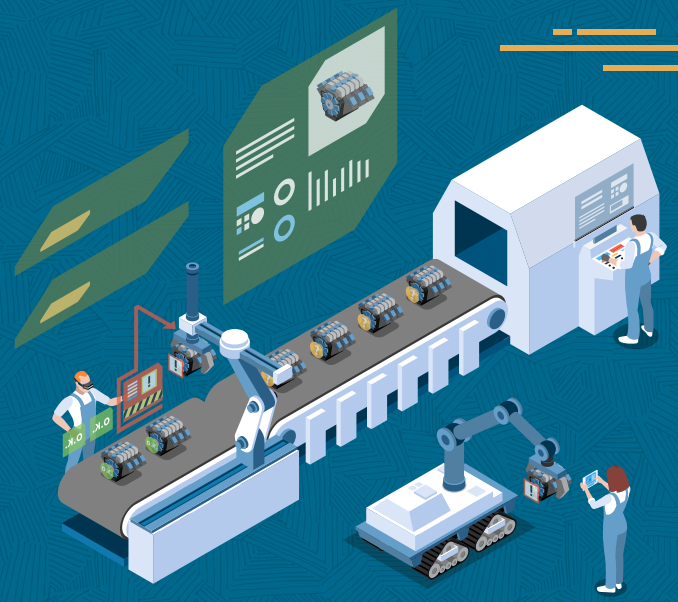ORACLE **NETSUITE** + △ Crowe

Enterprise Technology for Parts Distributors

Parts Distribution: A Multibillion Dollar Sector

- Whether they're supplying parts for aircraft maintenance; selling items to heating, ventilating and air-conditioning technicians; or shipping parts to consumers, parts distributors play an important role in the equipment maintenance supply chain.

- In 2022, the U.S. aircraft parts distribution industry is worth $54.8 billion and growing at a rate of 2.8% annually.

- Auto dealerships sold about $74.5 billion in parts in 2021.

- Parts distributors are continually rethinking their competitive positions and working to navigate an increasingly dynamic marketplace.

Sources: IBIS World, Statista

Dealing with Manual Processes and Legacy Systems

- Historically, parts dealers have used thick, phonebook-like paper catalogs to manage their inventory.

- Employees may need to flip through multiple books to find the current version of a part that a customer is requesting.

- Distributors also must manage complex pricing, back-order and availability scenarios in an environment where constrained supply chains and lengthy lead times are common.

- Companies with older, industry-specific enterprise resource planning (ERP) systems and disparate software solutions must use spreadsheets, email and other manual means of moving data among these systems.

Meeting Industry-Specific Needs

- Original equipment manufacturers (OEMs) regularly update their products and their related parts, and part numbers.

- Parts distributors must manage a lot of superseding items, which occur when an OEM replaces an existing part with a new one that has a different part number.

- Distributors must frequently update their systems to reflect these replacements so they don't sell the wrong part to a customer.

- Keeping up with these changes requires a unified ERP system plus an integrated parts supersession management application.

Automating Key Processes

- The Crowe Parts Distribution Accelerator for NetSuite automates various processes for companies that sell through the aftermarkets of their primary OEM suppliers.

- The Crowe Parts Distribution Accelerator is built for NetSuite and helps align the distributor with its end customer.

- It offers prebuilt application programming interfaces (APIs) for order creation, order lookup, inventory lookup and invoice copies.

- The Crowe Parts Distribution Accelerator also manages:

  - Back-order release policies based on value, days available, paired parts and customer consolidation

  - Freight policy management

  - Automated fulfillment strategies

  - "Best price" pricing and promotions logic