**REQUEST FOR PROPOSAL (RFP)**

**Gates Corporation**

**Master Data Management and Governance Solution**

Date: 10/21/2016

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# Overview of the Gates Corporation

Gates Corporation (“Gates”) is the world’s leading manufacturer of power transmission belts and a premier global manufacturer of fluid power products. Our highly engineered products are critical components used in diverse industrial and automotive applications where the cost of failure is very high relative to the cost of our products. We provide a differentiated value proposition to our customers by offering a complete portfolio of premium product and service solutions for both replacement and first-fit applications across our targeted end markets, which encompass process and specialty, construction, agriculture, energy, transportation, and automotive. We sell our products globally under the Gates brand, which is recognized by distributors, original equipment manufacturers, and installers as the premium brand for quality and technological innovation, a reputation which we have built for over a century since our founding in 1911.

As an engineering leader with a strong foundation in research and development, Gates is committed to advancing the science of motion performance by developing safe, forward-thinking products, services, systems, and solutions, as well as fostering long-term customer and employee relationships. Headquartered in Denver, Colorado, Gates employs over 14,000 people across 106 locations in 30 countries.

* Gates sells its products directly through a network of 150,000 valued partners worldwide.
* Gates has enjoyed an international business presence for over 60 years and today is in such diverse locations as North and South America, Europe, Middle East and Africa, the entire Asia Pacific region, and India.
* The Gates World Headquarters are located in Denver, Colorado, employing more than 400 dedicated professionals.

If it moves you, there's a good chance Gates has a part in it.

Gates Powering Progress.

# Overview of the Project

This Request for Proposal (RFP) is for Gates to evaluate cost effective alternatives for a worldwide Enterprise Master Data Management and Governance platform. This RFP provides potential MDM/MDG software and Solution Provider(s) the objectives and scope to allow for a comprehensive response to the requirements that Gates has identified. The Enterprise Master Data Management and Governance platform could be hosted at the Gates co-location data center (Zayo) located in Denver Colorado, or could be a SaaS solution/subscription on a secured private cloud. This project includes a software solution purchase, a Pilot, Phase 1 and Phase 2.

# Background

Today, the Gates enterprise environment resides on 26 instances of 7 different ERP’s. These instances do not have a formal MDM process or solution in place. As a consequence, there is significant master data inconsistency and duplication, resulting in low master data quality.

The strategic goal of Gates in the foreseeable future is to shrink the ERP footprint and standardize on a regional or single global ERP model. Achieving ERP standardization, governance and quality of existing master data are of utmost importance. This RFP is to address the critical objective to deploy a global solution (NA, APAC and EMEA) to include business processes and tools to support master data lifecycle management.

# Proposal Requirements

In the Proposal, each Solution Provider must respond to the requirements defined in this Section and the corresponding Exhibits. Each of the artifacts defined in the Exhibits shall represent the Service Provider’s experience with global solutions and implementations comparable in size and structure to Gates. Exhibt R - Response is the key document for Service Provider responses.

Additional attachments of other pertinent documentation by the Solution Provider’s are appropriate for the response.

**Guiding Principles** – Please confirm understanding and agreement with the Guiding Principles.

* The MDM/MDG implementation program will be a greenfield implementation and will not be bound by any existing system constraints
* The MDM/MDG implementation program is divided into three separate phases:
  + **Pilot Phase**: Will address two or three high priority ERPs with limited master data set (Direct procurement only). The ERPs selection will be based on Direct Procurement spend and immediate business needs to drive compliance in procurement processes. The pilot will be used to create overall MDG solution deployment strategy.
  + **Phase 1**: Will address all major ERP systems and produce a global design for MDG processes and data model for all master data relevant for SCM. During this phase implementation team will collaborate with Global ERP and Commercial Applications teams. These teams will be responsible for design of a global leading practices template (GLPT), and MDG will have to integrate into the GLPT.
  + **Phase 2**: Is related to data migration efforts from legacy ERPs to global ERP. This phase assumes that master data model is established in phase one with relevant rules, and that cleansing, enrichment, data standardization, and data migration processes are repeatable.
* All current and future Gates entities will adopt the target MDM/MDG solution
* The MDG solution will be adopted by, and localized as required, for any international locations
* Gates will consider both “on premise” and “cloud” hosting options, but will lean more towards a cloud based solution and subscription based licensing
* Gates strongly prefers to implement “out of the box” functionality and only customize for key differentiating processes
* Gates strongly prefers to implement MDM/MDG in a phased approach, starting with Sourcing & Procurement business function as the first phase of the project.
* Gates is strongly committed to investing in change management and training
* Gates will not tolerate any disruption to business during implementation

