



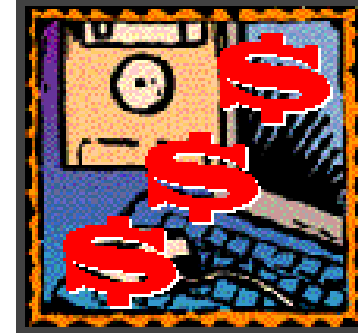
Sales
Chain



Suppliers
Chain



Logistics
Chain



Financial
Chain

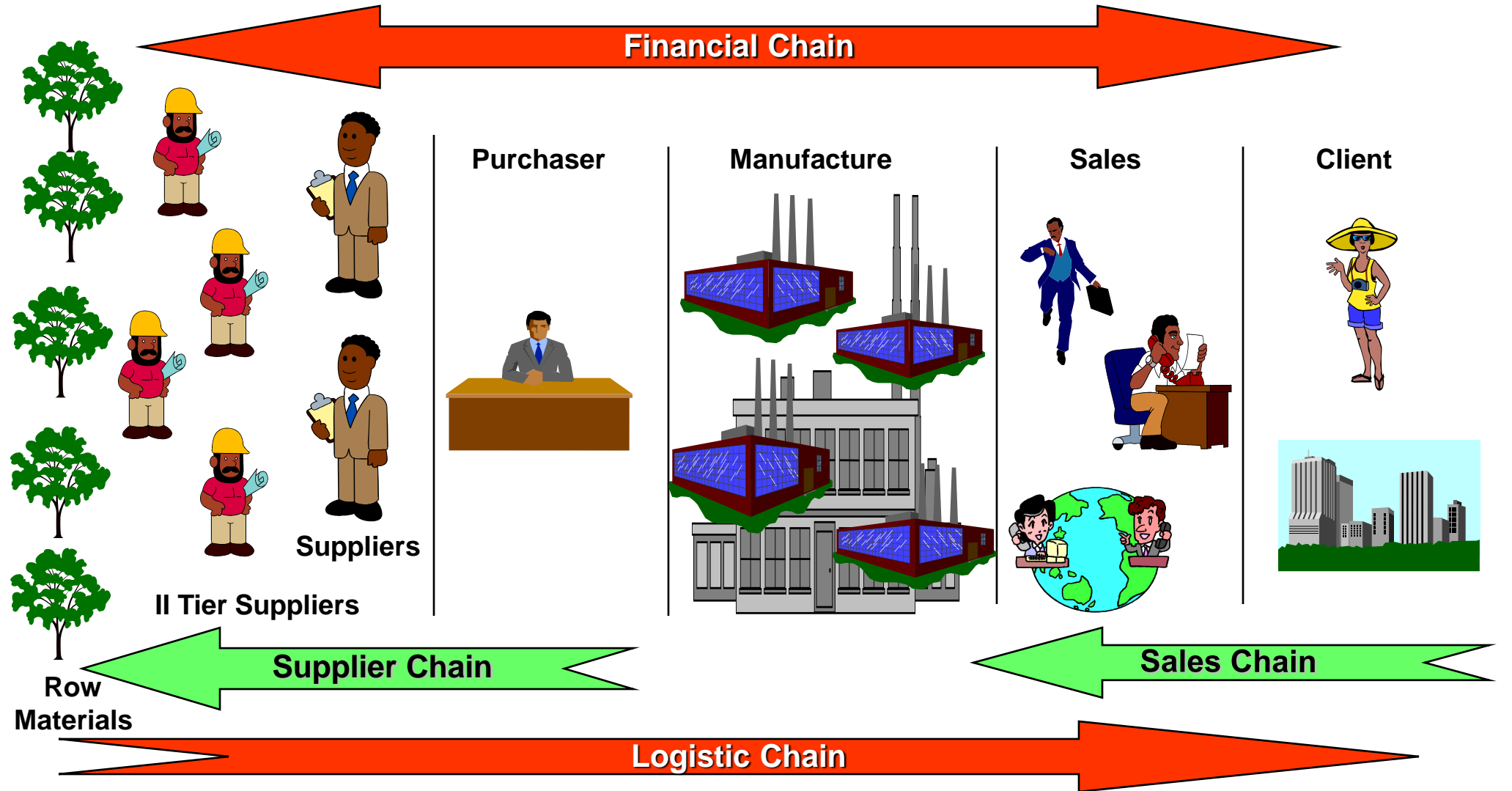
Ing. Maurizio Ammannato
Marketing e Sales Support Manager



