



CASE STUDY

CMD & CMAFH Transform Their Buyer-Supplier Relationship

CMD buyer Jeff Kraus and CMAFH (CMA) Customer Service Representative Kathy Hamilton share how they work together, before and after implementing SourceDay.





Summary

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Before & After SourceDay



“Now, I can see why things are showing up late... [SourceDay] keeps us more organized and ensures that Jeff and I are always on the same page.”

– Kathy Hamilton | Customer Service Representative at CMA

Before SourceDay



Poor communication led to inaccurate lead times



Acknowledgments had to be tracked and manually inputted into ERP system



Manual PO processes led to incorrect pricing, parts, and due dates

After SourceDay



Accurate lead times improve on-time delivery



Single dashboard to acknowledge and view all PO activity in real-time



Access to accurate data speeds up the PO process



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Poor Communication Slows Down Business

Since 1980, CMD's buyers have collaborated with their suppliers like most other manufacturers - using emails, phone calls, faxes, and complicated spreadsheets. "We were manually tracking acknowledgments from suppliers and keying each one into our ERP system," says Jeff Kraus, buyer at CMD. "We use more than 400 different suppliers, have over 5,000 purchase orders every year that contain 40-50 line items each. We had to dedicate a full-time worker just to keep up." The back-and-forth emails between CMD and their suppliers led to a disorganized and error-prone PO process resulting in late deliveries and expensive expedite fees. CMD's relationship with its supplier CMA was strained and plagued by poor communication.

“ Sometimes, I would receive a PO with a different price or an odd date and I'd have to dig through emails to see if I missed something. - Kathy Hamilton, Customer Service Representative, CMA ”

Hamilton continues and says, "Other times, POs would come over requesting less than standard lead times, causing consistent expedite requests." Kraus recognized that the only path forward was to find a solution that could ensure consistency, organization, and a single source of truth for both CMD and CMA.

Supplier Collaboration Before SourceDay

- + Inaccurate lead times caused late deliveries and missed ship dates
- + Consistently late deliveries impacted CMD and CMA's relationship negatively.
- + Late receipts caused manufacturing inefficiencies and added costs
- + Limited ability to manage open orders & see status



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Buyers & Suppliers Join Forces

Kraus implemented SourceDay's supplier portal, to transform the way CMD's buyers and CMA's suppliers worked together. With a faster, and easier way to communicate, Kraus hoped to curb CMD's late deliveries and frequent expediting costs. The SourceDay platform enables both buyers and suppliers to communicate in real-time and make changes in one place, keeping all PO-related documents, dates, pricing, changes and communications on a common portal.

Now, Hamilton is able to easily access radar and late tabs so that she can quickly view when items are nearing their due dates. She can make adjustments on the shared dashboard and automatically notify Kraus. Hamilton estimates she saves at least 1 hour per day using SourceDay.



Having everything in one location provides immeasurable value.

-Kathy Hamilton,
Customer Service Representative, CMA



Purchase Orders

See real-time data in a single web interface for every detail of your PO

	Qty Ordered	Qty Proposed	
W/ Scuff Plate	150		
, 14 lb.	800	600	
lot- Garmin, Reactor 40	1000	800	\$

Qty	Qty Prop	Cost	Cost Prop	Due Date	Due Date Prop
150.0		\$115.67	\$112.50	10/16/2019	10/16/2019
800.0	600.0	\$253.17		11/07/2019	11/07/2019
1000.0	800.0	\$1,245.50		10/24/2019	11/01/2019



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Designed With Suppliers in Mind

Kraus knew that for SourceDay to work, he needed to convince his suppliers to collaborate on the shared platform. When he told CMA about the benefits, they didn't need more convincing.

With SourceDay, CMA is able to streamline labor-intensive tasks, quickly acknowledge POs, and ultimately get paid faster. Plus, SourceDay provides all the necessary training for CMD buyers and their vendors, making the transition simple.

SourceDay reached out to CMA and all of the CMD suppliers to set up their accounts and train them on the software. "When I first opened the SourceDay portal, I was excited," explains Hamilton. "It was very easy and user-friendly, and I instantly recognized the benefits of having a common solution: automate the PO process and establish a single source of truth using SourceDay."

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The tutorial was great and our SourceDay rep was always available to answer questions.

-Kathy Hamilton,
Customer Service Representative, CMA

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Accountability Promotes Efficiency

After implementing SourceDay, buyers and suppliers are held accountable for their performance. With all communication concerning PO-related documents, dates, pricing, and changes maintained on a common portal, it's easy to view a complete history of updates. Plus, tools like SourceDay's Supplier Scorecards make it easy for buyers to assess their suppliers' performance.

“ SourceDay makes suppliers responsible for their own orders, so I don't have to constantly ask for updates to make sure they received the order...When you send the PO in SourceDay, the clock starts ticking until they acknowledge the order, and you can hold them accountable. - Kraus ”

With improved transparency, buyers at CMD and suppliers at CMA have reduced PO errors, from incorrect part numbers to pricing differences and due dates that used to affect on-time delivery and revenue. Now, CMD and CMA are working more collaboratively and efficiently.

Supplier Collaboration with SourceDay

- + Improved communication between buyers and suppliers
- + Data is consolidated into one location for easier access
- + Fewer disruptions to production plans from late deliveries
- + Accurate lead times prevent missed deliveries and expedite fees



SourceDay

Summary

SourceDay is the collaboration engine that brings people, information, and processes together to modernize how companies manage orders with their suppliers, drive collaboration and ship orders on time. From Fortune 100 companies to mid-size manufacturers, thousands of organizations use SourceDay to connect their teams with their suppliers, centralize order data, and drive their businesses forward. Since 2015, SourceDay has helped more than 5,000 companies process more than \$66 billion in direct spend, across more than 20,000 POs a day.

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CMD & CMAFH

Founded in 1980, CMD is a technology-driven innovator of machinery for manufacturing plastic bags, pouches, and other products for applications from consumer goods to medical and food. CMD is also a growing supplier of Compressed Natural Gas equipment technology. Within this sector CMD uses CMA/Flodyne/Hydradyne (CMA) components in their equipment. CMAFH, is a full-service distributor offering complete machine automation and control solutions. Since 1974, CMA has been supplying thousands of components to companies like CMD.

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Within two weeks,
I was comfortable
using SourceDay and
now wish more of my
buyers were on it. -

Hamilton

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