SYSPRO™

GLOBAL TALK

THIS EDITION OF GLOBAL TALK LOOKS AT...

Navigating the Complex Trends
of the Packaging Industry

PACKAGING
INCREASINGLY VITAL IN
PRODUCT PLACEMENT

VonDrehle Outpaces
the Competition with SYSPRO

TECHNOLOGY INSIGHT

with Phil Duff

Innovating into
2018 and Beyond

For the past few months, SYSPRO's Executive team has been hard at work on our plans for 2018 and beyond. We have focused on SYSPRO's functional enhancements, innovations and architectural changes.

Our upcoming version, SYSPRO 8, is scheduled for general release on 1 June 2018. Fortunately, our customers don't have to wait until then as a sneak preview is available to all customers who are registered on the Support Zone.

Click here to check it out on the SYSPRO 8 microsite – you can run the product in the cloud, explore the new functionality and view the product roadmap that covers product development for the next two to three years. We are also looking for selected customers to participate in the Release Candidate Program that will kick off in March, so if you're interested please let us know.

SYSPRO 8 incorporates SYSPRO Avanti, our web-based version of SYSPRO. It is designed to run In any web browser and doesn't require client installation, so you can use it from your desktop browser, from anywhere, at any time.

Please look at the microsite for more details on this new web-based version, and make the most of the opportunity to test drive both SYSPRO 8 and SYSPRO Avanti.

Apart from these functional improvements, we are working on some interesting innovations for next year. SYSPRO has embraced the new world of Social ERP with a new member of the product stack: a Bot called Ken who can respond to customer and employee requests 24/7. Ken can answer questions related to SYSPRO data. A few examples are:

- What is customer 'xxx' balance?
- When did customer 'yyy' last pay?
- Do we have available stock for part number '01010'?
- When will order 'abc' be delivered?
- What is the status of Job 'xyz'?

We see Ken as an extension of your workforce which can be accessed via most platforms including WebChat, Facebook and Slack. Not only can he answer questions; with the appropriate authority levels, Ken will be able to perform actions such as:

- Send a statement to a customer on request
- Create simple orders
- Perform a price check

We are working closely with Microsoft to bring this to fruition in 2018.

SYSPRO has also made a significant investment in embedding Artificial Intelligence (AI) into SYSPRO 8 as a first-class citizen. The world of AI and its applications are endless, so in 2018 we will focus on the following aspects:

- **Predictions –** Using advanced machine learning algorithms to predict when a customer will potentially purchase a particular product, or when you should use a certain supplier to procure a particular product, or when a debtor is likely to default on payment.
- **Anomaly Detection –** Using past and present data to detect anomalies and trends. With this technology, we are able to push information to key people in the business without them having to investigate manually, a form of automation that was unheard of in the past.
- **Recommendations –** Assist Sales in cross- and up-selling. For example, when sales people are capturing an order, the system will recommend 'people who buy x also buy y'.

From a broader perspective, we recognize that the ability to run SYSPRO in the cloud is becoming increasingly important and we want to give our customers the choice of running SYSPRO Avanti either on the cloud or on premise.

In fact, one of our guiding principles is to focus our product development on optimizing SYSPRO for the cloud. This includes enabling high scalability so that the product can scale to large volumes of transactions, and it's the reason SQL is our chosen platform as it allows us to get the best out of the relational database.

Thank you for your continued support, and we look forward to sharing these exciting developments with you throughout 2018 and beyond.

Phil Duff
CEO
SYSPRO

Navigating the Complex
Trends of the Packaging Industry

Roger Landman recently joined SYSPRO as Product Management Business Analyst, bringing with him a wealth of knowledge and experience in the packaging industry. In this article, Roger provides insight into the major trends currently affecting this growing market sector.

The packaging industry is complex, with a spider's web of intertwined uses across a broad spectrum of sub-sections such as steel, tin plate, aluminum and specialty metals as well as several diverse materials including metals, ceramics, polymers, wood and paper, and composites.

The key trends in the industry are:

- **Sustainability:** Consumers are responding to global environmental issues and adapting their buying patterns accordingly.
- **Healthy living:** Regulations require specific information and health credentials to be displayed on packaging.
- **Convenience:** Increased demand for packaging which is easy to use and easy to dispose of, for consumption on the go.
- **Transparency:** Consumers want to know the exact nature of the contents and where they came from.
- **Cost effectiveness:** Consumers are wary of being overcharged.
- **Personalized packaging:** Used to differentiate a brand and attract customers.
- **Technology:** Innovations to improve packaging performance or differentiate it.

*Refer to the Summary section on page 21 to view the industry trends

While these are the main trends in economically developed economies, emerging economies have different criteria. In these geographies, improved living standards will result in rising demand for bought-in items which will be packaged.

