IFS APPLICATIONS™ FOR

HIGH TECH

OUR SOLUTION'S DNA

When we first set out to create IFS Applications over 25 years ago, our goal was to make the most usable business software on the market. And to help us achieve that ambition, we put simplicity at the forefront of everything we did.

We still do.

We decided that we would make only one product, which can be easily configured to match the specific requirements of a broad range of industries.

We still do.

We decided that we would build IFS Applications on standards so our customers would not be locked into any particular technology.

We still do.

We decided to design IFS Applications as a component-based structure so it can be easily extended and updated.

We still do.

We decided that each software component must be totally compatible with every other, yet capable of running independently.

We still do.

We decided to build a product that could handle change and long-term evolution.

We still do.

And, that we would make the most user-friendly business software on the market.

We still do that, too.

CONSIDERABLE RISK,
GREATER REWARDS

You know as well as anyone that high-tech electronics industries are characterized by both challenges and opportunities.

The industry has seen brand owners reap enormous profits from bets on new technologies. Yet the electronics supply chain has been prey to sudden upsets—whether the industry downturn of 1991-2, the 2008 great recession or the 2011 Japanese earthquake and tsunami.

You know better than most the complexity of today's supply chain.

Upstream are fabricators, contract manufacturers, component and equipment suppliers, supply chain specialists and 3PL service providers. Downstream are distributors, consolidators, service and call centers—often combined with logistics services—and multi-channel retail outlets.

No one has to tell you the high-tech industries are characterized by the need for low-cost, high-volume flexible manufacturing.

We're with you on all of this. We at IFS have more than 25 years experience working in the high-tech industries.

IFS Applications addresses the entire high-tech product lifecycle, from original concept generation through demand management, production, distribution and after-sales and services support.

If your company is increasingly involved in complex order-driven and mixed-mode production across an extended enterprise and need multi-site, multi-country, multi-language enterprise capabilities, IFS Applications is a platform for achieving meaningful change through support of new products, services and channels.

ROOM TO MOVE AMIDST TIMES OF CHANGE

We at IFS see two long-term industry trends. First is supply-chain optimization in an increasingly real-time information environment, including for procurement, planning & scheduling and distribution. Second is lifecycle management, encompassing product development, outsourced manufacturing, services provision and change management.

Most electronics suppliers—even many large ones—build to a forecast that is stocked as inventory and then allocated to orders. Actual demand is fulfilled out of inventory kept in networks of distribution facilities or shipped from a plant within 48 hours of order receipt.

Forecasting and planning involves increasing numbers of stock-keeping units (SKU), and includes replacement and spare-parts demand. Simple "min/max" reorder-point replenishment isn't sufficient given demand volatility, whether influenced by promotions or unforeseen market trends.

Material requirements planning (MRP) supported by Kanban pull-based replenishment is in wide use. OEMs are more likely to use lean scheduling and level loading for final assembly and test areas than are suppliers, which typically run plants based on MRP work orders.

Collaborative demand planning and supplier vendor-managed inventory (VMI) programs are increasingly common. Single- or dual-source suppliers participating in these programs are realizing the benefits of downstream visibility. Yet meeting these requirements calls for sophisticated demand and production planning, visibility and supply-chain execution.

OEMs and suppliers want access to point-of-sale forecasts and supply-chain inventory levels. A more real-time supply chain shortens response to demand change, eliminates unneeded replenishments, reduces obsolete inventory, limits excess capacity, and buffers strained margins. Conversely, increasing capacity to take advantage of a market opportunity can also be eased.

In particular, the industry is addressing the following:

- Multi-mode manufacturing and multi-channel distribution—the industry remains vulnerable to inventory shortfalls and overages as it seeks to optimize revenue and profit.
- Outsourced manufacturing—outsourcing needs to be balanced, and while it can reduce costs it also leads to a complex virtual enterprise.
- Service management—profit margins on services delivery are typically more generous than for product sales.
- Regulatory issues—the swift pace of international regulation promulgation presents challenges to electronics manufacturers.
- New product development and change management—the pace of innovation in electronics industries is greater than in any others, and it must be managed.

A SIMPLE WAY TO ADDRESS COMPLEXITY

You want to stop unneeded replenishments, reduce obsolete inventory, limit excess capacity and buffer strained margins. Yet OEMs and distributors point to supplier shortages and delays, to lack of communication and not enough real-time visibility.

IFS Applications sees use by many mid-sized and large enterprises doing complex order-driven and mixed-mode production across the extended enterprise.

The solution gives you power to choose from a rich mix of best-of-breed solutions for manufacturing, project, service & asset and supply-chain management, combined with a complete list of enterprise resources planning (ERP) software.
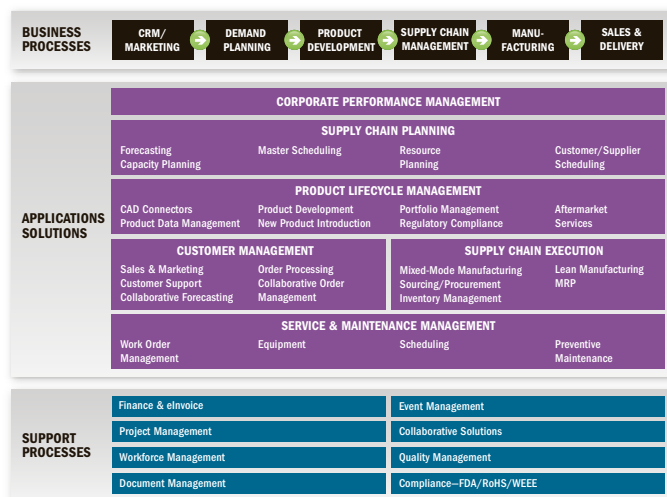
Besides core ERP of financials, human resources, manufacturing and distribution, users choose from best-of-breed solutions for enterprise asset management (EAM), customer relationship management (CRM), product lifecycle management (PLM) and others. In addition, IFS Projects, IFS Document Management, and IFS Quality Management are in themselves substantial solutions.

These solutions operate stand alone; integrated with existing corporate enterprise systems, or as part of a comprehensive IFS Applications deployment.

Product lifecycle management, based on IFS Applications for document and data management—including integration with leading CAD vendors—delivers that single source of truth needed in markets characterized by many new products, product upgrades and component substitutions.

Enterprise asset management in IFS Applications combines calendar-based maintenance with event-based, condition-based and predictive maintenance strategies. Mobility solutions capture work orders, fault reports, PM routes and report time, spare parts and measurements on equiment —wherever you are.

This diagram illustrates the depth of the functionality that makes IFS Applications such a powerful business tool. A focus on solutions that address industry-specific issues increases competitiveness, raises quality standards and minimizes costs.

HIGH TECH DEEP DIVE

For all their efforts to get it right the first time, OEMs issue purchase orders—subject to cancellation, revision and rescheduling—more often than firm contracts. You, as a supplier, are rewarded for expeditious fulfillment of sudden demand spikes. Yet risk mounts with higher inventory levels. To avoid write-offs in a market downturn, visibility and responsiveness are crucial.

MULTI-MODE MANUFACTURING

IFS Applications supports multiple manufacturing modes, including repetitive, rate-based, and work-order-driven production scheduling and reporting.

- Make-to-stock in an integrated planning environment
- Make-to-order operations supported by lean manufacturing
- Engineer-to-order supported by product lifecycle management (PLM)
- Configure-to-order using base products and hierarchical structures for configuration on several levels
- Assemble-to-order based on Japanese Seiban philosophy

IFS supports Kanban production at various levels—from simple card-based to electronic Kanban with sophisticated shop-floor reporting. You can base the size of the Kanban circuit on forecasts or historical data.