**Functional & Technical Requirements –** The Exhibitsoutline the detailed requirements of the project as defined below. Exhibit R is for Response and is the Spreadsheet where each Service Provider shall complete their proposal.

**General Requirements:**

* MDM/MDG Infrastructure sizing and deployment **- (Exhibit 1 – *Section 1*)**
  + Provision and install all required hardware/systems
  + Act as an advisor and collaborate with Gates IT Infrastructure Team
  + Ensure connectivity and access to new MDM/MDG system
  + Performance tuning and monitoring
* Develop methodology and extensible design to deploy additional interfaces to other ERP systems**. - (Exhibit 1 - *Section 2*)** Note: Please answer questions in the **Exhibit R – *Section 1 & 2.***
* Help define and establish Master Data Governance Organization **- (Exhibit 2 - *Appendix A*)**
  + Evaluate, define, and implement Change Management activities to ensure that the new MDM/MDG solution, tools and processes are adopted by the business and that they will provide the intended benefit to the organization. This will also include the development of a training program and related documentation.

**Pilot Phase:**

Scope of the Pilot Phase is to demonstrate whether or not a MDG solution and its analytics capabilities will help Gates identify following:

* Examine inconsistencies and issues such as duplication or inaccuracy of Item/Material Masters specific to a group of materials or commodities (i.e. elastomers) across few major ERPs (i.e. Oracle North America & BPCS EU)
* Inconsistencies and issues such as duplication or inaccuracy of Vendor Master including incoterms, payment terms, purchase price, and similar across few major ERPs (i.e. Oracle North America & BPCS EU)
* Analyze P.O.s that have been issued in a recent past and determine level of compliance (correct material from approved supplier for negotiated price vs. maverick spend)
* Establish criteria and methodology to build a Master Data Governance organization.
* Define approach on how to establish Delegation of Authority policy Compliance - **(Exhibit 2 - *Appendix E*)**
  + - Design approval workflows for P.O. across key ERP systems.
* Build a project plan and strategy how to rollout MDG and relevant analytics globally across all major ERPs in Phase 1.

**Phase 1:**

Scope of the Phase 1 is to establish One Gates Master Data Governance solution with adequate business processes and MDG organization, and to rollout this solution globally across Gates organizations. The objective is to reduce spend in Direct procurement for 1% through improved master data and improved analytics, and to bring Gates master data set to a level of readiness necessary for data migration in the event of future global ERP implementation. Following are key deliverables:

* Set up processes, rules, and cleans data for master data, first with focus on Sourcing and Procurement master data, followed by rest of the master data relevant from SCM prospective **- (Exhibit 2 - *Appendix B*):**
  + Profile existing master data in order of business priority (i.e. across major ERPs for a specific commodity and group of suppliers or similar)
  + Cleans and de-duplicate
  + Define an ERP agnostic Data Quality Matrix
  + Enrich and apply business rules based on common Data Quality Matrix
  + Establish business process and rules for data normalization
  + Develop and establish Data QA process and policies
  + Design managed master data replication to existing ERPs
  + Delivery of final Business Process Procedures for all areas
  + Delivery of configuration documentation for all areas
  + Delivery of Functional & Technical Design Specifications
* Manage Scope and plan the project and its activities in phases focused to early value creation
  + Work with IT and Sourcing & Procurement to establish following functionality in the first (1st) phase of the project **- (Exhibit 2 - *Appendix C*):**
    - Central management of Supplier Master Record creation and updates including relevant approval workflows and their execution. (DUNS Numbers, Country of Origin, common supplier naming format, and etc.)
    - Central management of item/material master record creation and updates used in direct procurement including relevant approval workflows and their execution.
    - Management and approval portal with required key data fields/elements and underlining data quality rules (i.e. UoM, purchase price, incoterms, payment terms, MFG Part Numbers, Engineering. Part Numbers, UNSPSC codes and etc.)
  + Establish plan and activities for subsequent project activities for rest of the relevant master data (i.e. Product Master, Customer Master, BoMs, and etc.)
* Deliver Reporting & Analytics - **(Exhibit 2 - *Appendix D*)**
  + - Data Quality Matrix and relevant Reporting
    - Purchase Order analytics
    - DPO Reporting
    - Spend Visibility and Analysis
* Define integration with Purchase Order Distribution **- (Exhibit 2 - *Appendix F*)**
  + - Supplier Collaboration
    - Supplier Certificate of Analysis Management

**Phase 2:**

Scope of the Phase 2 is to support global ERP rollout. The majority of the data migration activities should be executed by Gates IT. The role of a solution provider is to:

* Develop strategy for cleansing, enrichment, data standardization, and data migration processes that are repeatable for a ERP rollout
* Knowledge transfer to Gates Data Migration and MDG teams.

**Pricing Requirements –** (Exhibit R – Response) The Solution Providers that have an MDM and Governance Solution – please bid on all 3 components (Solution, Maintenance and Implementation). System Implementation Providers – please bid on the applicable component (Implementation).

* Solution Cost
  + - Master Data Governance Solutions including modules and interfaces
      1. Cloud
      2. On-prem
         1. Can the solution run on a virtualized platform
         2. Can the solution run on the Cisco Flexpod environment? What is required to enable this architecture as a solution?
* Maintenance Cost (on-going)
  + - Define maintenance support model
    - Resource model
    - Provide maintenance support documentation
  + Implementation Cost – for providers that are just bidding on implementation, identify which MDM solution your practice specializes in and which solution you recommend to Gates based on Gates requirements. The Scope for each of these phases is outlined in Section 4.
    1. Pilot Phase
    2. Phase I
    3. Phase II

For each implementation phase– please breakdown the following costs.

1. Project methodology
2. Initial Setup
3. Training cost
4. Resources – hourly rate per resource and hours per resource
5. Duration of each phase and total project timeline

**Client References –** Provide three client references with the following preferred reference profile:

* + Global Manufacturing Company
  + Implemented Service Providers proposed solution
  + Multi-Currency
  + < $1 Billion in Revenue

# Contract Requirements

The Primary Solution Provider will be required to execute the Gates Master Professional Services Agreement (MPSA) if the foundational contract has not already been executed. The MPSA is an attachment with the RFP. Timely execution of all contracts is a requirement to remain the primary Solution Provider.

# Contact Information

All communications regarding the content of the RFP shall be directed solely to the contacts listed below:

**Primary Contact:**

Tracy Fitzke

IT Global Sourcing Manager

1551 Wewatta Street

Denver, Co 80202

303-744-5188

Tracy.Fitzke@gates.com

Please copy the secondary contact listed below on all communications regarding this RFP:

**Secondary Contact:**

Mladen Milter

IT Director

1551 Wewatta Street

Denver, Co 80202

303-744-4028

Mladen.Milter@gates.com

Solution Providers are not permitted to solicit information relating to this RFP from sources other than the primary or secondary contact, despite any previous relationships the Solution Providers may have with Gates personnel.

