

The logo for SourceDay, featuring the word "Source" in white and "Day" in green, set against a dark blue background with a network of glowing green lines and nodes.

SourceDay

**DELIVERING A
HIGHER LEVEL OF
PERFORMANCE AND
VISIBILITY IN YOUR
SUPPLY CHAIN**



Delivering a higher level of performance and visibility in your supply chain

Tom Kieley, CEO and co-founder at SourceDay, discusses his company's secret sauce and how it has risen to the top of the pile, delivering unified supplier collaboration for manufacturing customers.

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Some of the best innovation is born through frustration with existing offerings. Having built their careers in manufacturing, SourceDay's founders grew tired of unnecessary costs, increased risk, and wasted time and productivity caused by

ineffective supplier communication and incorrect ERP data. This led them to create a solution that would prevent direct materials inventory surprises and unnecessary costs and also rebuild trust between manufacturers, distributors, and their suppliers.

Today, SourceDay is a bi-directionally integrated platform for any ERP where the purchase order (PO) demand is generated. The company delivers 100% of purchase order demand to suppliers through the lifecycle of a PO to ensure that suppliers have no surprises and always have the most real-time, accurate source of truth. An ERP streamlines many of a company's internal processes, but when it comes to keeping track of critical PO changes in a timely manner, procurement teams are still stuck in manual work, such as spreadsheets, emails, and post-it notes.

By digitising and creating configurable smart rules for PO change management, SourceDay removes up to 80% of the manual procurement work and eliminates the persistent question marks around end-product delivery times and costs. Through seamless integration with a customer's ERP, SourceDay ensures that every purchase order is delivered to suppliers without fail and allows for true 100% supplier collaboration through a portal, email, or EDI.



With the transformative addition of complete PO visibility, SourceDay doesn't just enhance existing ERP capabilities, it sets a new bar for PO accuracy and on-time delivery for direct materials procurement. In today's digital age, embracing such clarity and intelligent use of technology isn't a luxury; it's the key to ensuring a business remains agile, robust, and ahead of the curve.

Since its inception, SourceDay has been on a mission to eliminate manual work, production delays, and inbound supply inaccuracies from the procurement lifecycle. In just under a decade, SourceDay went from an idea on a whiteboard in a small office to nearly 300 customers and more than 80,000 suppliers globally who interact through the solution daily.

PEOPLE ARE A HUGE DIFFERENCE-MAKER

As CEO, Tom Kieley is used to making tough decisions. However, he explains that hiring the best people for the right stage of the journey is one of the most challenging aspects of the role. Without great team members, a business can't be successful long-term. However, while the organisation's requirements dictate part of the job criteria, finding people who are already equipped with knowledge of the industry and the customer set plays a crucial role in the hiring process.

"We want to deliver value to the customers efficiently and effectively," he explains. "We're fortunate we have executives who are visionaries in their fields and can help carry the business to be the industry-leading solution while innovating and disrupting the supply chain technology space."

EXPERIENCE ACROSS THE COMPANY

"Hiring people with highly relevant industry experience has been very important. For example, we have former buyers on our sales team. They've walked in our customers' shoes and had to live with the pain that SourceDay solves," explains Kieley. "We have team members who were manufacturing operators, so they understand the challenges of manufacturing first hand."

The impact that relying on external suppliers can have on a manufacturer when things aren't going according to plan is often significant and costly. "A minute, an hour, a day of downtime from a missing part or component drastically impacts the bottom line of manufacturing, which is already a low-margin, highly cash-sensitive organisation."

REMOVING THE BUYER/SUPPLIER COMMUNICATION GAP WITH UNIFIED SUPPLIER COLLABORATION

A major frustration (and point of risk) in procurement, especially for manufacturers and distributors, is the constant PO line changes impacting production scheduling. Buyers are caught in a nearly no-win situation. They can waste hours they really don't have manually chasing down and staying on top of changes (hoping they or their supplier didn't miss something critical) or they can wait until the ERP updates (often the next day) and be behind on time-sensitive decisions.

"There isn't a manufacturer or distributor who hasn't felt the painful ripple effect of missing a critical PO change," says Kieley. "It impacts inventory costs, expedite fees, production and labour schedules, and end-product delivery dates."

Procurement's Secret Weapon

Stop misses at the Source

up to
96%
on time delivery

100%
supplier adoption

**ANY
ERP**

52% of purchase orders will change. And each line changes an average of 2.5 times.

Your company depends on you to keep things moving. SourceDay is here to help.

sourceday.com/demo

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“A minute, an hour, a day of downtime from a supplier drastically impacts the bottom line of manufacturing, which is already a low-margin, highly cash-sensitive organisation”

– Tom Kieley, CEO, SourceDay

The historical challenge has been the absence of a closed-loop supplier collaboration platform that accounts for supplier workflows as much as buyer workflows. SourceDay has solved this issue with Unified Supplier Collaboration (USC), a simple, yet powerful workflow tool that allows buyers and suppliers to communicate and collaborate through their preferred channel. That can be the SourceDay portal (even without a login or training), an

EDI connection, or through normal email communications. The SourceDay solution captures and updates critical PO line changes--in real time--directly into the ERP, retaining a single, accurate source of truth for shipment, demand planning and production scheduling. “With USC, there’s no more supplier surprises, no more guesswork, no more inaccurate ERP procurement data, no more “where’s my part?” and no more ripple effect across the organisation,” Kieley adds.