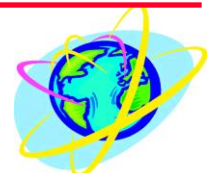


GE Information Services

Procurement Business Process

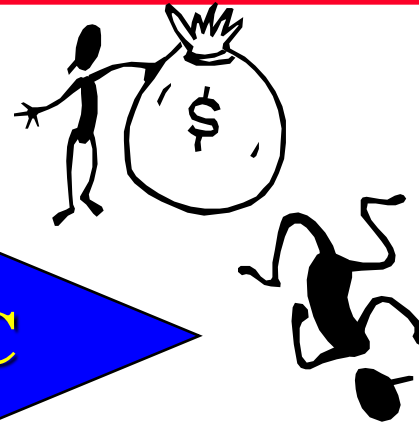


The Extended Supply Chain





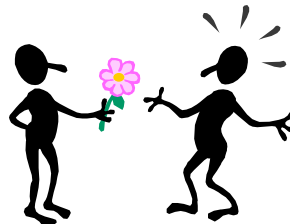
New Productivity



Speed-Up Ext SC



**Business-to-Business
Transactional Technology**



**Legacy System
Integration**

Electronic Commerce



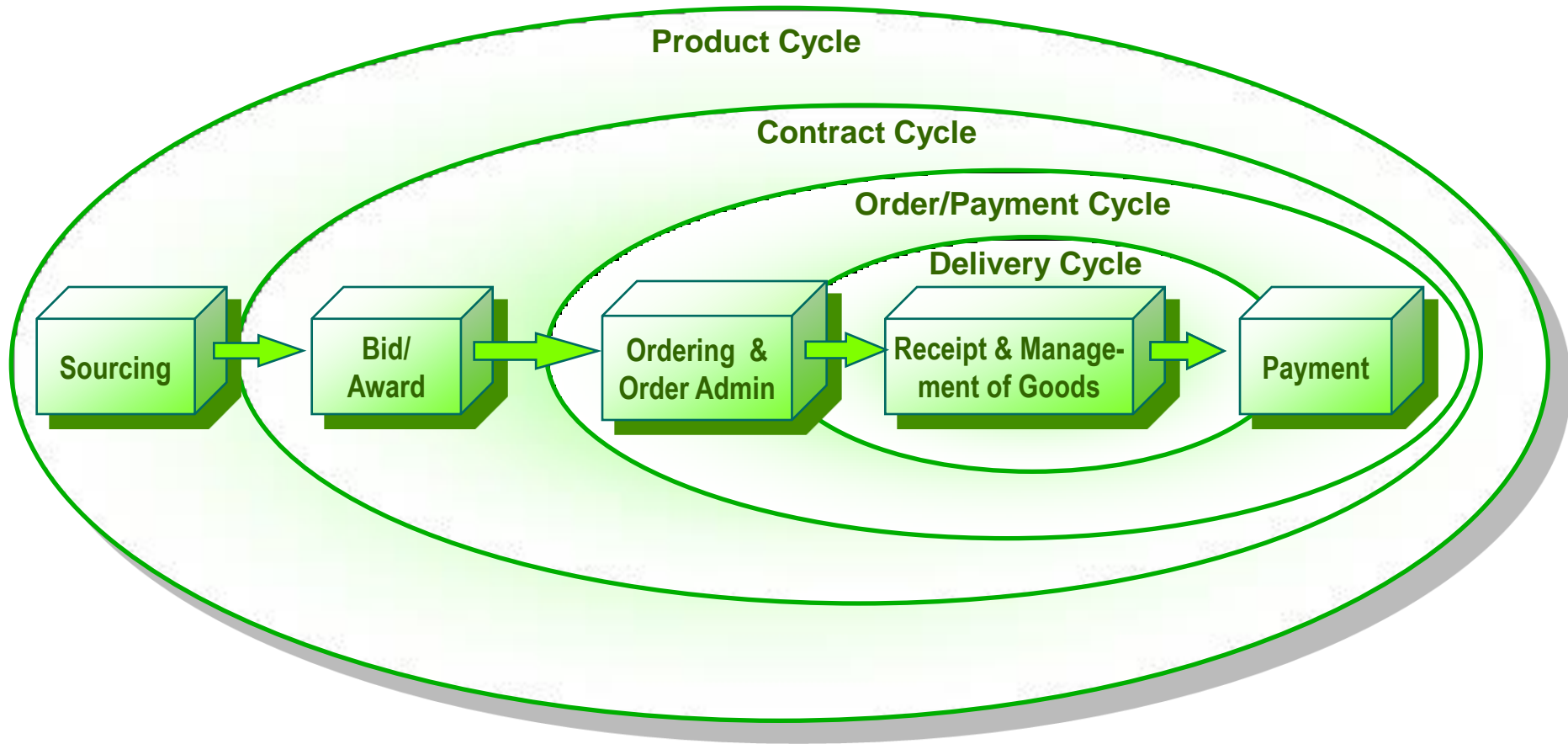


Procurement Process

Sourcing, Purchasing, Supplying

- **Sourcing**
 - Establishing Requirements, Soliciting Suppliers, Bidding and Selection
- **Purchasing**
 - Viewing, Choosing, Authorising, Ordering, Paying
- **Supplying**
 - Placing Bids, Accepting Orders, Dispatching Goods, Sending Invoices