Environmental issues and new material developments are becoming big drivers of growth in the packaging industry. While the focus is on materials and processes, the reality is that protecting the product from damage or spoilage is far more important from an environmental perspective.

Issues such as the carbon footprint of the delivery, biodegradability of the material, reuse and composting also need to be considered. The result is a very complicated picture, and the industry has to address the consumer's perspective as best as it can while still ensuring that its own business cycle is improving. The biggest change in the packaging industry is the migration from traditional packaging materials to new generation materials, which are predominantly next generation polymers and composites.

Flexible packaging enables customization of a unique product, whereas traditional packaging does not. As a result, we are seeing a move from glass and metal to rigid plastic, or even from rigid plastic to flexible plastic.

This means that in today's fiercely competitive market, packaging organizations are compelled to focus on the following factors:

- **Cost is paramount** – Therefore cost control becomes paramount, which in turn requires cost control of each manufacturing process.
- **Innovation** – The rapid changes in technology need to be monitored and carefully assessed.
- **New product development** – A formal process to regularly refresh and improve product lines.
- **Quality Control and Quality Assurance** – With the rapid changes, everything bought-in or made in-house has to be right first time.
- **Planning** – With many different variants being made simultaneously, the planning process must be robust and ensure that the deadlines are met.
- **Inventory control** – For raw materials, WIP and finished goods must be well controlled and not excessive.

Without a carefully coordinated supply chain monitoring all the key indicators, achieving this is highly challenging.

Packaging companies also need to harness the potential of e-commerce by introducing individual packages which are strong enough to travel individually. This contrasts with traditional packaging where the case protects a standard number of the same items.

With all the trends suggesting innovation across the spectrum – right from the artwork and message through to 'the sustainability question', organizations need to prepare for seamless new product development and deployment on a far more rapid scale than ever before.

The growth of local markets into regional markets and eventually global markets highlights the need for integrated packaging solutions. This will in turn demand a thorough new product development and deployment process as well as total control over the supply chain. As the rate of change increases, tighter controls are needed in the supply chain.

As the consumer market becomes more responsive to packaging, manufacturers have an opportunity to use packaging to differentiate their brands. Some excellent ideas have been used to differentiate brands, such as Bells using a ceramic bell as a whisky bottle. Brand management decisions need to be carefully considered due to the different sizes of packaging, expanding channels, e-commerce, and a host of other issues.

The proliferation of new packaging materials and the reduced cost of customization have opened the door for small players that were previously unable to compete. This has led to a far more competitive market with more suppliers competing for the same consumers. Differentiation and cost/quality trade-offs are becoming make or break for a number of businesses. This phenomenon affects the larger rather than the smaller businesses as the smaller businesses are far more flexible and agile when it comes to changing on the run.

Emerging markets are where all the growth is taking place. These low-income consumers of today become tomorrow's middle class with huge buying power, which means that they cannot be ignored or excluded. The dilemma now is how to reach both markets simultaneously, and raises the challenge of 'mass customization'.

To address these trends, organizations will have to be carefully prepared and well aware of market changes. More than ever, organizations have to manage their internal environments more carefully than ever before while also shaping their external environments. While the consumer dictates what they believe is important, and assuming that brand loyalty is declining, organizations have to take full control of their own destiny by carefully offering what the consumer wants without over-committing into a single market or technology.

VonDrehle Outpaces the
Competition with SYSPRO

By implementing SYSPRO, specialist manufacturer VonDrehle Corporation greatly enhanced its competitiveness. The software enables the company to streamline production and reduce costs, putting it in the enviable position of being able to underprice its competition.

VonDrehle Corporation manufactures and supplies towel and tissue products for the 'away-from-home' market, which includes hotels, res¬taurants and a wide variety of commercial establishments. It also manufactures and buys ready-made paper dispensers, providing customers with the ability to order complete paper dispensing systems.

Manufacturing locations and warehouses are located in Memphis, Tennessee, and Maiden, North Carolina (NC). The company also oper¬ates a paper mill in Rockingham, NC, and a 'converting' facility in Las Vegas, Nevada. VonDrehle fills approximately 2,750 orders each month from a roster of about 400 customers.

SEARCHING FOR GROWTH
AND ENHANCED FUNCTIONALITY

VonDrehle's search for ERP software was based on a need to facilitate growth, achieve green goals, manage costs, co-ordinate manufacturing and warehousing sites, implement digital dashboards and provide in-depth visibility into operations. The broad functionality of its Financial and Manufacturing modules made SYSPRO the clear winner.

The company also needed the ability to co-ordinate all company locations under one IT umbrella. This would make updates on inventory movements, shipping processes and other transactions readily available to all system users. By integrating a barcoding solution with SYSPRO, the company was confident of achieving superior inventory tracking as well as more rapid order turnaround.