# Schedule of Events

The following is the schedule for the Solution Provider selection process. Gates reserves the right to change the schedule. Questions and answers will be distributed to all Solution Providers.

|  |  |
| --- | --- |
| **Event** | **Due Dates** |
| RFP is distributed to potential Solution Providers | 10/21/2016 |
| Solution Providers written questions are due to Gates | 10/28/2016 |
| Gates written responses to all questions are due to Solution Providers | 11/2/2016 |
| Solution Providers online RFP proposals are due to Gates | 11/14/2016 |
| Solution Providers hard copy RFP proposals are due to Gates | 11/15/16 |
| Down Selected Solution Provider s are invited in for RFP Presentations, if needed | 11/21/2016 |
| Gates notifies Solution Providers of next steps | 11/25/2016 |

# Project Outcome

* One Gates MDG Portal where all activities related to creation, change, retirement, and approval activities relevant for all 29 ERP instances would be executed
* Ability to track and remediate rogue or manually created master data in the individual ERPs outside of the MDG process
* Ability to connect all 29 ERP instances as well as Spec and PDM systems to MDG solution
* Ability to effectively manage and report on Master Data as well as provide basic analytics.
* Establish data cleansing and data migration process including a process cookbook repeatable as we consolidate and retire individual ERP instance.
* Knowledge transfer to IT MDG team and best practices knowledge transfer to Data Stewards and MDG Organization.
* Achieve spend reduction of 1% in directly procured materials by end of fiscal year 2018.

# Exhibit Summary

|  |  |
| --- | --- |
| **File name** | **Short Description** |

|  |  |
| --- | --- |
| Exhibit 1 | Gates Physical Environment Architecture & Gates ERP Landscape - Word |
| Exhibit 2 | MDM/MDG RFP Requirements – Power point |
| Exhibit R | MDM RFP Service Provider Response – Excel |
| Attachment 4 | Gates Master Professional Services Contract – Word |

# Terms of Engagement

The following terms of engagement apply to this RFP. All Solution Providers agree to these terms of engagement by submitting a proposal.

***Respondent Communications***

Solution Provider s are reminded that all questions related to this RFP mustbe directed in writing to the resources identified. Contact with any individuals within Gates regarding this RFP outside of those identified will be grounds for disqualification.

***No Obligation***

This RFP is not an offer to contract. Acceptance of a proposal neither commits Gates to award a contract to any Solution Provider, nor limits Gates right to negotiate in the organization’s best interest. Gates reserves the right to contract or not to contract with a Solution Provider in its sole discretion. Gates reserves the right to accept or reject any or all responses to this RFP and to enter into discussions and/or negotiations with one or more qualified Solution Provider’s at the same time, if such action is in the best interest of Gates.

***General Period of Offer***

The pricing, terms, and conditions stated in the RFP response shall remain valid for a minimum of 90 days from the date of delivery of the proposal to Gates.

***Cost of Proposals***

Expenses incurred in the preparation of proposals in response to this RFP are the Solution Provider’s sole responsibility.

***Confidentiality/Non-Disclosure***

The information contained in this RFP (or accumulated through other written or verbal communication) is confidential. It is for proposal purposes only and shall not to be disclosed or used for any other purpose. It is required that the Solution Providers have signed Gates Mutual Non-Disclosure Agreement prior to receiving this RFP. Information received in response to this RFP will be treated confidentially and shared as required with Gates, its affiliates and independent contracted consultants.

***Ownership***

All Proposals submitted in response to this RFP shall become the property of Gates. Solution Providers must identify all copyrighted material, trade secrets or other proprietary information (“Respondent IP”) in the proposal. Solution Providers grant to Gates the right to use the Respondent IP for purposes of evaluating its proposal.

***Ethical Obligations***

Gates prohibits its employees from using their official position for personal financial gain, or from accepting any personal advantage from anyone under circumstances that might reasonably be interpreted as an attempt to influence the recipients in the conduct of their official duties. Solution Providers shall not, under such circumstances that might reasonably be interpreted as an attempt to influence the recipients in the conduct of their duties, extend any gratuity or special favor to employees of Gates.