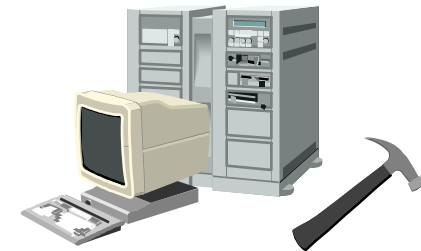
The Main Procurement Process

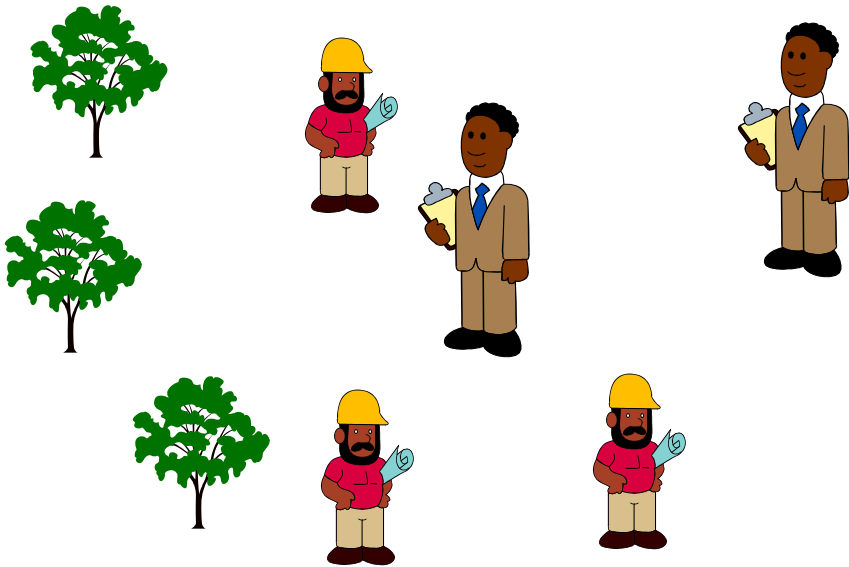




There are three main types of purchase

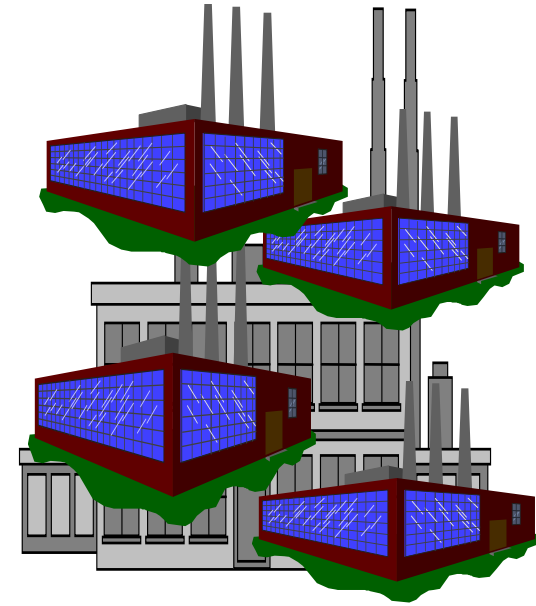
- **Direct Materials (MRP, Strategic)**
 - These become part of the product
 - Examples: Components, raw materials, contract production labour
- **Plant and Equipment**
 - These are used for making the product or for running the company, but are still there at the end of the day.
 - Examples: Milling machines, computers
- **Indirect Materials (MRO, Less Strategic)**
 - These are necessary to keep the company running but do not become part of the product although they are consumed.
 - Examples: Office consumables, contract cleaning