SOURCEDAY: HOW EVERYONE BENEFITS

- Receive and manage timely PO confirmations and changes from suppliers.
- Find MRP inaccuracies with accurate PO data.
- Build strong, performance-driven supplier relationships with supplier scorecards.
- Robust US-based training, onboarding, and support.

Buyers

- Accurate lead time and MRP data to significantly improve on-time delivery.
- Increased visibility into KPIs for data-driven decision making: OTD, move-ins/move-out, price changes and more.
- Streamlined integration and onboarding for speedy time to value.
- Robust implementation and ongoing support.

IT

- Quick integration ensures speedy time to value and return on investment.
- Lightweight IT integration with any ERP.
- Training done by SourceDay's team to take pressure off IT teams.

Executives

- Reduce business risk caused by external suppliers.
- Decrease customer SLA penalties.
- Lower average inventory on hand to increase inventory turns.
- Increase ERP data accuracy for key business decisions.
- Increase visibility into repeatable and accurate revenue forecasts through improved demand and scheduling data.

COVID-19 DRIVE

The COVID-19 pandemic in early 2020 highlighted many inefficiencies in supply chains. Pre-pandemic, the supply chain technology space was limited and there wasn't much innovation beyond traditional ERPs. Kieley explains that boardrooms were not yet at the stage to buy technology as a "differentiator" and were instead throwing people at the problem. "When the pandemic hit, it really highlighted challenges that had always just been overcome through brute force and people," reveals Kieley. "You were forced to send everyone home other than essential workers in the warehouse and shop floor. This significantly



impacted visibility and communication with critical suppliers."

The pandemic exposed the gaps that manufacturers and distributors had in their business model, which created a great deal of risk in operations. Kieley illustrates the stark paradox manufacturers were experiencing with and without SourceDay to help keep the lights on. "We had several hundred customers we were able to get data from that showed their buyers never skipped a beat because of SourceDay," he reveals. "Many customers were able to tell us they were getting 90, 95% on-time delivery even through Covid. In contrast, companies that weren't using SourceDay

ground to a screeching halt for six to 12 months while many of them were trying to get visibility and communication back with their suppliers. Outside of email, everyone was back at home, lost."

Choosing the best emerging technology Indeed, technological transformation is a big part of most organisations' puzzle. With new technology causing significant waves of interest in procurement and supply chain, there is a rush by technology providers to quickly bring technology advances to market, often before actual value delivery has been vetted out. SourceDay has taken a different approach. The company has bypassed some hotly discussed emerging



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SourceDay

“One of the biggest selling points for me with SourceDay was their focus on keeping things *simple but powerful.*”

