



**INTEGRATE SUPPLY  
SERVICES**

Supply Chain Management in  
Outsourcing

## Who we are

**UNITEC** is an international firm that has changed innovative organizing ideas into operating facts.

## Where we are

In the centre of Europe.



## Why

To be closer to the supplying sources, to our customers and to their European plants.

## What we do

- We transform costs from fixed to variable, and we **reduce** them.
- We provide tools for the re-engineering of the supplying procedure.
- We support steady firm improvement and Quality Management.
- We create an added value from every cost.
- We enable our customers to concentrate totally on their core business.

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## How we do it

- 🌐 By studying with our customer the best operating and information technology solutions.
- 🌐 By reducing the number of suppliers and by handling them.
- 🌐 By locating and handling hundreds of operating draw-backs that arise during the various working phases.
- 🌐 By invoicing once a month rather than thousands of times, by unifying currencies, payment terms and number of payments to suppliers.
- 🌐 By avoiding that isolated events should be handled as standard procedures.
- 🌐 By organizing our clients' logistics and reducing their transportation costs.
- 🌐 By integrating the supplies so that one delivery can substitute hundreds of arrivals, with their related controls and warehouse operations.
- 🌐 By using the most modern communication technologies so that the use of the telephone becomes almost unnecessary.
- 🌐 By interconnecting our clients' departments and plants with low-cost internet applications available 24 hours a day in every language and from anywhere in the world.
- 🌐 By eliminating language barriers and the need of translations as our staff is multilingual.
- 🌐 By proportioning the expenditure to the output.
- 🌐 By relieving from our customers the task of filing thousands of documents.

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## **Which services we offer for the elimination of costs**

- 🌐 Integrated supply
- 🌐 Reduction of suppliers
- 🌐 Administrative support and reduction of invoicing
- 🌐 Production Supply Chain Management
- 🌐 International purchases
- 🌐 Handling of orders and related supplying
- 🌐 Co-ordination of the supplying process as a support to the external sub-suppliers
- 🌐 Co-ordination of the supplying process as a support to the maintenance departments
- 🌐 Support to lab-supplying
- 🌐 Handling of the supplying process via internet
- 🌐 Stock reduction of non-core business materials
- 🌐 Automatic replacement of stocks
- 🌐 Handling of virtual stocks of non-core business materials via internet
- 🌐 Reporting of activities, even on-line
- 🌐 Planning and creation of dedicated internet and intranet sites, handling of Data Base and applications for use via Internet
- 🌐 Firm consulting and re-engineering of the supplying processes

**The problem**

Thousands of procedures like this every year



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**The Integrated Supply**

**UNITEC'S** solution proposal

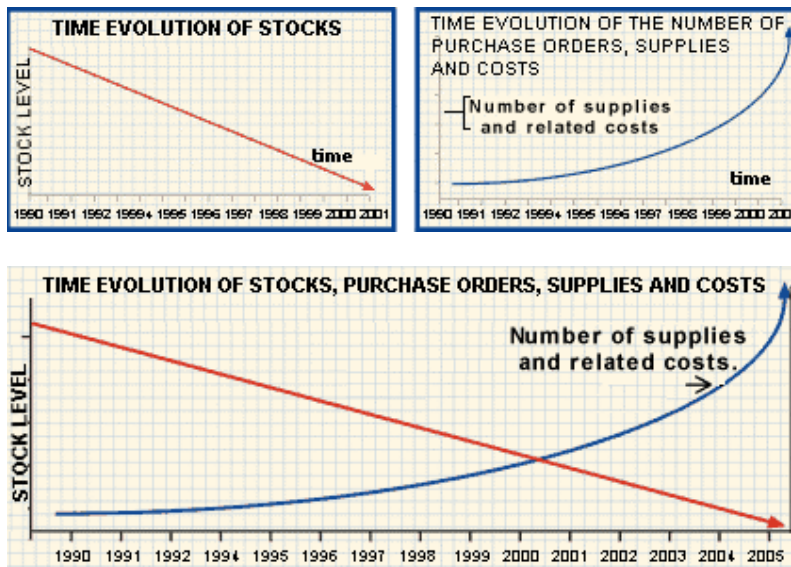
Outsourcing the handling overhead



## The Integrated Supply

- **The Origin**

The reduction of stock level that most firms have performed has brought immediate financial economy results, but has caused an exponential growth of the number of purchase orders and supplying processes and consequently an explosion of the related costs. Considering equal facilities, the efficiency of the internal services is therefore seriously compromised. Moreover, the fast pace of progress and the constant employment of new technologies has lead to having to deal with an ever-increasing number of suppliers.