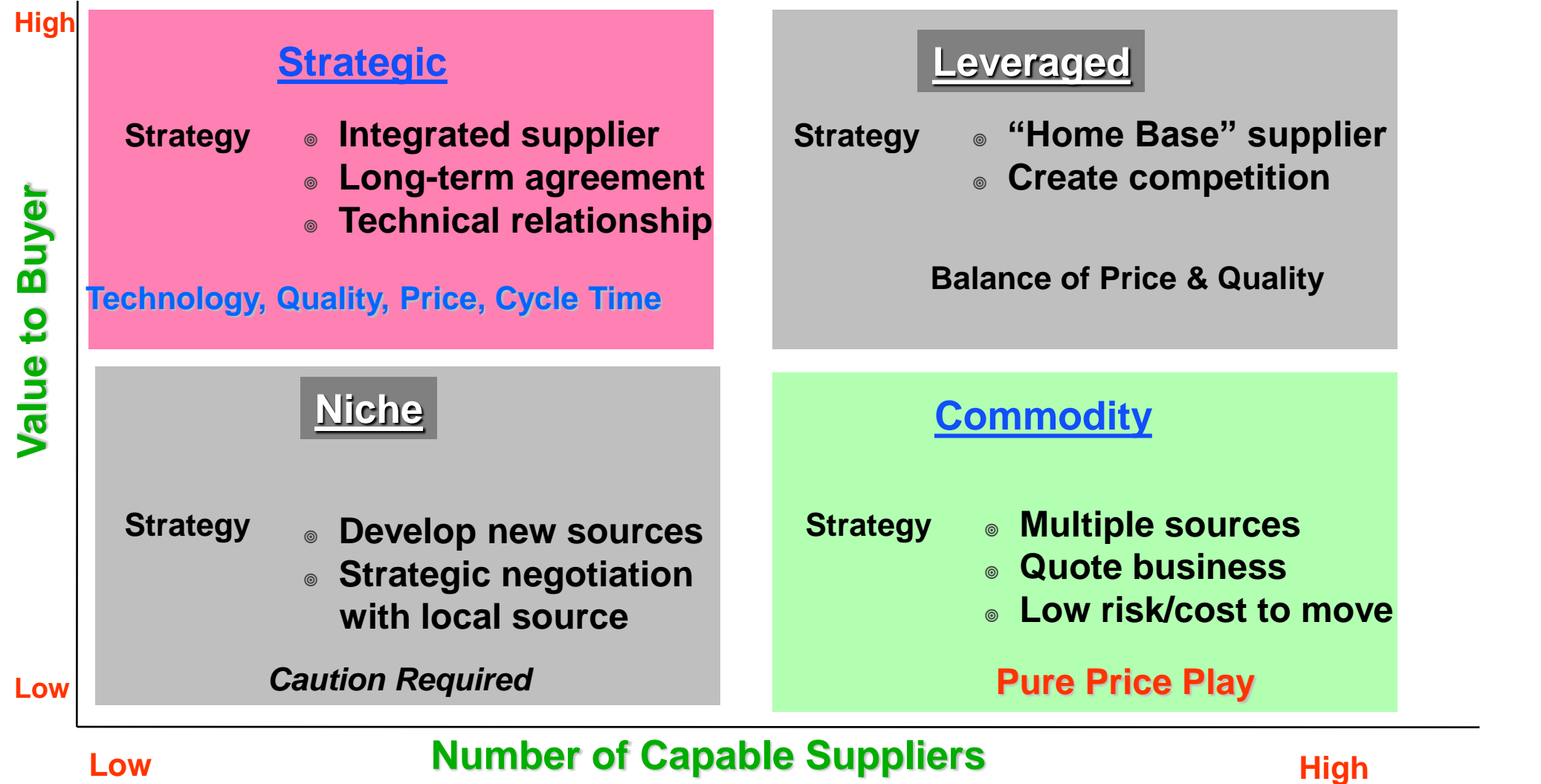
External Focus

Priority



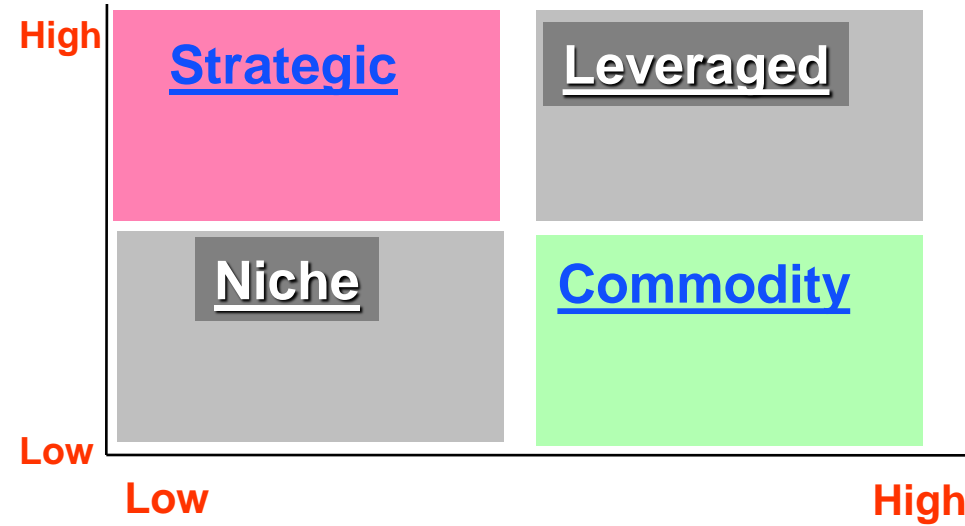