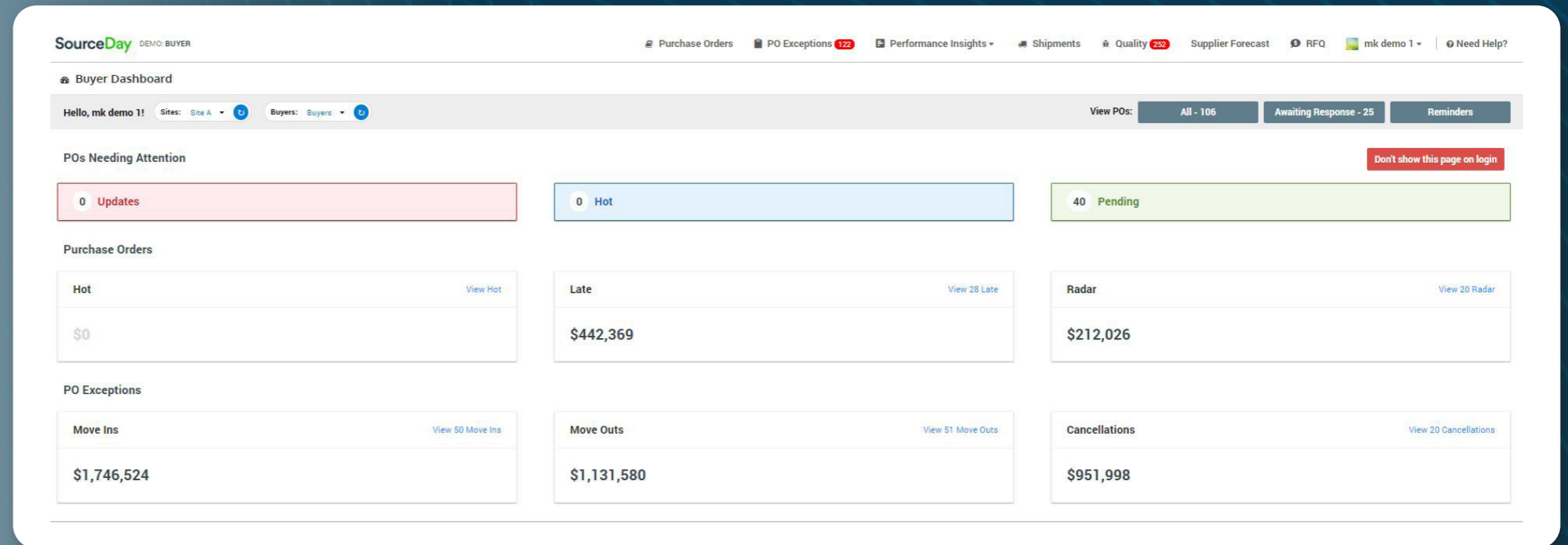
– Donna Fritz VP, Marketing & Growth

technologies because of the low impact to customer success.

One area of tech SourceDay has researched and tested extensively is artificial intelligence (AI). Properly utilized, AI has the potential to drive millions of unnecessary manual hours out of the procurement process. So, it's no surprise that SourceDay's roadmap for 2024 is centered on leveraging the power of AI. “We've added strategic experts from supply chain and data science backgrounds to enable us to deliver more solution value to customers, such as more proactive visibility, change tracking, and analytics; information that used to live in error-prone spreadsheets and email or was otherwise unusable,” explains Kieley.

One of the biggest crazes of the past few years has been generative AI. Since the rise of OpenAI's ChatGPT model, scores of industry leaders have been rushing to find ways to leverage chatbots successfully into their processes. But, it comes with risks attached because large language models are not always reliable and often incorporate made-up data.

In contrast, Kieley explains that SourceDay's data set solves the accuracy problem with AI. “The reality is generative AI and machine learning models are being trained and built by data that is primarily human-generated and subject to opinions and points of view that are not always factual,” reveals Kieley. “Our dataset is factual and action-derived. It reflects what has happened in the past on a supplier's ability to hit on-time delivery, price changes, quality, responsiveness, ability to ship on time in full, and all of the components that happen through those transactions that again, otherwise existed in email or voice that were uncaptured. As a result, our AI is able to use fact-positive historical data to provide insights and recommendations to customers.”



Customer case study:

CHATSWORTH PRODUCTS (CPI)

Chatsworth was facing a number of supplier-related challenges with their Epicor ERP, all of which centred around how they were managing the process of acquiring parts and raw materials. They predominantly relied upon email, phone calls, faxes, and spreadsheets to manage supplier communication, none of which facilitated visibility or easy tracking.

As a result, before working with SourceDay, Chatsworth's suppliers were chronically late delivering materials. The manufacturer had to amass significant buffer stock to keep production going because suppliers could not be relied upon to deliver materials when they were needed. After watching a demo of the SourceDay platform at an Epicor user group, Chatsworth immediately knew they needed this solution to resolve

supplier issues.

SourceDay enabled Chatsworth to improve supplier collaboration to such an extent that on time delivery (OTD) went up to 90%. In doing so, the company was able to shift to a just-in-time model and reduce on-hand WIP inventory needs by 66%. This allowed 90% of warehouse space to be freed up and converted to a manufacturing floor.

Chatsworth's Products Senior Director of Materials and Logistics said: "Three years ago, we were living in chaos. Now, with our hyper-growth and with the new tool, I can't remember the last time we were short a part."

Not only did SourceDay help minimise risk impacting Chatsworth's business, but the benefits allowed them to optimise factory operations to drive more revenue through production.

EYE ON THE FUTURE

Looking ahead, Kieley is optimistic about the upcoming years at SourceDay. Having achieved considerable success in a relatively short time, he is showing no signs of slowing down amid an exciting time for procurement and supply chain. "Our future is bright. We have built strategic partnerships with organisations that are additive to our platform and/or we are additive to their platform," he says. "It's vital in helping SourceDay reach a bigger market and start going more global. Today, most of our customers are in North America. We have a handful around the world, and we have partners that we've recently announced will start taking us to a more global scale, which I'm confident will transform the supply chain landscape.

"There's truly nobody doing this in the way we do it. And explicitly, I

think groundbreaking, transformational technology for manufacturers and distribution companies enables them to succeed in otherwise challenging environments. Global conflicts are becoming an increasing challenge to supply chains, and if you're shipping into parts of Europe today, you're having to spend 25% or 30% more. It's these types of challenges that are unexpected and unplanned expense increases, and you need to do everything you can to build efficiency and visibility around those changes and risks. Technology is here to stay in this space, and there's not enough awareness of our platform and the specific supply chain procurement market we've created and solved. For us now, it's about building awareness in the manufacturing and distribution verticals and helping organisations to thrive." ■