- **The paradox...**

Reduction of stocks, reduction of number of suppliers, reduction of costs, reduction of structures...but increase of efficiency, competitiveness and profits.

- **And...the solution**

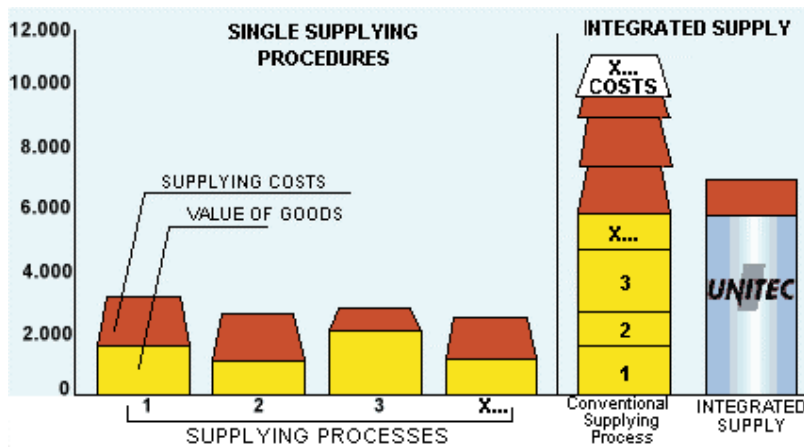
Proportioning costs to needs in order for the relation between cost and efficiency of structures to be direct and measurable. This is today possible by transforming the least profitable, but proportionally more expensive part of the internal supplying process, into services to be purchased on the market. This way there is an immediate transformation of fixed costs into variable costs that will follow the firm's trend.

- **The Logic**

The simple logic of the solution, the immediacy of the economic results and the drastic drop in handling costs can be represented graphically.

The more the supplying process is handled with the method of the INTEGRATED SUPPLY, the greater the economic results are.

The application of this logic transforms costs into resources.



- **The method**

It is as easy as its logic.

The several single communications about needed items are conveyed towards the provider, who summarizes the performed activities into a "single" document. This way it is possible to reduce hundreds of incoming invoices into a "single one", coming from the provider. This consolidation process includes all documents and procedures that precede the invoicing.

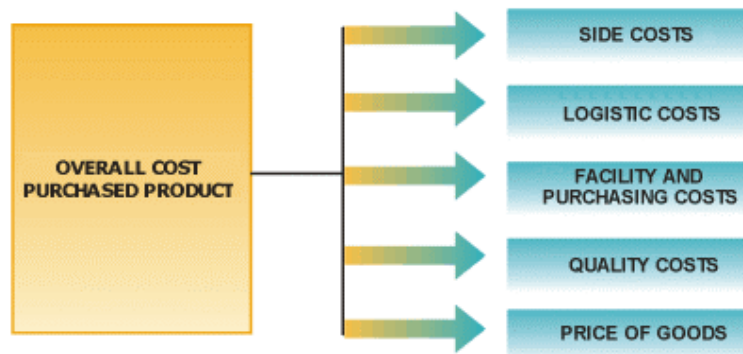
- **The Implementation**

It is the customer who decides to which extent he requires the service, according to his strategies of optimization and re-engineering of procedures. There are analytical references that show several approach methodologies, in consideration of the size of the firm and of the time-frame needed.



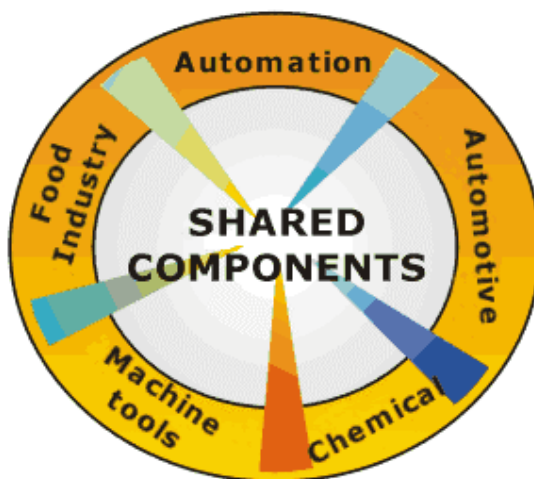
- **The economic reason** *Cost analysis*

For the products and suppliers of the B and C segment (non-strategic low cost), the price of the products to be purchased is no longer in economic proportion to the internal handling costs, since they are by far higher than the value of the goods themselves. It is obvious that in this case it makes more sense, economically, to work on the costs rather than on the prices.



