

Improving efficiency and competitiveness at Presspart Manufacturing

This article charts the progress of Presspart's search for a world class enterprise resource planning (ERP) solution for its metal products manufacturing business that would not only deliver competitive advantage, but also meet the demanding requirements of its pharmaceutical industry customers.

Presspart Manufacturing Ltd, a member of the German Heitkamp & Thumann Group, is an established leader in its field, serving many of the major pharmaceutical producers such as GlaxoSmithKline, Boehringer Ingelheim and Tevalvax Pharmaceuticals, in locations across the globe.

A complex operation

The company specialises in high precision, deep drawn and injection moulded metal components and devices for the pharmaceutical industry as well as making specialist parts for other applications. It excels in the manufacture of deep drawn aerosol cans for metered dose inhalers together with other drug delivery device components. As a result, almost three quarters of all metered dose inhalers used around the world incorporate components manufactured by Presspart.

In addition to the inherent complexities of the metal products manufacturing business and the need to manage the risks of rapidly varying metal prices, Presspart's business systems have to cope with the distributed and international nature of its operations. Based in Blackburn, its locations include semi-autonomous manufacturing sites in Blackburn, Marsberg in Germany and Tarragona in Spain, plus sales offices in North Carolina and Shanghai.

A further challenge arises from the need to meet the requirements of its multi-national pharmaceutical industry customers. Comprehensive reporting capabilities are needed to provide full visibility of the supply situation at all times.

The need for a better ERP system

The limitations of its existing business systems were a major cause for concern at Presspart. Installed in 1999, the old ERP system had been selected and implemented with only limited input from users and, consequently, did not fully meet their functional and technical requirements. A lack of subsequent training only made matters worse.

The existing ERP solution was clearly not a good fit for the company as only 30 percent of its functions were actually used, making navigation through the system difficult. An inability

to communicate with other systems in the company also led to duplication of information, which resulted in inefficient administration and a greater likelihood of data errors.

The difficulty of supporting the system, however, posed an even greater risk to the company. The many bespoke changes made to the system over the past ten years to address its deficiencies made any upgrade impossible and ongoing support challenging. The risk of an unsupported system had been highlighted in audits by its pharmaceutical customers and was a prime driver for the search for a new ERP solution.

Comprehensive consultation

The management at Presspart was determined not to repeat past mistakes and embarked upon a rigorous requirements gathering and evaluation process to ensure that the right ERP solution was chosen. All stakeholders were consulted, including group management, the user community and customers.

Although Heitkamp & Thuman was a strong advocate of ERP, the diversity of its activities meant that there was no preferred solution for the group, so Presspart had complete freedom of choice. The group did, however, stipulate the need to integrate with specific software packages, such as Lotus Notes, and outlined requirements for reporting. Additionally, the solution provider had to have a proven track record, global presence and a UK office.

The team leading the ERP project consolidated the input from all sources to create a detailed and comprehensive specification, which was then used in a methodical, year long selection process.





Finding the right solution

An extensive research exercise resulted in a list of potential providers, which was quickly whittled down to a short list of three, each presenting a different software solution. The team's next task was to compare the proposed solutions.

A series of presentations by the final three candidates was organised and the team ensured that a truly representative audience of management and users was invited to evaluate the proposals. All those attending completed a detailed questionnaire, which covered functional and technical aspects of the solutions in addition to more general issues of 'look and feel' and feedback on the vendors.

The questionnaires were assessed with an objective scoring system that had been developed within the Heitkamp & Thuman group. The SAP solution presented by itelligence emerged as the clear winner, fully meeting all Presspart's requirements. The fact that SAP is widely deployed in both the metals and pharmaceutical industries, and is used by the majority of Presspart's customers, made the case for a SAP solution all the more compelling.

The SAP system's ability to integrate easily with a broad range of external applications and deliver state-of-the-art ERP functionality removes many of the company's existing administration headaches, while powerful reporting facilities keep both management and customers fully up-to-date on progress and ensure compliance with industry regulations.

Most importantly, Presspart's management are confident that itelligence can provide them with a robust, standard solution that

will not need expensive customisation, with its attendant support and maintenance issues. By conforming to the best practices built in to SAP, rather than forcing current processes onto the system, Presspart expects to gain substantial benefits in efficiency and improve its competitiveness.

Why itelligence?

itelligence is one of the leading international full-service providers for solutions in the SAP environment, employing more than 1,400 highly qualified employees in 17 countries. In addition to large-scale SAP projects, the company provides and implements a range of templated solutions that enable rapid and effective installations in the small to medium-sized company sector.

itelligence's tried and trusted offerings include a solution that addresses the needs of the non-ferrous metal industry. The solution enhances the SAP system by providing specific capabilities that the industry needs, such as price-fixing, risk management, tolling and metal accounting.

itelligence



Dietmar Schmitz,
Presspart

This article is based on a white paper written by researchers at the Strathclyde Institute of Operations Management, University of Strathclyde, Glasgow, UK. The original paper can be downloaded from www.itelligencewhitepapers.com