

TO: All Suppliers for the the Generac/Ariba Implementation

FROM: Generac Supplier Enablement

SUBJECT: Important Announcement for Generac Suppliers Regarding Supply Chain Processes



Dear Valued Generac Supplier,

We are pleased to announce a new initiative to streamline our Supply Chain processes. Generac Power Systems is partnering with **SAP Ariba®** to fulfill our vision of moving away from paper and manually transmitted documents. Since 1996, Ariba has been transforming the global supply chain landscape for businesses of all sizes and we are excited to provide you with this opportunity.

Generac Power Systems expects all transactions from request for quote to advance shipment notice to be processed in Ariba. In order to conduct future business with Generac Power Systems each supplier will be required to participate with the Ariba Network.

The phases of SAP Ariba and Generac Power Systems are:

- Sourcing—All Request for Quote and PPAP submission (Go Live Oct 2018)
- Supply Chain Collaboration—Purchase Orders Management, Advance Ship Notices, Forecast Communication (Go Live Nov 2018)
- **What does this mean for you?** Conducting business on the Ariba Network will be required for exchange of all **Quotations, Purchase Orders, Purchase Order Confirmations, Advanced Shipping Notices, , Forecasts, and Forecast Commitments** with Generac Power Systems. These documents will be transmitted using the Ariba Network. One of the reasons we selected SAP Ariba is that it brings our suppliers many benefits such as real-time document delivery, process automation, and potential new business opportunities
- **When will this take effect?**
In the coming weeks, Generac Power Systems and Ariba will send you important communications and instruction for joining the Ariba Network. This includes establishing a trading relationship with Generac Power Systems on the Ariba Network and configuring your Ariba Network account. We appreciate your prompt action on all communications and requests regarding this initiative (not to exceed five business days). The sourcing initiative is starting on 08 October 2018, you will begin receiving requests for Quote along with PPAP submission requests via the Ariba Network. We are targeting a cutover date to the Ariba Network for Supply Chain Collaboration on 01 Nov 2018 for selected suppliers and then will proceed in periodic waves after that.
- **Is there any cost?**
Generac Power Systems and SAP Ariba have reached an agreement to provide you this service without network fees associated with Generac Power Systems transactions. Please note, SAP/Ariba does offer additional services or options to transact with other buying organizations on Ariba Network, you may be subject to fees.

➤ **How can you learn more about the Generac and SAP Ariba partnership?**

You can learn more about SAP Ariba and the specific details about this initiative by registering for a web-based supplier summit. Registration for a Supplier Summit can be completed by clicking the "Register" link below next to the Supplier Summit that best fits your schedule. **Attendance to one of these Supplier Summits is required.** At the end of the summit we will provide you with the opportunity to participate in a live Q&A with experts from both SAP Ariba and Generac Power Systems. In addition, Webinar's will be scheduled in September for focused training in Quotation and PPAP submission.

This shift will strengthen our business relationship and allow for robust collaboration and supply chain capabilities. If you are not the correct recipient or have questions, please contact the Generac Power Systems Supplier Enablement Team at generacse@generac.com.

Failure to attend the summit and register/participate with the ARIBA NETWORK may lead to an inability to quote on future basis, payment delays, and/or supplier charges for additional Generac Power Systems order processing costs.

Kind Regards,
Generac Enablement Team