to access the decision-support information they need—in real-time. Instead of discrete financial, inventory, sales management and customer tracking applications, these companies are looking for an easy-to-use, affordable and integrated solution designed to provide the precision and control needed to meet the unique needs of small and midsize businesses. SMBs need a solution that provides one complete source of customer data, state-of-the-art management control tools and new visibility into sales processes.

The new SAP® Business One 2004 can be implemented quickly—within weeks—and the learning curve is minimal, meaning lower investments for training. For small and midsize businesses, from 10 to several hundred employees, SAP Business One is the starting point for companies ready to reap the benefits of business management software. SAP Business One covers all the core operations necessary to run a small or midsize business, including accounting and banking, customer relationship management, vendor management, manufacturing, material requirements planning, purchasing and selling, and reporting and analysis, yet it is still easy to navigate and implement—ideal for companies that require less complex functionality from their IT solutions.

Key Features of SAP Business One

SAP Business One provides a wide range of features and functions to provide all the necessary tools for thriving and growing small businesses, including:

ABS is now offering SAP Business One (cont.)

Enhanced manufacturing capabilities - Businesses with manufacturing operations can accurately create planning scenarios and manage material requirements planning (MRP) to match predicted customer demands with production levels. By adjusting important planning variables such as sales forecasts, production orders, and stock levels, users can create effective production recommendations, place purchase orders and better manage materials.

Integration with Microsoft Outlook - SAP Business One provides a new degree of communication and responsiveness throughout the organization and with other companies through seamless integration with Microsoft Outlook. Users can synchronize calendars and tasks and receive relevant customer, vendor and partner communications that can be transferred into planning documents throughout the enterprise. E-mails saved as SAP Business One activities provide a complete up-to-date view of customer interactions.

Integrated CRM – SAP Business One improves upon its fully integrated CRM functionality for SMBs with new capabilities such as an integrated calendar for sales and service meetings, a sales tracker for measuring additional revenue opportunities with real-time information and sales automation reporting detailing the effects of sales leads on margins. SAP remains the only global CRM solution for SMBs providing managers a complete and real-time view of the entire business cycle. Existing CRM capabilities include sales force automation (SFA), service call management, contract management, sales opportunity management, customer equipment information and knowledge base.

Familiar interface functionality – Features designed for easy and intuitive use provide every user with the tools needed to access and sort information, both large and small scale levels, creating up-to-the-minute reports for distribution throughout the enterprise. The innovative Drag-&-Relate™ functionality enables users and managers to easily access information by smoothly linking items, selecting key performance indicators and moving from one window to the next for faster and more effective business decisions.

Comprehensive financial expertise – SAP Business One delivers a full financial management system that builds efficiency and productivity through such features as multicurrency, budgeting and bank reconciliation.

Management controls- The solution provides the tools companies need to streamline operational and managerial processes, including online alerts, sales discount management, exception management and workflow approvals for managers to address issues or opportunities that require immediate action. Management control tools immediately notify managers when business parameters are crossed, which streamlines processes and allows businesses to focus their resources where they have the greatest impact.

Data Management – The solution allows businesses to define their organizational structure by regional or hierarchical fields and sort and access information accordingly. Customer data entries are assigned to individual employees, teams, or departments and can be tracked over the course of a relationship. Improved data accessibility provides employees with the ability to make important decisions in real-time.

Rules-based workflow/online alerts - Users can set a variety of alerts and actions for unusual events that may signal an opportunity or an issue demanding immediate action. The system then sends automatic notifications for handling to the appropriate persons—no matter where they are—through the solution's internal mail system or via e-mail and SMS.

Open architecture – SAP Business One supports the Microsoft SQL Server and Sybase Adaptive Server® Enterprise databases and Microsoft Windows operating systems such as Windows 2002 and Windows XP SP 2. Additional system requirements are Microsoft Office 2002 and Internet Explorer 5.

ABS is now offering SAP Business One (cont.)

Improved Software Development Kit – The SAP Business One software development kit (SDK) allows SAP partners to extend and change the functionality of SAP Business One in order to create industry-specific functionality, complementary capabilities or interfaces to third-party tools and systems. The SAP Business One SDK encourages development to provide customers with automatic upgrades to add-ons for managing their business with SAP Business One.

SAP Business One Key Figures – provided the new numbers

-Approximately 6,000 small and midsize businesses worldwide are using SAP Business One to help them manage and sustain their growth.

-SAP Business One will be available in over 40 countries and 25 languages.

-Additional information about SAP Business One can be found at (<http://www.sap.com/solutions/smb/businessone/index.aspx>)

Swiss Army Knives and Reverse Auctions



I remember my first Swiss army type knife when I was still a cub scout. It had a folding fork and spoon, a cork screw, a fish scalar, a saw, large and small knife blades, and flat head and Philips screw drivers. It was a veritable pocket tool box.

Why so many tools? Because you need the right tool for the right job. It would not be a good idea to cut branches with a knife blade and so dullen it, not when you have a saw available. Don't try to open a bottle of wine with a screw driver, use the cork screw (incidentally, I never needed the corkscrew on my Swiss army knife mainly because Boone's Farm vintage conveniently uses a screw off cap). Don't use the fish scalar to whittle with and don't slurp up soup with a fork.

The same wisdom that you used in employing your red handled pocket Swiss tool box should be applied to your procurement strategy when using internet auctions; "the right tool for the right job." Here is a sampling of some of the available Scanmarket auction types and examples of how to strategically employ them to the best effect:

Reverse Auction-

A reverse auction is a classic buyer's auction where the purchaser attempt to obtain the lowest bid, either as the total price or a unit price, for the purpose of receiving the specified order. In a reverse auction the competition between the suppliers drives the price down ... giving your company savings right down to the bottom line.

What it is used for: Use a standard reverse auction to drive down the price of one type of product or service.

Swiss Army Knives and Reverse Auctions (cont.)

Ranking Auction-

This is similar to a reverse auction, but the participants have no access to see the bid amounts of the other participants. They only see their own bid and their ranking in the hierarchy of bids.

What it is used for: Use a ranking auction to add a little more psychological pressure to the bidding format by having sellers guess at the leading bid price. Someone may lose his cool and bid lower than usual while trying to guess the leading price.



Bundling Auction-

At a glance this is similar to a reverse auction, but prior to the actual auction "partners" may be invited to add any possible volume to the total with the purpose of attaining a greater total volume and thereby potentially lower bids.

What it is used for: Bundling auctions are particularly useful for companies that have a number of branch offices. Before the auction specifications go out to vendors there is a simple email based pooling period wherein each branch office can designate how much of a product they need. The larger volume is then settled in the auction. Bundling auctions are an asset to companies that do not have a centralized purchasing department but want to cut costs of procurement throughout a number of offices.

List Auction-

Rather than having one bid field alone, there is an opportunity for defining any number of lines - one for each type of product/service wanted and the participants must then place a bid for each line. Afterwards one supplier is chosen for the entire order based on the overall lot price.

What it is used for: Use a list auction when you want to buy more than one type of item or service but you want the convenience of awarding the contract to one supplier.

Cherry Picking Auction-

This is basically a specified list auction, however afterwards one may compose the final order by choosing suppliers on a line by line basis.

What it is used for: Use a cherry picking auction to purchase more than one type of item or service in a single hosted auction while maintaining the freedom to award the contract based on the best price for each individual line item. We have found that cherry picking type auctions are one of the most popular tools used by Scanmarket clients.

Dutch Auction-

In a Dutch auction participants may not place arbitrary bids. At the start of the bid period participants may either bid the start amount or wait. With each time interval the possible bid will increase with the amount interval, and each participant may once again bid the amount or wait. When a supplier makes a bid, he clicks the bid button which will close the auction at the current amount.

What it is used for: Dutch auctions are typically used to put pressure on a bidder who you suspect can bid considerably lower than his competition.

Cherry Dutch Auction™ -

A CherryDutch™ Auction is characterized by the first come first served principle. This means the first supplier to submit a bid on a specific line makes the line close automatically from accepting further bids from other suppliers. The first supplier will then be the winner of the relevant line and the auction moves on to the remaining item lines.

Each line has a starting price as entered by the creator of the auction. For each time interval defined by the auction creator the price increases to the next price level. The increments between the price levels have been determined by auction creator prior to the auction. At all times each supplier will know the time remaining until the price increases to the next level simply by looking at the timer at the top of the bid list. For each time interval the price will continue to go up until it is accepted by a supplier.

