



CRW PLASTICOS SLOVAKIA

SAP® BUSINESS ALL-IN-ONE SUPPORTS COMPANY AS IT GROWS

QUICK FACTS

“It was essential for the firm to implement the information solution for our plans to take on more employees and expand production and processes within the company. SAP Business All-in-One made the situation easier for us because it let us start with support for basic operations that we will gradually add to as our company grows.”

Michal Adamčiak, SAP Project Manager,
CRW Plásticos Slovakia s.r.o.

Company

- Name: CRW Plásticos Slovakia s.r.o.
- Location: Spišská Nová Ves, Slovakia
- Industry: Automotive
- Products and services: Plastic components for car manufacturers
- Revenue: US\$75 million (CRW Plásticos)
- Employees: 212
- Web site: www.crw.com.br
- Implementation partner: MPI SLOVAKIA s.r.o.

Challenges and Opportunities

- Extend software to support additional business processes without problems
- Improve availability of information
- Eliminate need for multiple data entry of the same information

Objectives

- Integrate business processes
- Fulfill just-in-time delivery conditions imposed by schedules used in the automobile industry
- Integrate the business processes of individual plants
- Improve management of internal accounts

SAP® Solutions and Services

SAP® Business All-in-One solution

Implementation Highlights

- Fastest implementation of SAP Business All-in-One in Slovakia, with the solution put into productive use in 11 weeks
- Support for 5 core areas of operation

Why SAP

- Best enterprise resource planning solution on market
- Comprehensive feature set
- High reputation of company

Benefits

- Direct access to information
- Lower production costs
- 20% lower operating costs
- Increased efficiency in production administration and sales department
- Increased transparency of production processes and information flow
- Improved overview for management of current activities in individual operating units and divisions

Third-Party Integration

- Database: Oracle
- Hardware: Hewlett-Packard
- Operating system: Windows XP



Many firms consider deploying business information software but are put off by what the implementation will cost in terms of time, human resources, system administration – on top of the financial cost. The SAP® Business All-in-One solution puts those worries to rest. It guarantees implementation at a fixed price, thanks to preconfigured software that can be set up to support key business processes rapidly. Another significant benefit is functionality can be added at any time to support the future needs of a growing enterprise.

SAP Business All-in-One was adopted by the Brazilian firm CRW Plasticos for use in its Slovakian plant in Spišská Nová Ves, which has been manufacturing plastic components since 2005. CRW Plasticos opened the plant in order to be close to the Slovakian factory of its main strategic partner also based in Brazil, Empresa Brasileira de Compressores S.A. (Embraco – now operating as Whirlpool S.A.), the

Before the SAP Deployment

For a short time after productive work began in the Slovakian plant, CRW Plasticos made extensive use of Microsoft Excel worksheets to manage its production processes. Accounting and invoicing activities were managed by an external organization, which furnished the company with rudimentary accounting software that was used to keep inventory records and issue sales and procurement orders as well. The functionality of the software was limited, and there was no possibility to expand it.

According to the project manager for the SAP implementation, Michal Adamčiak, the accounting software couldn't keep up with CRW Plasticos' rapid growth and was becoming a barrier to expanding the enterprise, which was receiving an increasing number of orders. Nor could the software handle the increasing demands being made on production management. "Our needs

and requirements simply outgrew the capacity of the software that we had been using," says Adamčiak. As time went on, its inadequacies became more serious until management decided to replace it with comprehensive enterprise resource planning (ERP) software.

Choosing SAP

CRW Plasticos needed to deploy ERP software quickly, but it needed software that could expand to include support for additional business processes as the company grew. A number of competing ERP solutions were considered before the company finally decided that SAP offered the best one. Adamčiak says that in addition to the comprehensive feature set, extensive range of functions, and attractive user interface SAP Business All-in-One offered, the reputation of SAP and widespread use of SAP software helped close the deal. "A lot of our suppliers and customers use SAP software, which makes it easier for us to communicate with each other and connect certain activities online," he explains.

That was one among many reasons why CRW Plasticos choose SAP Business All-in-One. As a comprehensive ERP solution, it provides robust support for all basic business processes, including financial accounting, cost accounting, sales and distribution, and inventory. "We certainly didn't want to manage them with multiple solutions, just one," says Adamčiak. "We needed to cover all accounting, production, and planning processes in the firm so that we didn't have any software that would be difficult to connect."