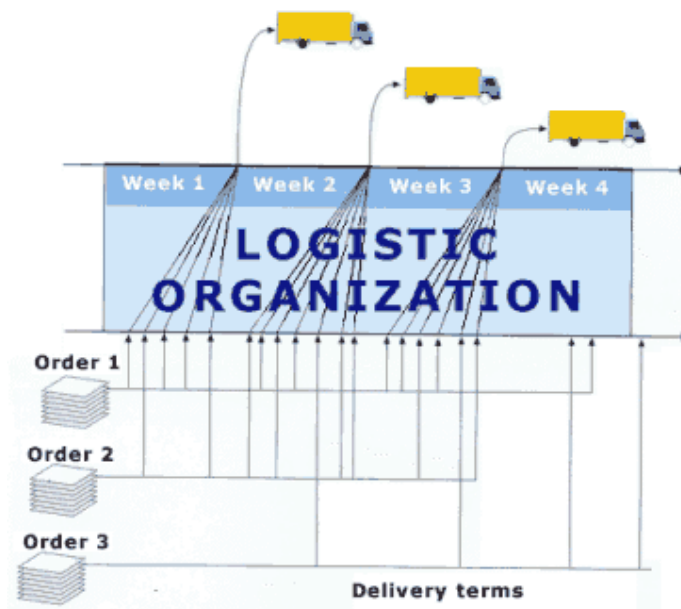
- **...the reduction of prices...**

By utilizing the INTEGRATED SUPPLY targeted to COST reduction, a PRICE optimization will also be simultaneously achieved, thanks to the more favourable conditions obtained with a concentration of purchase volume in the specific industries shared by more consumers of this service.



- **The logistic advantage**

The introduction of the INTEGRATED SUPPLY allows for improvements in the logistic flow as well. Arrivals can be arranged so that the acceptance of goods may occur in a programmed rather than in a fragmented order. Warehousing operations will be aggregated and accelerated. Idle times are therefore ridded, with a consequent efficiency improvement in the existing facility. Monitoring activities and pertaining delivery documentation are reduced to a manageable minimum.



- **The reduction of transportation costs**

As soon as the LOGISTIC FLOW is improved, the transportation costs as well get drastically reduced. In fact, it will no longer be necessary to move small quantities at high costs, but it will rather be possible to move large quantities at low costs. These parameter inversions are the result of the logistics management model that is agreed with **Unitec** and of the supply volume requested by the customer.

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- **As a guarantee...the technologies**

Guaranteeing customer's choices is a main and paramount commitment of Unitec's. The implementation of the integration model that is outlined with the customer is supported by advanced information technologies that enable a constant observation of the process being handled.

For this purpose **UNITEC** has its own team of programmers, who develop continuously new information technology solutions. This guarantees promptness in replying and independence.

The internal organizational model and the information technology means have contributed to the achievement of the "PAPERLESS OFFICE".

- **And... the electronic communications**

Following the progress of electronic communications, **UNITEC** has created its own internet provider in order to be able to manage and use the electronic communication technologies to make customer service even more efficient. These technologies allow us to reduce remarkably the material paper flow of documents, to substitute gradually telephone and telefax and to grant a 24-hour-service which can be utilized from any place in the world.

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## The Integrated Supply

- **Internet and its strategic use**

Firms are increasingly approaching these new instruments, but their spread is somehow being slowed down by the limited number of services which are actually useful for the fulfillment of daily duties.

UNITEC has created these services.

It is possible to handle the supplying process in a custom-made way , via internet... and even from home.

It is possible to manage one's own warehouse by making it accessible to all the internal users , re-integrating at the same time the stocks even from far away located suppliers, obtaining like this an INTEGRATED SUPPLY.

TODAY IT IS POSSIBLE:

To reduce your own stocks by "increasing" them logistically by sharing virtual warehouses with other users of this revolutionary service.

To control, with a complete tracking via internet, all the current activities: delivery terms, delivery notes, prices, invoices, transportation...

To receive a complete report, even with a real time update, that can be consulted anywhere and at any time.

For those who are interested, upon request only, **UNITEC** can provide a test-access to an operating service.