Internal Focus





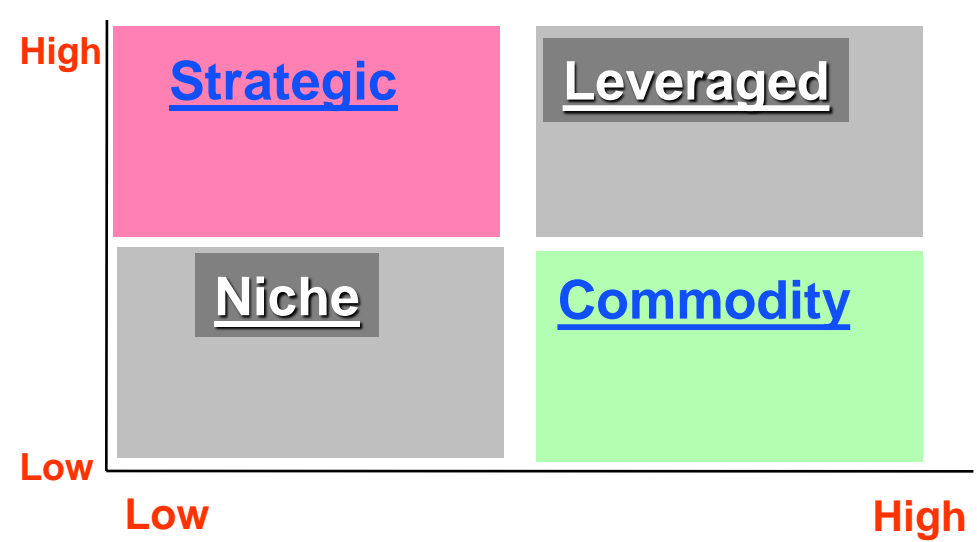
Types of Purchase





External Focus

The Gameboard



