



# Preferred Supplier

## Simplifying the Management of Your Procurement Policies

Procurement and Supplier Relationships have an increasingly important role to play in ensuring Manufacturers and Distributors achieve specific strategic goals. Strategic sourcing policies for procurement can provide them with a competitive advantage. It's not just about buying raw materials, it's also about partnering with suppliers to secure longer-term preferential agreements for the best quality input materials at the lowest cost.

In addition, controls, governance and oversight is required to ensure that procurement activities within the organization are ethical and support compliance with industry regulations.

Preferred Supplier is a feature within SYSPRO's ERP that facilitates and optimizes the management of sourcing strategies for material, and for the recommended selection of suppliers during your purchasing cycle.

By establishing and managing strategic sourcing policies in SYSPRO's Preferred Supplier feature you can decrease your purchasing risk, improve purchasing governance and ultimately achieve cost reductions.

# The Benefits of Preferred Supplier

## Mitigate Purchasing Risks

Reduce the risk associated with satisfying material demand, preferential negotiated rates, cost or demand planning optimization by managing your strategic sourcing policies more effectively.

## Buy Products and Services at the Best Value-to-price Ratio

Leverage whole-company spending potential by establishing longer-term preferential agreements that provide a competitive advantage. Preferred Supplier supports planning and pricing adherence, enabling you to negotiate favorable terms, and secure prices with suppliers proportionate to volume – improving the value-to-price relationship.

## Improve Purchasing Governance

Adhere to regulatory standards and share best practice by enforcing policies that deal with selected approved suppliers. Preferred Supplier allows you to work according to specific local government policies with the addition of electronic signatures to remain compliant.

**Put the 'Pro' into your Procurement Process. Use Preferred Supplier to better manage your strategic sourcing policies.**



## Preferred Supplier Capabilities

### Capture and Maintain Predetermined Sourcing Policies

The Preferred Supplier feature allows you to capture and maintain predetermined sourcing policies by supplier or stock code, with the added ability to create and assign many sourcing policies against stock codes.

### Enforce Policies through Auto Recommendations

Auto recommendations are included at Material Requirements Planning and Requisition and Purchase Order level to ensure the correct supplier is used while Electronic Signatures are used to improve purchasing governance.

### Sourcing Policies in SYSPRO

- **Round-Robin:** Allows you to spread the risk by rotating purchases amongst multiple suppliers.
- **Multi-Sourcing:** To secure prices with suppliers proportionate to volume, the system allows a percentage split towards specific suppliers. This ensures you adhere to the proportions that have been pre-defined against multiple suppliers for a given period.
- **Lowest Cost:** This ensures that the supplier with the lowest cost is selected for the particular product/service in question.
- **Lowest Cost within Due Date:** This ensures that the supplier with the lowest cost, where the supplier will deliver closest to the due date requirement, is selected for the particular product/service in question.
- **Supplier by Stock Code:** Allows you to designate a specific supplier which will always be selected when purchasing a particular item.
- **Supplier by Warehouse:** Allows you to designate a specific supplier for the warehouse where the particular item is stocked, which will always be selected when purchasing a particular item.

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