ALUPRINT

SEIZING THE LATEST IN BUSINESS SOFTWARE INNOVATIONS

QUICK FACTS

Industry
Mill products – packaging

Revenue
US$200 million

Employees
1,200

Headquarters
San Luis Potosi, Mexico

Web Site
www.aluprint.com.mx

SAP® Solutions and Services
Implementing the SAP® ERP application

Implementation Partner
Trenoh

Aluprint S.A. de C.V., a Mexican supplier of packaging products, replaced its legacy business software environment with the SAP® ERP application to improve performance and deploy the latest in innovative functionality. Now Aluprint is a better-run company in many ways, with faster, more efficient business processes and better information for decision making.

Key Challenges

- Compete effectively with large transnational companies that run SAP® software
- Penetrate new markets in Mexico and abroad
- Replace disparate legacy applications with a single comprehensive solution
- Unify and centralize data in 1 location
- Standardize business processes and align them with best practices
- Reduce inventory costs

Why SAP Was Selected

- Adaptability and flexibility of the software
- High performance levels
- Support for industry best practices
- Compatibility with customers and suppliers
- Ability to generate reliable reports for shareholders and the government

Implementation Best Practices

- Proven, effective methodology and tools
- Strong participation from business users
- Sponsorship and leadership from senior executives

Low Total Cost of Ownership

- Finished in 9 months, on schedule and within budget
- Coalesced all business data into 1 repository, reducing support costs
- Relied on research and development done by SAP, easing internal IT burden

Financial and Strategic Benefits

- Automated labor-intensive manual operations to get products to customers faster
- Enabled decision makers to make better-informed decisions using timely, higher-quality data
- Improved ability to comply with government regulations and internal controls
- Increased cash flow by expediting billing, accounts receivable, and treasury processes
- Enhanced customer relations through more efficient customer-facing processes
- Cut working capital costs in raw materials, materials in process, and finished goods

Operational Benefits

- Reduced days sales outstanding by 10 days
- Shortened average time to close sales by 7 days
- Improved balance between supply and demand through better overall business planning
- Improved use of manufacturing resources
- Reduced safety stock maintained for responding to fluctuations in customer requirements
- Maximized useful life of assets
- Stabilized production program
- Improved forecasting ability and performance management

"At Aluprint we believe we now have very reliable enterprise resource planning, which enables integrated and collaborative work for greater efficiency and process quality."

Luis Arturo Albor, IT Manager, Aluprint S.A. de C.V.

www.sap.com/contactsap

Aluprint S.A. de C.V. is one of Mexico's leading manufacturers of flexible packaging and folding boxes for the consumer products industry, both domestic and international. With a focus on using recyclable materials, it is also a leader in sustainability.

Facing Tough Competition

Aluprint has visions of greatly expanding its markets, especially its export business. These ambitions were threatened by a recent trend in its industry: the firm's competitors were rapidly being acquired by large, well-run transnational companies with substantial resources to pour into the Mexican market.

Aluprint knew that to meet such stiff competition it had to match these companies in all aspects of business operations, and it put its finger on an important area that it needed to shore up – business software. One of the reasons the transnationals were so well-run, Aluprint observed, was that they all employ SAP® software. Aluprint, on the other hand, was using a collection of poorly integrated business applications that were costly for IT to maintain and enhance. Without a single source of reliable business data, users were spending far too much time verifying and reconciling information. They were also spending too much time performing manual processes.

Achieving Business Software Excellence

Always proud to be at the forefront of technology in the manufacturing machinery it employs, Aluprint decided it needed to be at the forefront in business software, too. There was no doubt what that meant – moving to the SAP ERP application. Not only did the competition run SAP ERP but so did vendors and customers with whom Aluprint wanted to be compatible. In addition, Aluprint knew that SAP ERP would provide the flexibility, support for best practices, and performance improvements it needed.

Aluprint selected an implementation partner, but the project did not go well at first. Concerned that business operations would be disrupted, the company turned to SAP for help. SAP responded by suggesting a switch to Trenoh, a system integrator with extensive SAP software experience in the packaging industry.

Employing proven implementation methodologies and tools, Trenoh re-energized the stalled implementation project. Meanwhile Aluprint engaged sponsorship for the project from its top executives and active participation from business users throughout the company. Soon the project was back on track, and Aluprint's concerns proved unfounded. The implementation finished on schedule and within budget.

Accelerating Cash Flow

Now Aluprint is completely on board with SAP ERP and benefitting from it in many ways. "Taking employees out of their comfort zone was difficult, but now that they see the changes, everything is running smoothly," says Luis Arturo Albor, IT manager for Aluprint.

Executives know exactly where to look for the business information they need for making decisions, and they are confident of its accuracy. Business processes are faster and less labor-intensive. Accounting, for example, has been streamlined so much that Aluprint substantially accelerated its cash flow – a major contributor to fast return on investment. Aluprint instituted its first-ever formal warehouse planning process, which has drastically cut obsolete inventory. IT is benefitting as well now that it no longer has to develop enhancements to business software, relying instead on SAP to keep its software up-to-date.

As Aluprint continues its expansion, the company is moving deeper into analysis of its operations to find new ways to capitalize on its investment. The company's world-class implementation of SAP ERP demonstrates clearly that its reputation for technological excellence is well deserved.

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