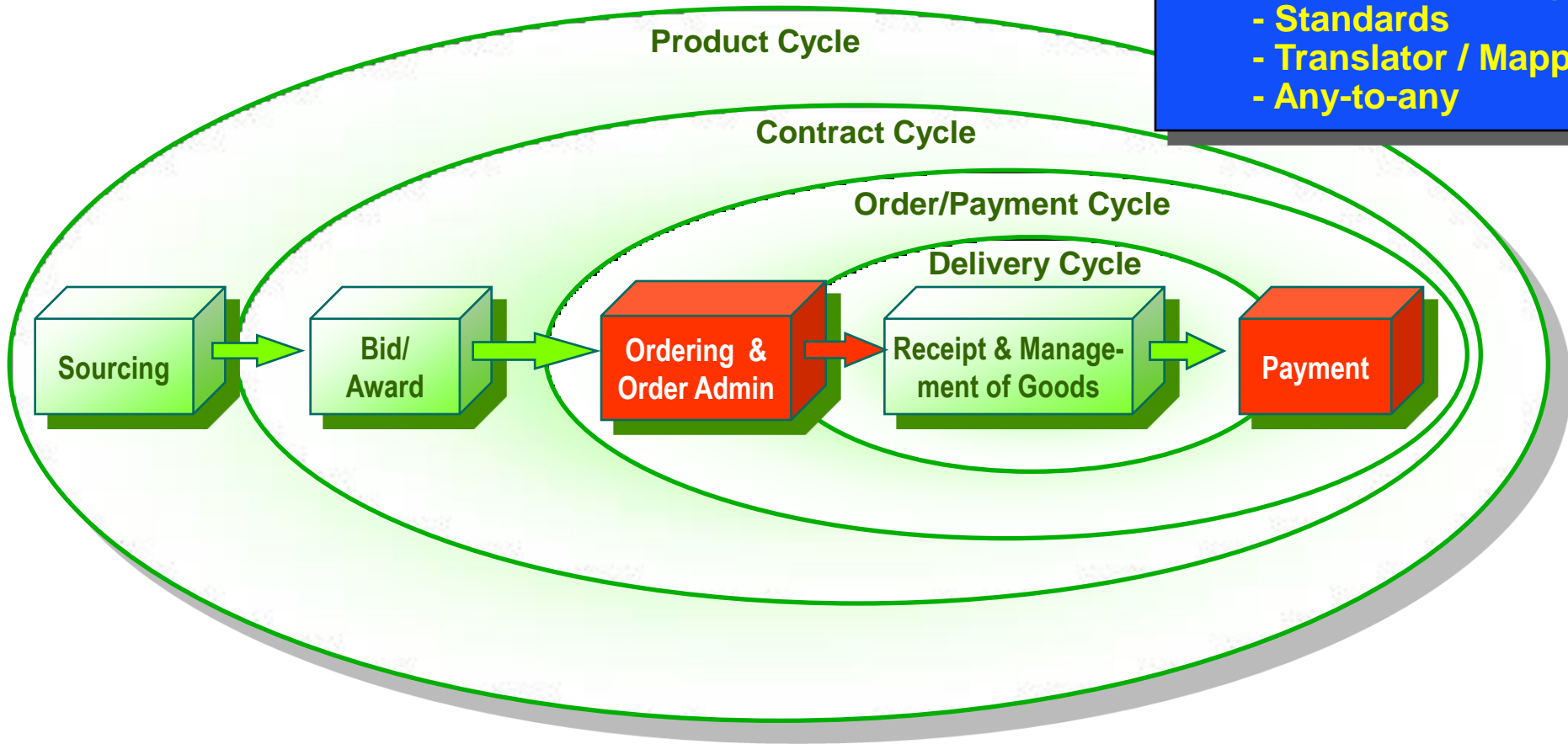
Internal Focus





EDI/VAN

- Partnership Programs
- Standards