SUPPORT FOR GLOBALIZATION

Your company may have global headquarters, engineering and design staffs and contractors stationed anywhere in the world. It's important to view their diverse endeavors as a single, integrated enterprise.

Our solutions support this environment with a global view of production, assembly and in-transit activities, based on multi-plant master production scheduling (MPS) and MRP. All data—including quality and yield information—is in one place. Corporate and operations performance is tracked through digital dashboards and web portals, accessed through laptops, pads, smart phones and other devices. The parameters important to profitability are viewed in real time, as needed, regardless of location.

SERVICE MANAGEMENT

For manufacturers, value-added resellers (VAR), and distributors, we offer a richest-functionality solution for aftermarket-services provision, including:

- Service contracts, including service-level agreements (SLA), revaluation and pro-rata calculations
- Call centers, including case management, escalation and automatic case-dispatching, queue-handling, and journal
- Resource scheduling and optimization; map positioning and route optimization; and availability planning
- Team planning, competence management, time-and-attendance tracking and work-load analysis

Our offering includes leading mobile workforce scheduling software, supported by a highly scale-able SOA optimization framework for both on-premises and cloud deployment. Applications integrated with global-positioning mobility solutions—including IFS Touch Apps—keep business and service reps in synch from sales to delivery.

REGULATORY ISSUES

RoHS- and WEEE- compliant manufacturing is a given in high tech, with suppliers handling materials separation, labeling, quarantine, and non-RoHS material conversion analysis to ensure downstream

compliance. Integrated document management and security features allow better tracking of audit-related documentation and expedite approval processes.

IFS Applications supports 21 CFR Part 820 requirements for quality system regulation, including:

- Full lot- and serial-number traceability
- Integrated design, purchasing and part-availability control
- Integrated plant and equipment maintenance, service quality management and compliance tracking
- Device master records (DMR), device history records (DHR), and quality system records (QSR)

The IFS Sarbanes-Oxley solution makes it easier to comply with corporate governance laws and regulations.

PRODUCT DEVELOPMENT, CHANGE MANAGEMENT

IFS' comprehensive product data management (PDM) application, two-way CAD integration and integrated document management system support efforts to shorten time to market. Engineers share information regardless of location or design tools used, within a secure review and approval process.

A SINGLE FLEXIBLE SOLUTION

IFS product development is market-driven and based on the changing needs of high-tech manufacturers. IFS Applications' inherent flexibility, based on a robust technical platform, leaves its industry users ready to respond to market and technology changes that can't as yet be fully anticipated.

Services-oriented architecture (SOA) and the proven benefits of components and object orientation allow other application solutions to access data and invoke functionality in IFS Applications through fully exposed business objects.

IFS places a high priority on user interface and workflow improvements that make its applications accessible, highly usable and fun. By doing so we are addressing issues related to an aging workforce and a new generation of computer-intensive users.

A worldwide network of offices and partners ensure that support is always local. Installation, consulting and maintenance are offered via IFS offices or partners with long experience, both within the high-tech sector and with our solutions.

We support our users and on-going business development through customer communities for knowledge sharing that include industry advisory councils and OpenIFS.

SHOP FLOOR MANAGEMENT:
A number of shop floor reporting functions are contained within a user-friendly screen allowing touch screen capabilities

ABOUT IFS AND IFS APPLICATIONS

IFS is a public company (OMX STO: IFS) founded in 1983 that develops, supplies, and implements IFS Applications™, a component-based extended ERP suite built on SOA technology. IFS focuses on agile businesses where any of four core processes are strategic: service & asset management, manufacturing, supply chain and projects. The company has more than 2,000 customers and is present in 50+ countries with 2,700 employees in total.

If you are interested in further information, e-mail **info@ifsworld.com** or contact one of our regional offices or visit our web site: **www.IFSWORLD.com**

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