A further requisite was the ability to pinpoint finished goods inventories at the various company sites. Also, by enabling its customers to place orders directly into SYSPRO via Electronic Data Interchange (EDI), VonDrehle stood to enhance its reputation for superior customer service.

Power, Functionality and Action
- **Cash Book** - optimal and efficient cash management by providing system-wide bank reconciliation information on cash in- and out-flows.
- **General Ledger** - management of corporate performance and monitoring of return on investment through complete enterprise-wide financial recording, analysis and reporting from all aspects of the business. It integrates seamlessly with all other modules in SYSPRO.
- **Inventory software** - effective customer servicing and improved profits thanks to superior inventory control that optimizes stock levels.
- **Purchase Orders** –monitoring the quality, accuracy, lead times and costs of purchases while providing comprehensive supplier performance analysis.
- **Sales Analysis** – using accurate management information relating to sales activity to improve sales profitability and provide facilities for sales forecasting and planning at customer and product class levels.
- **Sales Orders** - enhanced customer service through fast, efficient order processing and accurate, timely order fulfillment while maximizing sales with instant access to information about stock availability, prices and possible substitutions.

- **Bill of Materials** – tracking actual production costs against accurate targets. The complete bill forms the basis of material and capacity planning, shop floor control and costing. VonDrehle can create and maintain a model of its manufactured or assembled products as well as generate what-if costing scenarios.
- **EDI** - speeds the turnaround of orders and enhances customer service.

Tangible Competitive Advantage

VonDrehle markets its paper products through a sales force of only 15 people. The company uses recycled waste paper for all its products, earning it a green seal of approval. SYSPRO has greatly enhanced the competitive stance of VonDrehle. Be¬cause the software enables the company to streamline production and reduce costs, VonDrehle is in the enviable position of being able to underprice its competition.

SYSPRO also gives management access to highly informative data. The software produces a variety of reports that give management insight into financials, inventory levels and other operational statistics. In addition, the soft¬ware has enhanced productivity because individual users can easily customize the software to access only the specific information required to best perform their job.

Phyllis Lackey, Director of IT for VonDrehle, notes: "In my opinion, SYSPRO is the best operational software for small and mid-sized manufacturers that want to take their busi-nesses forward with the ability to react quickly and effec¬tively to market dynamics.

"There are larger ERP providers – but no one better understands the small/mid-sized business space than SYSPRO. The software provides richness and value to companies like ours. It enables us to see exactly where our business is, analyze and change business processes and become more competitive. Beyond that, there is the 'company intangible' of always feeling like we have a true partner¬ship with SYSPRO."

VONDREHLE
CORPORATION

SYSPRO Enables UPI
to Punch Above its Weight

Since 1991, United Pacific Industries (UPI) has manufactured, distributed and marketed healthcare products to the pharmacy, medical and sports medicine channels in Australia and globally, carrying a range of products that include Thermoskin, Tubeskin, CoolXChange, and SeaBand.

One of the greatest challenges facing UPI is the need to manage 4,000 stock keeping units (SKUs) and process more than 600 orders weekly, particularly as it has to co-ordinate with global contract manufacturers and suppliers which provide materials, products and packaging.

A privately-owned company with 25 staff, UPI distributes domestically via a network of three pharmaceutical wholesalers and 5,500 retail chains and pharmacies in Australia and globally. It also has a production facility in the country as well as contract manufacturing in Thailand and Taiwan. The Australia/New Zealand market accounts for 80% of its business, and it also has a presence in 19 countries.

Faced with an expanding business, UPI realized it needed to move away from an archaic system which was affecting its ability to meet customer expectations, both in Australia and globally. The old system was also unable to provide the true value of its Bill of Materials (BOM), inventory levels and most importantly the cost activity of each stock keeping unit (SKU).

Matthew Symington, CEO of UPI, says: "We were growing at a rapid rate, and were faced with many different customer requirements on our SKUs. Our existing system was a manual one used for costing and BOM through Excel spreadsheets. The systems and processes we were using were highly inefficient."

Symington adds that the manual BOM system wasn't recording the true value of UPI's stock inventory. "We found that at any given time, we were out of stock for certain raw materials, and we also relied on manual forecasting using Excel spreadsheets. It was a bit of a guestimate."

GOING MODULAR
WITH SYSPRO

UPI began its search for a modern-day solution. After an extensive 18-month evaluation, it selected SYSPRO for its manufacturing background and modular-based approach. The system was also easy to navigate and running on the familiar Windows system meant UPI staff would have an easier learning curve.

Implementation took 10-12 months, during which the team spent time ensuring SKUs were captured correctly. SYSPRO went live in July 2011, and UPI has been reaping the rewards since.

When UPI embarked on this project, it was clear that it needed to get the employees onboard as soon as possible by giving them the opportunity to watch product demos and provide feedback, and offering support through various training initiatives. Pre- and post-implementation support from the SYSPRO implementation team provided assurance to staff and the adoption rate has been extremely positive.