- Translator / Mappers
- Any-to-any



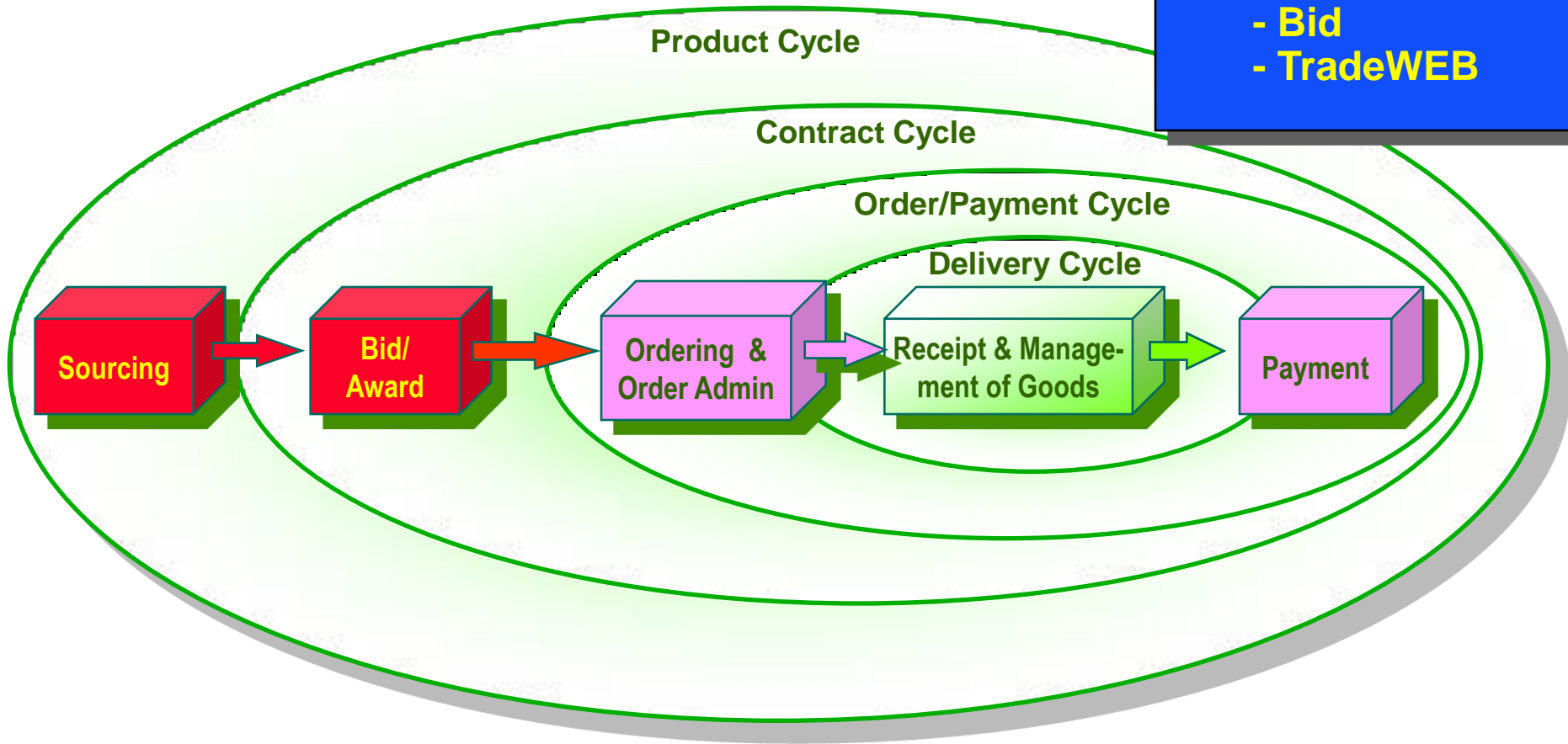
Strategic Purchase (external focus)