CRW Plasticos is interested in converting its Brazil plants to SAP software as well. The deployment of the solution in the works in Spišská Nová Ves served

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world's leader producer of hermetic compressors. The thermoplastic injection molds CRW Plasticos designs and produces are an important component not only for Embraco but for firms in the automotive industry.



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as a kind of pilot project, testing the potential of the SAP software in practice. Juraj Zelenay, the chief executive of MPI SLOVAKIA s.r.o., the company that implemented the SAP software in the Slovakian plant, points out that the company's decision to deploy this software in all its plants speaks for itself. “They want to start implementation this year,” he adds.

What CRW Plasticos Needed

Production planning was straightforward as long as CRW Plasticos had just the needs of one customer, Embraco, to think of, for whom it produced plastic vaporizers and other components for compressors. However, as soon as it began to add manufacturers of interior plastics for automobiles to its customer portfolio, the situation changed radically. One reason is that most suppliers in the automobile industry work according to a just-in-time schedule, which imposes extremely demanding constraints on production.

“We have around 80 product codes, each in 18 color schemes. It's not possible to manage that quantity of products in Microsoft Excel tables. We therefore wanted the new ERP solution to help us meet the strict criteria for supplying the automobile industry,” says Adamčiak.

The same applied for inventory management. The company could no longer manage without bar-code readers, which it plans to integrate into the ERP solution to simplify inventory

management and increase transparency, a refinement the previous software could not accommodate. In the near future, to increase the efficiency of its production planning, the company wants to integrate its business processes with those of its customers, based on the integrative potential of SAP Business All-in-One.

Precisely this kind of potential played an important role in CRW Plasticos' selection of SAP software, and it is paying off. Because SAP offers the widest range of business information software in the world and because that software is used by so many firms in the automobile industry – as well as by

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Embraco – CRW Plasticos' desire for integration with its clients is not a dream, but sensible and attainable.

“The hardest thing is motivating people to learn not only how to get information from the system but also how to enter information,” Adamčiak observes. “One without the other is senseless, and then even the best information system loses its purpose.” As an integrated ERP software, SAP Business All-in-One requires data to be entered just once in order to have it immediately visible, usable, and reusable throughout the solution. The management hoped this

would help to reduce errors caused by manual input. “It was clear to us that accurate and up-to-date information would not only increase the effectiveness of controlling but also help us to plan production better, limit inventory in our warehouse, make more efficient use of our workers, and thereby cut operating costs,” explains Adamčiak

System Implementation

In the first stage of implementation, CRW Plasticos wanted support for five core areas of operation – financial accounting, controlling, asset management, sales, distribution, and materials management. During the implementation period

support for inventory management was added. The company expects to add gradually to this, with support for production currently being implemented and quality management and customer relationship management in the planning stages.

As the chief executive of MPI SLOVAKIA remarks, it has been the fastest implementation of SAP Business All-in-One in Slovakia to date. The software was operational in only 11 weeks.

Efficient Use of Resources, Efficient Administration

The SAP software significantly increased the transparency of production processes and information flow within the firm. Information is entered once and easily shared throughout the plant. Company management has a better overview of what is happening in individual operating units and divisions. According to Adamčiak, after the deployment of SAP Business All-in-One the company's operating costs fell by approximately 20%.

However, the main savings were in production due to more efficient use of resources and more efficient administration. "We even save because individual departments telephone each other less often. Essential information that employees previously had to ask each other for with a great deal of work can now be obtained directly from the SAP software. The sales department, for example, knows precisely what it needs to purchase and what it can dispatch," Adamčiak explains.

What Next

MPI SLOVAKIA is working on the solution to connect CRW Plasticos with the plants of its customers in the automobile industry based on SAP Business All-in-One. Its main function will be to allow orders to be directly submitted and to provide direct online access to accounting and invoicing operations.

"The automobile company submits an order into our system directly, stating that it plans to make, for example, 300 silver and 800 red cars with a precisely specified interior. We will know immediately what they need, when we have to supply the components, and in what quantity," says Adamčiak. In addition, automobile manufacturers will have access to information about the reserve inventory level and will be able to request an increase or reduction.



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