The company also adopted a phased approach, implementing basic modules in the first phase so staff had time to familiarize themselves with the system.

Using SYSPRO to Fine-Tune Packaging
With the SYSPRO solution implemented on premise, UPI takes full advantage of SYSPRO's retail packaging features to optimize its inventory control. The company also uses SYSPRO to co-ordinate global contract manufacturers and suppliers by producing purchase orders for their suppliers. SYSPRO's cost tracking, landed cost tracking and ability to receive a purchase order as a supplier invoice are also hugely beneficial to UPI.

"We are leaner not just in cost, but also in cost per unit. It has helped us reduce areas of waste in the business like data entry, processing and inventory. SYSPRO certainly minimized a lot of discrepancies in the inventory," Symington says.

UPI now only needs to do stock counts once a quarter, instead of weekly, and its team spends less time managing the inventory.

With SYSPRO, UPI can pre-empt customer demand and automatically generate forecasts thanks to a variety of forecast algorithms including data for trends as well as seasonal and cyclical events. The information has enabled UPI to establish minimum and maximum stock levels for better replenishment planning.

The company has optimized its inventory levels, cutting excess inventory levels by around 12% in the past 12 months.

SYSPRO's Landed Cost Tracking (LCT) also provides UPI with more accurate gross margins, creating improved visibility of imported goods through shipment trading and greater control of all associated costs. It can track shipments of imported goods, monitor the progress and estimated arrival times of shipments, and establish a reliable estimate of the overall cost of imported goods.

"The system factors in a range of items using the averaging method, so we can now access our gross margins at any given hour or time of day, providing a better understanding of where we need to be in terms of product pricing," says Symington, who uses LCT on a daily basis.

In addition, SYSPRO's EDI module allows UPI to receive and send EDI transactions with virtually unattended import and export operations. It has improved work process efficiencies by slashing data entry work by 30% and eliminating errors caused by manual data entry. Also, resources have been redeployed to other tasks as SYSPRO has reduced the need for manual data entry.

UPI is now in the second phase of deployment which involves an additional layer of automation with a new web shop that allows customers to place orders online. The online store is integrated with SYSPRO in the backend, eliminating the need to manually enter orders.

With SYSPRO by its side, UPI has grown from a medium-sized business dragged down by an archaic system to a tech-savvy enterprise that has tapped ERP technology to automate and continuously improve its core processes and manage different aspects of its business – from taking and fulfilling orders, to financials and manufacturing, to sales and post-sales support.

Making the Throw-Away Profitable

Matthew Collins, Digital Marketing Executive,

Packaging is probably the least glamorous of all the manufacturing sectors. As essential as packaging is, it doesn't evoke emotion quite like other sectors. There's nothing to get excited about. There are no bells and whistles, you can't eat it, and it doesn't fly. Even if it is beautifully designed and made, it is destined to play second fiddle to the product it contains. Unfortunately, that's just the nature of packaging – it's a throwaway. So how do packaging manufacturers make the throwaway profitable?

A Balancing Act

In most cases consumers don't value packaging – seeing it as having one particular function: to protect the product inside. Because of this it needs to be cheap. What they do value is their products arriving in one piece, so packaging has to be fit for purpose. Which, depending on how robust or fragile the product is, can come at a cost.

You also need to take into account packaging design. Is it to be used simply to transport goods from one place to another and then discarded straightaway, or will the product be displayed on the shelf in-store – in which case it needs to have an attractive promotional design? These factors all have an impact on the cost, and yet packaging manufacturers are challenged daily to defy logic by providing quality packaging as cheaply as possible.

Luckily the market for packaging is strong and able to sustain the high-volume, low-margin model adopted by most packaging manufacturers to meet this challenge. However, this doesn't leave packaging manufacturing without difficulties. Fluctuations in costs such as energy, fuel and raw materials can eat into those already tight margins. These factors, combined with the pressure to invest in more sustainable packaging solutions, mean manufacturing packaging is far from straightforward.

Reducing Waste – Both Time and Defects

Reducing waste is a key principal of lean manufacturing as it makes a business more profitable without compromising on quality or increasing prices. However, the continual improvement can stretch further than being thrifty with raw materials; time can also be used wisely. Storing all your production data in one system such as ERP reduces the chance of human error as well as the time it takes to carry out a task, as data only needs to be entered once. The time saved as a result of no longer having to manually export data from one system to another soon adds up to hours, and can be spent improving operations elsewhere in the business.

Quality Control

Advanced quality management, such as that offered by SYSPRO ERP, is another great way to reduce waste. By allowing users to record and measure the quality of outcomes, anomalies can be discovered sooner. Physical tests can be defined and set to be triggered by events, so problems can be discovered and corrected before an entire batch or run goes to waste. If you're lucky, the raw materials can be recycled, but you'll never get the time back.