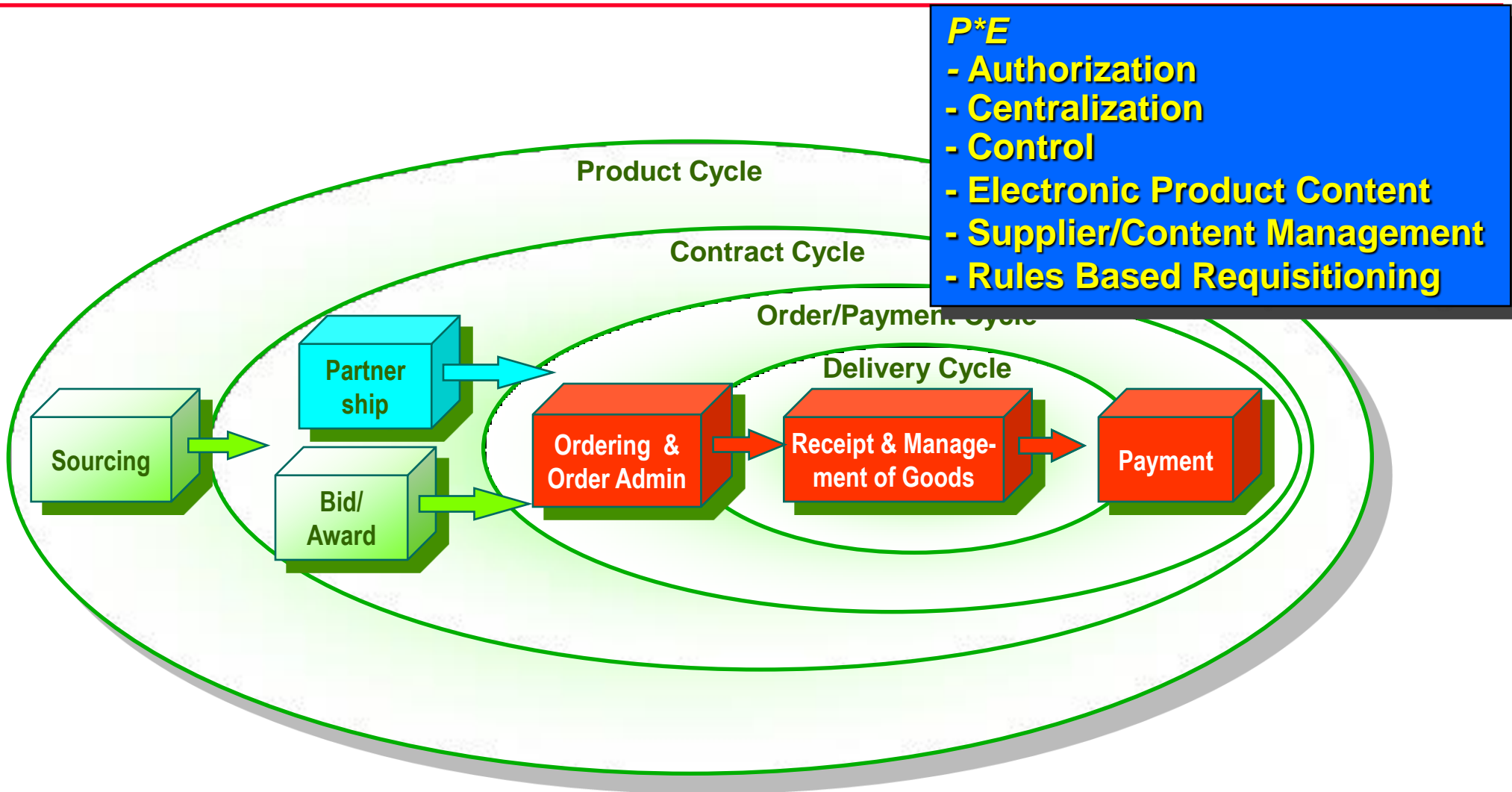
TPN/Post

- Qualification
- Bid
- TradeWEB



Commodity Purchase (external focus)





Purchase (internal focus)





GE Information Services

Procurement Business Process

Grazie



Productivity. It's all we do.™