What it is used for: As in the case of the Dutch auction, purchasers can use the Cherry Dutch™ auction to put pressure on the low bidder to lose his cool and bid early, plus the benefits of hosting an auction for a number of different items.

Swiss Army Knives and Reverse Auctions (cont.)

Japanese Auction-

In a Japanese auction the following will be defined: a start price, an end price, and a number of intervals in the form of an amount difference and a time interval ranging from 30 seconds to 5 minutes. For each time the defined time interval has passed the amount difference will be deducted from the current possible bid (starting at the start price), and with each step each participant must decide whether they can and will deliver at the current bid. If a participant refrains from bidding on a defined number of bidding steps, he will be blocked from making any further bids. The auction ends when the end price is reached, and the host then has a list of bids from each participant at the levels they participated.

What it is used for: A Japanese auction uses a different dynamic to drive the price down blindfolding the vendor to the status of his competition.

Sales Auction -

An "old style" auction where the participants bid on the taking of a commodity or service. In a traditional sales auction the competition between the buyers drives the price higher.

What it is used for: Scanmarket also offers sales or "forward" auctions that your company can use to sell off old inventory and equipment.

List Sales Auction -

As with an ordinary Sales Auction the participants bid for a purchase rather than a supply. However in this case bids are made for each product/service - bids must be placed for all products. Afterwards the total delivery will go to one participant.

What it is used for: Some of Scanmarket's clients in the rental car industry have used list sales auctions to pair up competitively selling car models with less sought after models so as to move out some of their older inventory that would otherwise be a hard sell.

Cherry Picking Sales Auction -

As with an ordinary Sales Auction the participants bid for a purchase rather than a supply. However in this case bids are made for each product/service independently of each other and the seller can then choose which bids

will be accepted on a line by line basis. This enables the participant to bid on only one or some of the lines.

What it is used for: With a cherry picking sales auction you can create an auction with numerous items up for bid and buyers can pick and chose what they want to bid on per line.

RFP -

On a technical level this is similar to tender, however the bids are completely non-binding

What it is used for: If you are still faxing out RFPs then this is the tool for you to go paperless and keep electronic records of proposals.

RFP Converter-

This function allows you to accept numerous bids in an RFP and then invite those suppliers into a reverse auction to settle the purchasing price amongst them.

What it is used for: After you get in all of those proposals from an RFP that you sent out you can convert the RFP into a reverse auction and invite in say, the top ten proposals to compete with each other directly.



Tender-

Here each supplier has only ONE bid and does not have access to the bid levels of the other participants

What it is used for: An excellent means to get off of the fax machine and go electronic in the new millennium.

Locked Tender -

Basically functions as a normal tender, however after invitations have been distributed and until the end of the bid period, the "owner" of the auction has no access to the bid data entered by the participants.

What it is used for: Locked tender is indispensable to municipalities and government agencies that must use a "sealed bid" method of procuring contracts.

Swiss Army Knives and Reverse Auctions (cont.)

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Parameter Auctions-

With a parameter auction, parameters may be indicated in addition to the "raw" amount that will be decisive for whom will win. Information about indirect costs, e.g. change of supplier, may be added and it may be possible for participants to choose between several options regarding e.g. currency and terms of payment, and to state marketing contributions etc. Each of these parameters and their weight in relation to the individual participants' bids are defined when creating the auction. On the list of incoming bids the parameters will thus be sorted according to the weighted bids. The "raw" bid is indicated in parenthesis. To participants the view will be similar to a ranking auction where their own bid and ranking are visible.

Scanmarket has parameter auctions available in reverse auction, list auction, and cherry picking auction flavors.

What it is used for: You can use hidden

parameters to give a local vendor or an incumbent vendor a percentage advantage over the others. You can use parameters to figure in switching costs, convert currency, calculate bids based on shipping dates, etc.

Advanced Auction System -

Scanmarket also offers an advanced auction system whereby any variety of the modules above can be combined into one and same auction allowing the user to tailor make an auction which includes all of the strengths of each of the auction modules into the same session.



About Advanced Business Systems ...

Established in 1999, Advanced Business Systems provides world class software solutions for your toughest accounting and business management problems as well as e-auction software for your procurement needs.

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