Innovative Influence

Customization is becoming the norm across all sectors of manufacturing as businesses attempt to set themselves apart from competition - and packaging is no different. Something as simple as making a shoebox slide out from the inside rather than having a lid improves storage and is better for the environment. Instead of going to landfill or being recycled, boxes could be stacked without restricting access to the footwear at the bottom.

Added function is added value, and innovation can make a huge difference in competitive markets. SYSPRO's Product Configurator module is perfect for this kind of customization. Bespoke work can be configured, priced and quoted with ease, closing the gap between initial sales inquiry and manufactured product. If you start to think of packaging as part of the product rather than just a tool for transportation or storage, you're creating a competitive advantage for your own and your customers' businesses.

Strategic Planning

You can't expect to carve out a competitive advantage if you don't have a clear picture of your own business. Data is everything in modern manufacturing; the more you know, the better decisions you can make, but experience drives those decisions. SYSPRO makes this data much more accessible so that those within the business with longstanding and priceless experience can make decisions based on data rather than gut feel.

Working Hard, Not Smart

'On Time In Full' (OTIF) is a common KPI within packaging manufacturing, but it can be expensive and the true cost implications of meeting OTIF targets are not always understood. OTIF often requires holding more inventory, costly last-minute purchase orders, increased resources needed to complete the order on time, and higher freight costs for speedy delivery. Although this strategy will keep your customers happy, it leaves you and your staff worn out and stressed, and it's not very cost effective. SYSPRO allows manufacturers to truly understand the cost of production, which product gives the best ROI, and where efforts should be focused.

Growth

Of course, there are many manufacturers across the UK, especially in the traditional heartlands of industrial manufacturing, which are managing just fine without masses of technology. A couple of laptops, a phone line, some dedicated staff and some antiquated machinery that – despite its age - works perfectly. If it's not broke, and market share isn't being lost, why fix it? By standing still and not exploring where improvements can be made, these businesses risk falling behind. And yet, they have the most to gain from ERP. Dedicated staff alone are a competitive advantage that cannot be bought, so enhancing their productivity with ERP is a great way to grow your business.

Business Review

ERP can act as more than just manufacturing software, it can also be a catalyst for change. Implementing ERP requires a business and methodology review. To gain measurable benefits from ERP, you need to know the what, how, and why of your business. It may be uncomfortable to admit that there are gaps in knowledge and that some areas of operations are holding the business back, but by highlighting these inefficiencies you're discovering ways to improve. It's these marginal gains that are particularly important in packaging manufacturing.

Cibapac Reaps the Rewards
of Full SYSPRO Package

A **single seamless supply chain and improved efficiencies** are just two of the benefits being enjoyed by leading South African packaging manufacturer Cibapac thanks to its long-term use of SYSPRO.

Cibapac is a leader in rigid and flexible food packaging, and one of the largest manufacturers of PVC stretch film in South Africa. It has a major share of the expanded polystyrene tray market for fresh produce, meat, poultry and fast foods.

The company's product range includes polystyrene fomo trays, stretch wrap film, multi-layer vacuum bags, barrier packaging and seamless casings. Its clients include major supermarket retailers and food manufacturers in the meat, poultry and dairy industries. Cibapac has been a SYSPRO client since the late 1990s, and currently operates a 48-user license.

Prior to implementing a comprehensive SYSPRO ERP solution, Cibapac was experiencing inefficiencies resulting from disjointed processes, primarily in its manufacturing and distribution departments.

Sandi Loggenberg, Cibapac's Chief Technology Officer, says: "Historically, none of the functions and departments in our supply chain were integrated and able to communicate with each other. Stock levels were inaccurate and manufacturing didn't really know what to produce, so they would just produce for the sake of it. There was also little in the way of sales forecasts or demand estimates."

By implementing a fully integrated SYSPRO solution with multiple core modules, including all financial, core distribution and manufacturing modules, Cibapac harnessed its independent supply chain processes and components into one seamless supply chain.

The business has benefitted substantially from the seamless supply chain and improved efficiencies. The manufacturing and distribution departments have benefitted most, displaying maximum improved productivity.

Additional benefits include improved data tracking, streamlined inventory management and accurate accounting practices. Here is a brief overview of the specific ways in which SYSPRO has enhanced Cibapac's operations.

Bill of Materials

SYSPRO's Bill of Materials (BOM) module has helped Cibapac gain complete control over its product structures. The complete bill forms the foundation for material and capacity planning, shop floor control and accurate costing. In addition, Cibapac's engineering, production, purchasing and order processing teams are all using the same information. Complex multi-level BOMs can now be costed with perfect accuracy.

Easy Integration

Historically, Cibapac ran multiple manual and separate systems. SYSPRO has helped integrate all these individual streams of information into a powerful single source of the truth.

Another key benefit is SYSPRO's ease of integration with third-party systems such as external production scanners which track the production process from receipt of raw materials through to dispatching finished goods.

"Business Objects have been phenomenal for our business. SYSPRO's Business Objects are used extensively throughout in areas such as inventory, data collection, tracking applications, asset management, third-party software integration, and sales representative web-based integration. Anything on our premises can now be integrated into SYSPRO, in pretty much any form or fashion," explains Loggenberg.

Automated Customer Ordering

SYSPRO Electronic Data Interchange (EDI) allows its clients to send information electronically, regardless of the independent systems involved. Thanks to this, Cibapac is able to receive customer orders digitally from its larger customers. Smaller customers' orders are also captured digitally through Business Objects. This has resulted in a fully automated and digital order collection system, reducing the Cibapac's customer call center to a single seat.

Support

"SYSPRO is user friendly and not unnecessarily complicated like some ERP solutions. It's also regularly updated, which keeps the product current and relevant," says Loggenberg. "We have never had a problem when it comes to getting the support we need from SYSPRO. If an issue ever arises, it is dealt with quickly and professionally. SYSPRO is great at identifying bugs and remedying them, and is continuously uploading patches to its servers for customers to download and run, making SYSPRO even better and more robust. SYSPRO is very customer focused."

Looking Forward

Cibapac plans to add SYSPRO's Workflow module to assist in the following areas:

- For requisitions where different rules apply to different users, and there are multiple levels relating to budgets, amounts and authorizations
- Change management for Bill of Materials - Workflow will simplify the process used to action these changes.
- New product development – Workflow will simplify Cibapac's extensive product development process.
- Supplier and customer notifications.
- Espresso has also been earmarked to integrate multi-device communication and incorporating mobile devices as well as scanners. It will eliminate the need to write individual device-specific programs to incorporate individual devices.

World Class Food Packaging

Wormser Corporation and SYSPRO
A Perfect Fit

Cosmetic component manufacturer Wormser Corporation is reaping the benefits of the perfect fit between its organization and SYSPRO software. Cost savings, superior customer service and accurate shipment tracking have brought measurable improvements to the company.

Based in Engelwood, New Jersey, Wormser Corporation is a privately-held 50-year-old company. Founder Edward Wormser originally started it as a wool and carpet manufacturer; it subsequently evolved into a wig, false eyelash and cosmetics brush manufacturer.

In the mid-1980's Edward's sons, David and Alan Wormser, became the principal leaders at Wormser Corporation and eventually migrated the company into a manufacturer and distributor of custom cosmetics com¬ponents. Today, Wormser is one of the most notable import¬ers and manufacturers of cosmetic components across the world.

As the company flourished, its product line diversified and its customer base expanded. Wormser management realised that the existing software was no longer able to handle this growth. In addition, each of Wormer's six worldwide locations were using different systems and tracking inventory on spreadsheets. The result was duplication of work, multiple errors and poor visibility into global business operations.

However, Wormser Corporation's biggest challenge was the need to track shipments distributed from its manufacturing location in Shanghai to its 40 US warehouse locations. With nearly 1,000 orders filled per month, Wormser needed a fully-integrated ERP solution that would provide full visibility into worldwide busi¬ness processes while enhancing customer service.

The selection process began, with key users researching potential vendors. After demos were presented by Sage, SAP, Epicor and SYSPRO, Wormser met with the SYSPRO Sales Team at its offices in New Jersey.

Assistant Controller Alison Danis says: "The SYSPRO Team came in and reviewed every step of our business process. They asked a lot of questions and really listened to us- so much it almost felt like a therapy session. I felt that SYSPRO offered us a solution, not just a software pro¬gram."

As the selection process continued, it became increasingly clear that SYSPRO was a perfect fit for Wormser's daily operations. The solution's single, integrated database provid¬es up-to-date, real-time data for utilization and analysis of accounting, manufacturing and distribution processes - exactly what the company was looking for in an ERP solution. In addition, the development of a custom track¬ing module would fill Wormser Corporation's need for overseas inventory tracking.

"SYSPRO is developing a container loading and voyage tracking module for us. Our Shanghai office is going to be able to plan out and consolidate containers, saving us money. This also affects our customer service. To provide great customer service, we need to know the status of our orders at all times and where they are. We will be tracking our shipments every step of the way so that we can keep our customers informed and our level of customer service at its highest," says Controller Eileen O'Malley.

Based on these capabilities and the professionalism of the SYSPRO Team, Wormser Corporation chose to im¬plement SYSPRO ERP. O'Malley notes: "Never once did SYSPRO pressure us into making a decision. They really wanted us to feel comfortable with the product and not make a decision we could potentially regret. They wanted us to make the right decision and that helped us to feel confident in choosing SYSPRO."

Soon after implementing the solution, Wormser Corporation started gaining the efficien¬cies of an integrated, real-time database and was ready for all six worldwide locations to go live on SYSPRO.

WORMSER CORPORATION

William Say & Co Boxes Clever
with unique visual load planning tool from K3 SYSPRO

Tin box and canister manufacturer William Say & Co recently converted to SYSPRO, customized and supported by K3 Syspro. To gain further efficiencies from its SYSPRO investment, the company recognized it needed to automate its load planning to expedite deliveries.

The vision was that pick lists would be used to verify the actual quantities picked, together with the associated packaging used for the items. These confirmed details would be entered into the load planning interface to generate dispatch notes which would then be stored against the SYSPRO load reference and become visible from the standard load plan query screens.

The Right Solution

After examining the company's unique requirements in detail, K3 Syspro designed a customized load planning system that would fit seamlessly with the ERP solution.

Garth Wilkinson, Operations Director, William Say & Co, comments: "K3 Syspro's consulting process was interactive and allowed us to evolve the process as we went along. The flexibility of both the software and consultants was key to the success of this project. Working in a team like this was less prescriptive and more time efficient, enabling us to deliver what would traditionally be viewed as a complicated piece of development in a far shorter space of time."

It was important that the load planning software be easy-to-use and not require much technical knowledge. The management view was that K3 Syspro demonstrated a good understanding of the company's requirements and had the experience and knowledge of SYSPRO to create software that would streamline the load planning process without compromising the upgrade path for SYSPRO.
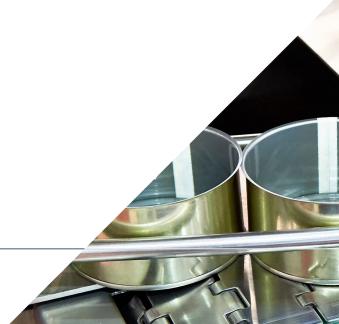
"When K3 Syspro came back to us with the customized load planning software, we were immediately impressed with its functionality and how it supports editing, data input and validation," Wilkinson says.

"Information visibility is very important to us and we are looking forward to gaining the benefit from instant access to management data through SYSPRO. We were delighted that we did not have to go to a developer to find the solution we needed."

Precision Solution

K3 Syspro installed SYSPRO with 'power tailoring' functionality, giving William Say & Co improved flexibility. The company was keen to use this and ensure it only used standard SYSPRO programs supported by simple VB scripting. The aim was to own its customized code and be free to evolve it as the technology progresses or the business expands.

"We needed a solution that allowed us to own our code without being IT specialists. K3 Syspro's customized task panes have a very high level of functionality that allows non-programmers to use it quickly and easily without having to undergo intensive training," Wilkinson says.

A Slick Process

All the customized panes are held within the standard load planning query screens, which provides a single access point to review or action all aspects of the process.

The first stage is to assign sales order lines to a load. This is done visually using a custom pane which shows all outstanding sales order lines not currently assigned to a load. The load-planning tool has grouping functionality that allows operators to group the consignment by date and route. This enables them to see which orders need to be dispatched on a specific date and the delivery routes would typically be sent on.

The operator is then free to either accept the assumed load reference or update the dispatch and delivery dates, routes or sequences within the custom pane.

When the load is ready for picking, the standard SYSPRO delivery manifest report is used to provide the warehouse with details of the load they need to pick. This report includes the assumed amount of packaging along with the customer's freight charges and prompts the team to accurately capture and charge for the quantities used on the load.

While William Say & Co has only been using its ERP system with the added load-planning functionality for a short time, Wilkinson says the new working process has already made time-saving efficiencies and brought new accuracy to the company's dispatch process. The processing of load quantities was previously operated using a paper-based system which wasted a lot of administrative time and was not nearly as accurate as the load planning solution that is now in place.

"Although we have not been using the full ERP solution for that long, we are already seeing a big difference in our efficiency. Before we had SYSPRO with load planning installed, we used to have to do a workaround to plan our deliveries, which took too much time and lacked accuracy. We can now do everything through the system, which is a significant benefit all round," Wilkinson says.

SUMMARY

Key Trends and what they Represent in the Marketplace

Trend 1 – Sustainability: Consumers responding to global environmental issues and purchasing accordingly

INDUSTRY EFFECT	BUSINESS EFFECT	ERP EFFECT
■ Green conscience and commitment to sustainability. ■ Sustainability affects the brand reputation. ■ Scrutiny of the triple bottom line.	■ How to communicate this to retain customers. To achieve a continuous growth, manufacturers will have to attract new customers as well. ■ Need to notify the consumers of improvements. ■ Shorter life cycle for packaging as it changes. ■ Need to have 'specials' and short run launches. ■ Investment in the environment and cleaner manufacturing processes.	■ Better traceability of all raw materials. ■ Better cost controls – green materials are costlier. ■ Smaller batches – regular changes to packaging as improvements are included. ■ Better traceability on warehouse stock. ■ Better traceability and analysis of costs.

Trend 2 – Healthy Living: Public has a requirement for health and wellness and the contents of the package

INDUSTRY EFFECT	BUSINESS EFFECT	ERP EFFECT
■ Regulations require specific information. ■ Display health credentials on packaging.	■ Fully understand all relevant legislation and its requirements. Design packaging carefully to meet legislative requirements. ■ Tighter quality on bought-in packaging especially when regulatory requirements need to be met. ■ Export – all regulatory requirements need to be met ■ All relevant and differentiating credentials need to be displayed.	■ Quality control and acceptance procedures on all incoming raw materials. ■ Traceability and tracking requirements are paramount. Tracking to now follow overseas dispatches. ■ Smaller batches. ■ Better planning. ■ Possibly different packaging for different markets.

Trend 3 – Convenience: Ease of use and easier-to-dispose packaging for consumption on the go

INDUSTRY EFFECT	BUSINESS EFFECT	ERP EFFECT
■ Innovation – No-mess or reusable packaging (such as reseal-able packets) eliminates the need for extra packaging. ■ No large and unwieldy packs ■ Easier to display packaging leads to impulsive buying by consumers. ■ Meet consumers' unmet needs.	■ Tighter control on new product development. ■ Quicker launches of new products. ■ Regular changes in packaging. ■ Tighter cost controls. ■ Less WIP. ■ Innovation team.	■ Full supply chain control. ■ Tighter manufacturing controls. ■ Flexible manufacturing processes. ■ Flexible printing. ■ Full traceability of the innovation.

SUMMARY
cont.

Trend 4 – Transparency: Consumers want to know exactly what the contents are and where they came from, especially for national pride

INDUSTRY EFFECT	BUSINESS EFFECT	ERP EFFECT
■ Perceived credibility of the manufacturer. ■ Consumer reassurance. ■ Informs consumers of local supply. ■ Designs that highlight national pride or nostalgia. ■ Packaging is the main interface with the customer.	■ Tighter quality controls on packaging. ■ Regular changes to freshen up the message. ■ Consumer looking for authenticity – a brand that they can trust. ■ More careful and specialized artwork. ■ Tighter quality control throughout the supply chain.	■ Full supply chain control. ■ Tighter manufacturing controls. ■ Flexible manufacturing processes. ■ Flexible printing. ■ Ability to run specials – packaging is different.

Trend 5 – Cost effectiveness: Consumers are wary of being overcharged

INDUSTRY EFFECT	BUSINESS EFFECT	ERP EFFECT
■ Consumers are increasingly wary of being overcharged. Cost is a key consideration and considered above everything else. ■ Purchases are for replacement only. ■ Smaller and easier to carry purchases.	■ Reduced cost across the supply chain. ■ Rapid changes – reduced lead times. ■ Tighter quality controls. ■ Smaller batches. ■ Quicker setup and changeover times. ■ Flexible packaging options.	■ Improved resource planning. ■ Batch size control. ■ Scheduling. ■ FIFO. ■ Sales analysis. ■ Multiple work centers simultaneously.

Trend 6 – Personalized packaging: Used as an easy way to differentiate a brand and attract customers

INDUSTRY EFFECT	BUSINESS EFFECT	ERP EFFECT
- Packaging is the main interface with the customer. - Designs that highlight national pride or nostalgia. - Unique personalized packaging – developed by social media campaigns. - Printing equipment and costs decrease allowing more and more of this. - Move to digitized media away from conventional channels. - Differentiation in the store. - Product identity and branding.	- More careful and specialized artwork. - Tighter quality controls on packaging. - Regular changes to freshen up the message. - Tighter quality control throughout the supply chain. - Controlled innovation and release into the market. - Brand management.	- Quality control and acceptance procedures on all incoming raw materials. - Traceability and tracking requirements are paramount. Tracking to now follow overseas dispatches. - Smaller batches. - Better planning. - Possibly different packaging for different markets.

Trend 7 – Technology: Technological innovations to improve packaging performance or differentiate it

INDUSTRY EFFECT	BUSINESS EFFECT	ERP EFFECT
- Improvements such as reduced thickness (light weighting) or composite properties (improved barrier materials). - Packaging is the main interface with the customer. - Printing equipment and costs decrease. - Differentiation from the rest in the store.	- More careful and specialized artwork. - Tighter quality controls on packaging. - Regular changes to freshen up the message. - Tighter quality control throughout the supply chain. - Controlled innovation and release into the market.	- More variety in finished goods. - Careful control over whole supply chain. - More variants of packaging in the supply chain – MRP and planning. - Traceability on all items. - FIFO.

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