

The eOpen Quotation Order process

The COINS-etc eOpen Quotation Order process is an efficient and cost-effective mechanism for the buying organisation [buyer] to request and receive electronic priced quotations [eQuotation] within the framework of an existing **Open Order**. The underlying open order process enables the buyer to raise a single order [PO] on a supplier for the supply of materials that will be requested or 'called off' as and when they are needed.

As and when specific materials are required, the contractor's authorised personnel [site manager or contract administrator (CA)] asks the supplier to provide an eQuotation for the required materials. The supplier produces and transmits the eQuotation to the buyer for approval. When the buyer accepts the eQuotation, the PO will be automatically created in COINS from the details of the priced eQuotation, and then transmitted back to the supplier, as a confirmation order. The materials are subsequently delivered to site and the invoice is produced and transmitted to the contractor.

The conventional eOpen Order process is an extremely cost-effective and well-used procurement route for regularly used goods and materials that have negotiated prices, often provided under national agreements. When there are other products available from the same supplier, that do not have pre-negotiated prices; often shown as 'Price on Application [POA]' products, the eOpen Quotation Order process is a particularly effective mechanism for the buyers to be involved in the purchase approval of these non-negotiated materials without them being directly involved in raising individual POs.

The eOpen Quotation Order process can be applied to all purchases from a specific supplier, especially where the supplier's products are specified by the architect or main contractor, or are particularly complex and expensive. Or, alternatively, the eOpen Quotation Order process could be used alongside the conventional eOpen Order process for the same supplier. The eOpen Quotation Order process would be applied to those products that do not have negotiated prices, and the eOpen Order process would be used to fulfil the requests for products with pre-negotiated prices and therefore not needing a price quotation.

Business benefit

The eOpen Quotation Order process allows the buying organisation to derive all the benefits of the simplicity and the low-cost of acquisition associated with the standard eOpen Order process for negotiated materials, but also enables the procurement function to directly control the pricing and acquisition of non-negotiated materials.

The main operational benefits are:

- A substantially reduced requisition-to-order cycle time for the procurement of those materials that do not have negotiated prices.
- Measurable increases in the accuracy of the contractors purchase orders; because it has been created automatically from the supplier's eQuotation.
- Reduced invoice queries and improved likelihood of a first-time match of the invoice against the PO; as all the key details used in the 2-way matching process, have been provided by the supplier.
- Improved likelihood of on-time supplier payments - an efficient and first-time invoice match against the PO is an absolute pre-requisite to drive efficient and timely invoice approvals and on-time supplier payments.

- Reduced buyer effort and time to provide accurate POs, often for complex and expensive products.

Overview of the COINS eOpen Quotation Order process

Stage	Description
S1	Request materials quotation: The site manager/engineer telephones or emails the requirements to the suppliers and quotes the open order number. <i>Note: The open order has previously been set-up in COINS by the buyer, and a copy of the open order has been sent to the supplier and to the site.</i>
S2	Produce sales order quotation: The supplier sets up a Sales Quotation in their back-office application and transmits the eOpen Quotation Order to the COINS eTrading Hub.
S3	eOpen Quotation Order workbench: The eOpen Quotation Order is received from the COINS eTrading Hub and placed on the eOpen Quotation Order workbench. The Buyer reviews all outstanding quotations. Rejecting those quotations that are unacceptable and approving those that are acceptable.
S4	Update COINS open order: As the buyer approves a quotation, the PO detail lines are automatically updated from the product detail lines on the suppliers eOpen Quotation Order and the eOrder is transmitted to the COINS eTrading Hub.
S5	Process sales order: The supplier receives the eOrder from the COINS eTrading Hub into their back-office application and automatically retrieves the quotation, converting it to a confirmed order.
S6	Deliver materials to site: The supplier produces all the necessary delivery information, including advance shipping notice [ASN] and delivery note, and arranges delivery of the materials to site

Message flow diagram:

