

MSC Industrial Supply Company



Winning with eProcurement



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– Tom Cox
Executive Vice President – Sales
MSC Industrial Supply Company

Customer Profile

MSC Industrial Supply Company is one of the premier distributors of MRO supplies to industrial customers throughout the United States, with annual sales over \$1 billion. The company distributes more than 500,000 industrial products to over 300,000 customers, with 99 percent in-stock availability and next-day delivery to 80 percent of the industrial United States.

The Challenge

MSC introduced eProcurement capabilities in 2000 with the launch of its website, www.mscdirect.com, which is integrated to Ariba® Supplier Network™ via its Ariba Ready™ PunchOut™ solution. However, many MSC customers wanted help with increasing adoption and compliance, and facilitating vendor and order consolidation.

The Solution

MSC now ties all its solutions to mscdirect.com, which in turn integrates with customers' eProcurement solutions. For example, MSC's customer-managed inventory (CMI) solution—which lets customers scan and input barcodes to consolidate

and expedite orders via PunchOut—is a program many customers like. “By integrating CMI with eProcurement we're able to drive higher adoption rates,” says Tom Cox, Executive Vice President – Sales for MSC. MSC also connects vendor-managed inventory (eVMI) and Pcards to its site.

MSC's National Account sales team is trained on the integrated solution offering and helps customers achieve quicker implementation and broader adoption. The company also participates in road shows and training to familiarize users with the website. MSC's close relationship with Ariba and participation in the Ariba Supplier Advantage program make enablement faster and easier. “Unequivocally Ariba is a very seamless integration for us, and one of the quickest we can do,” says Cox.

Extensive search capabilities for MSC's online catalog combined with PunchOut data support help customers quickly locate the right products. “Customers can review their order before it is placed, print MSDS sheets, check stock availability, and so on,” Cox says.

MSC's comprehensive inventory, same-day shipping, and ability to service a broad range of products—combined with its integrated, easy-to-use eProcurement solutions—streamline vendor consolidation and lower PO costs. “By driving more spend into eProcurement, we're helping customers gain the visibility they need to build a cohesive procurement strategy,” Cox says.

Adding Up the Benefits

Customers reap the rewards from MSC's approach with increased productivity and reduced costs and errors. MSC benefits as well. “We're seeing higher sales and lower expenses, but more important, we're helping customers leverage our capabilities into a solution that meets or exceeds their expectations,” Cox says.

