

Corrugated board specialist Delkeskamp relies on arcplan BI solution



INDUSTRY

- Packaging industry

SOLUTION

- Post-calculation system

COMPANY / COUNTRY

- Delkeskamp Verpackungswerke GmbH / Germany

INFORMATION REQUIREMENTS

- Finance
- Production
- Logistics
- Customer performance
 - Contribution margin
 - Turnover / sales
 - Product portfolio
 - Customer satisfaction analysis
 - Post-calculation
 - Lot size/stock rotation

SOFTWARE

- arcplan Enterprise
- SAP R/3
- Witron, CPMS

USERS

- 50 Users

BENEFITS

- Information on main cost drivers
- Detailed cost analyses and optimization proposals

Delkeskamp, a family company established in 1896, has over many decades refined the art of producing corrugated board. Last year, the well-established company based in Nortrup, Germany produced around 150 square kilometers of corrugated board, which corresponds to the area of a medium-sized town. Although we are all familiar with this practical material, there is more behind it than just a few sheets of paper and cardboard, as two layers of board must be combined with micro, fine, medium or even multiple-layer flutes in the middle. The company currently employs 650 workers.

„We'll perform better in two important ways with arcplan. First, we'll save money by producing meaningful analytical information within the shortest time without going about it in a round-about way and second, the system is intuitive so we are well prepared for any changes in personnel and do not need to resort to costly training.“

Christian Rocholl, Head of Supply Chain Management and Logistics at Delkeskamp

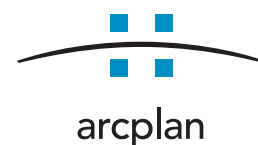
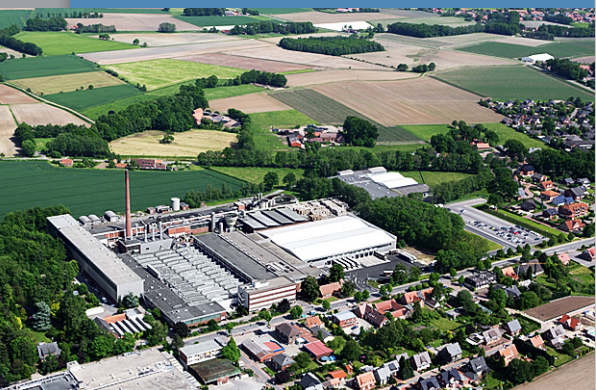
Intelligent access to different data pools results in optimized analysis and helps rein in cost drivers in production

With more than 30,000 individual production orders per year, managing Delkeskamp's supply chain depends on an efficient Business Intelligence (BI) system that can process large amounts of data related to those orders and provide management with complete information. Managers need to be able to look at the company's production by location, product line, supplier, and customer in depth and over time. With the two divisions of the company using different ERP systems, this holistic view of the organization could not be achieved. In the corrugated board division of Delkeskamp, most of the data resides in the CPMS ERP system from Witron. For the paper and plastics division, the data are collected in SAP R/3 FI and CO modules, which are also used for all financial data. To record data from its production machines, which is crucial for post-production calculations and analysis, the company also recently implemented a solution by Witron. However, the system was never fully able to integrate data from multiple sources into its reports.

Delkeskamp decided to bridge the information gaps between these production systems by introducing a BI system that could tie all the data together into one application. Delkeskamp has for many years been relying on BI solutions from arcplan, the independent software provider based in Langenfeld, and quickly decided to use arcplan for this project.

The arcplan BI solution is now used to carry out a wide range of analyses. The new software provides the Delkeskamp supply chain management team with a huge amount of information, from production planning data, financial calculations, and earnings statements to benchmarks and customer satisfaction analyses. "There is simply no task that cannot be performed within the shortest of time by the arcplan application. From the very start of the project, we knew what we could expect," says Christian Rocholl, Head of Supply Chain Management and Logistics at Delkeskamp.

As machine costs are the main cost drivers in the production of corrugated board, they are an important focus of the analyses. "With around 30,000 orders per year, it is simply impossible to record manually whether a specific order has been processed in the most cost-effective manner on the machine," explains Christian Rocholl.



“arcplan was particularly useful in bringing transparency to the cost structure, as it enabled us to separate running costs from setup costs. Before the new BI solution was in place, it was extremely difficult to assess whether the setup costs were excessive, especially in connection with small orders. Our post-calculations now indicate clearly whether our pre-calculations of these cost items were accurate. This means that we can improve our pricing and efficiency with each order,” emphasizes Christian Rocholl.

Thanks to this continuous process, the supply chain management team is now in a position to provide answers for even the most complex questions. It cannot only analyze the setup costs for small orders – it can also account for the shorter amount of warehousing time required for smaller jobs. “We can use these data to determine the optimum lot size,” says Christian Rocholl. Such an optimization calculation includes several unknown factors, and would be extremely difficult to solve without the analytical functions from arcplan.

The supply chain management team is also interested in identifying the cost blocks that show the greatest deviation from the initial estimate. “With the arcplan solution, we can simply reverse the data model. Pivoting allows us to examine a single cost type such as machine costs,” explains Christian Rocholl. Using these tools, the company has already identified a number of considerable opportunities for cost optimization and is taking advantage of them.

Another important area where the software is of great benefit to Delkeskamp is the calculation of the performance bonus for machine operating personnel, as this bonus varies depending on the order size. As bonuses must be approved by the company’s bonus committee, this group wishes to examine the relevant nominal and actual machine runtimes. For proper calculation, the performance rate of every single machine must be determined. This can be done with arcplan Enterprise, which provides analyses that are also accepted by the production staff.

Low cost – great functionality

The arcplan solution obtains all necessary data through various interfaces from the data warehouse of the Witrion ERP system. Such data includes, for example, movement data that is relevant for the end-of-month accounts and is to be compared with the planning data and sales figures. Employees have the option to view the information on the Internet so that they are at all times up to date with the latest figures.

About arcplan

arcplan is a leader in innovative Business Intelligence, Dashboard, Corporate Performance and Planning software solutions for desktop and mobile use. Since 1993, arcplan has enabled more than 3,000 customers worldwide to leverage their existing infrastructure for better decision making. Empowering all users to connect and collaborate with relevant information is crucial for improving business performance. *With arcplan – it simply works.*

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The solution also offers security benefits, as it provides effective protection against inadvertent access to data and malicious manipulation of data. In the browser window, none of the figures and definitions can be edited and all users of the website therefore have the same information. The paper costs per kilogram or square meter can be easily changed at any time in the respective Excel file. In the web-based system from arcplan, it takes only a simple mouse-click on the unit button to change the figures for all users.

User-friendliness is one of the great advantages of the software product and also comes to the fore in other areas. Controllers, for example, retrieve important data and analyze figures without having to undergo extensive training. The system can even be customized without any difficulty. “Even users without specialist IT skills could manage this,” emphasizes Christian Rocholl.

The intuitive arcplan user interface allows the system to be used in virtually all departments of Delkeskamp. Christian Rocholl explains: “We are well prepared for any changes in personnel and do not need to resort to costly training. What is even more important: we can now get meaningful analytical results within the shortest of time without going about it in a roundabout way, saving costs.”

