

BERU AG IMPLEMENTS PORTAL STRATEGY USING SUPPLYON

BERU AG, automotive supplier and one of the world's leading providers of cold start technology for diesel engines, has developed an integrated portal strategy for supplier management. The course for process optimisation in supply chain management has been set in conjunction with SupplyOn.

In an early stage of the evaluation of a supplier portal, it was already clear for BERU that a comprehensive portal was needed that was able to bundle and standardize all supplier-related processes. The core processes of supply chain management formed the focal point of the strategy. In the future, the portal should also be able to handle other specialist processes and represent all supplier-related transactions in a standard electronic way. The first economic viability analyses were undertaken on the basis of this objective.

Another argument in favour of SupplyOn was that a large base of strategic suppliers had already signed up for it. The fact that SupplyOn was already firmly established within the industry was also favourable and meant that BERU expected the solutions to be better accepted. But at the end of the day the economic viability of the model was the overriding factor: "SupplyOn gave us a viable business case. According to Rothfuß, "the positive result won us over."



„SupplyOn is a key partner for us in the long-term enhancement of our portal strategy for procurement.“

André Rothfuß, Vice President for Information Technology and Organisation, BERU AG

It rapidly became clear that developing an in-house portal would not pay for itself over the entire lifecycle of the software and that a standardized solution, already established on the market, should be used instead. "We opted for SupplyOn," says Rothfuß who as Vice President is responsible for IT and organisation at BERU, "because we were convinced by the functions available as a whole (over and above procurement) and the consistent enhancement and expansion of the product range."

The project began when an interdisciplinary project team was founded. The team members came from both BERU and SupplyOn. Implementation took the form of two stages. In the first project stage, the internal processes were analyzed in detail and the technical solution sketched out. Strategic suppliers were incorporated in the process right from this early stage. The second stage of implementation started with an internal information event and with a systematic process of informing the partners involved of the project goals, strategy and implementation. Around 50 suppliers now handle the above processes with BERU using SupplyOn.

The benefits of handling processes in this manner are obvious. Whereas previously delivery notes had to be manually checked at arrival, the whole process has now been greatly sped up. The deliveries are provided with barcode labels, which allow them to be recorded and assigned to a delivery schedule very quickly and without any manual effort. A dispatch notification will also have already reported the delivery. Rather than having to produce an invoice, the supplier automatically receives an advice of credit immediately upon receipt of goods.

of automating communication for our smaller partners in particular as they would not be able to implement a standard EDI because of the associated costs," says Rothfuss.

In the future, BERU will communicate with all strategic suppliers using SupplyOn. "A portal strategy can only be successful if you use a standard platform," explains Rothfuss. "If you have to operate a large number of portals, you can neither design efficient processes nor achieve synergies and learning effects."



BERU AG

BERU AG was founded in 1912 and has been listed on the stock market since October 1997. It is one of the world's leading providers of cold start technology for diesel engines and has an estimated global market share of 40% in glow plugs for diesel engines. In the area of ignition technology for petrol engines, the company is also one of the four leading suppliers in Europe. BERU is expanding rapidly into electronics with a focus on complete, electronic system solutions for the automotive industry. The company also develops and produces sensors and ignition systems for the oil and gas burner industry. Virtually all of the world's automotive and engine manufacturers use BERU. The company's headquarter is in Ludwigsburg, Germany. BERU employs more than 2,500 people around the world.

Communication via SupplyOn does not just increase efficiency but also raises the quality of the processes. By using a digital process throughout prevents media disruptions and therefore also reduces the number of potential sources for manual mistakes. At the same time both parties have accurate and up-to-date data, ensuring a much higher level of planning quality.

Optimised data throughput and the higher level of data quality therefore also benefit the supplier. "The web solution is an excellent and cheap way

The next stage is to link more of BERU's German and European plants to SupplyOn. "This is the third stage of our portal project," says Rothfuss. "In the long term, BERU plans to introduce the supplier portal to all its sites around the world." At the same time BERU is investigating the use of other functions. "SupplyOn is a key partner for us in the long-term enhancement of our portal strategy for procurement," concludes Rothfuss.

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