

CAT® INTEGRATED PROCUREMENT



**YOUR DIRECT CONNECTION TO
SAVINGS BY STREAMLINING
THE PARTS PROCUREMENT PROCESS**

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SHIFT





STREAMLINING PARTS ORDERING SIMPLIFIES—AND SAVES

Since 2001, our Cat® Integrated Procurement (Cat IP) System has dramatically simplified the parts procurement process for customers. With the convenience of around-the-clock online access to more than 1.4 million Cat parts, Cat IP customers typically save 50% or more in total transaction costs.

At the same time, Cat IP improves ordering accuracy by as much as 80%—reducing costly errors. Errors that lead to downtime and lost dollars.

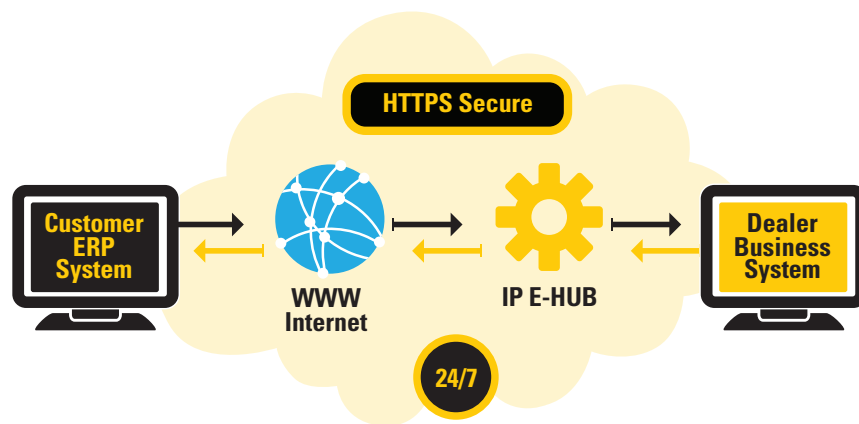
Research studies also show these time savings and accuracy gains really add up for customers, now using Cat IP for nearly 1.5 million transactions a year.

Save at least 50% in total transaction costs.

Creating Your Savings Connection

Your first step to savings with Cat IP requires a secure Internet connection that establishes easy access to your Cat dealer's parts inventory. The required link integrates our IP system through your existing Enterprise Resource Planning (ERP) system or a third-party supplier's system.

To date, we've successfully and reliably connected more than 900 customers via dozens of different ERP systems. That includes those widely used by customers, such as SAP, Oracle, Microsoft Dynamics AX and JD Edwards. We also regularly establish IP connections using supplier networks that many dealers belong to, including SmartEquip, Ariba and Hubwoo.



A new Cat Integrated Procurement customer reported that placing parts orders from their business system directly to their dealer's system was so convenient, his company now buys parts more often from their Cat dealer. He also stated that buying cheaper parts from another supplier, whose system wasn't integrated with theirs, actually cost his company more due to higher transactions costs, such as writing purchase orders.

More than 900 customers are now using Cat IP for nearly 1.5 million transactions a year.

Connecting Functions for Efficiency

Once connected to your Cat dealer via Cat IP, you can see parts information, pricing and availability onscreen, and conveniently place your orders. No more phoning in orders or trips to the dealership to place orders, because Cat IP electronically forwards your orders directly to your dealer's business system for order fulfillment.

Your dealer can also send electronic invoices to you through Cat IP. Your ERP system can then be used to automatically reconcile with original purchase orders, resulting in improved order accuracy and substantial order processing savings. Connecting these and other parts procurement functions using Cat IP helps you eliminate several procurement process steps—increasing business efficiency.



Eliminating duplicate order entry helps increase equipment uptime, because it reduces parts order errors by up to 80%.

MINIMUM REQUIREMENTS



Secure Internet connection



ERP system capable of creating and sending XML, and sending and receiving via HTTPS



IT and business resources allocated to implement and sustain your Cat IP connection

10 More Benefits Linked to Cat IP

- 1. Frees up valuable purchasing staff time** for other more important, demanding duties, such as sourcing, supplier negotiations and contracting.
- 2. Reduces or eliminates returned parts and re-orders** because Cat IP search query tools identify and note correct replacement part numbers.
- 3. Includes new, Cat Reman, Cat Classic, dealer exchange and used parts** with easy online access to information and 24/7 ordering for all.
- 4. Sends email order acknowledgments** to confirm orders and keep you informed about their status.
- 5. Allows you to set up user preferences** that suit your business goals, such as eliminating process steps, speeding up ordering, etc.
- 6. Lets you create frequent order lists** that save you time (e.g., no need to re-type parts you're ordering) when you place repeat orders.
- 7. Eliminates time spent by other team members**, including your shipping/receiving staff, who won't waste time dealing with the wrong parts.
- 8. Reduces equipment downtime** caused by incorrect orders, e.g., inadvertently ordering the wrong parts.
- 9. Provides online access to parts and service technical information**, such as Preventive Maintenance (PM) Checklists and Service Information System (SIS) information.
- 10. Saves money by reducing more costly off-contract spending.**

Online parts ordering takes 80% less time than traditional parts counter ordering.

One customer realized a dramatic increase in efficiency by using Cat Integrated Procurement, because it made it possible for them to reduce their order process steps from 32 to 18. The customer reported time and money savings by automating or eliminating key purchasing department duties, including: processing and managing purchase orders, inventory planning, reconciling invoices to purchase orders and managing parts catalogs. Increased order accuracy due to Cat IP also reduced shipping and receiving time (and money) to return parts.

CONVENIENCE AND EFFICIENCY

YOUR CONNECTION TO SAVINGS STARTS HERE

If you're ready to start saving time and money, contact your Cat dealer today. You'll learn more about how a direct connection to Cat Integrated Procurement will streamline your Cat parts ordering process—for maximum business efficiency and lower costs.



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