

# Serving the world's most demanding customers



Kitron manufactures components, equipment and devices for some of the most demanding and technically advanced companies. To compete in a rigid market, Kitron needs to be up to date with the latest technology, robotics, automation and digitalization.

When choosing an ERP vendor, it was important for Kitron to build a partnership, not just get an IT supplier. IFS understood the industry, company needs and challenges.

Kitron is an electronics manufacturing services company (EMS) with leading clients in offshore and maritime, medical technology, industry, energy, telecom, defense and aerospace. Key competencies offered by Kitron are related technical services like prototyping, industrialization, material analyzing and test development.

“We have replaced around 50 individual systems with IFS Applications,” says Olaf Kristen Kristensen, IT Director at Kitron. “We have used other leading industry solutions in the past but found them too rigid. In our business it is very important to be able to integrate towards other systems, which made our choice a cultural one. IFS has a different setup.”

## Supporting a global supply chain

Kitron has high growth targets, with a goal of 30 % increase in revenue. As the company is working with high complexity products with low volume production, this converts to a focus on supply chain, flexibility to change, security and, of course, efficiency. Production is their core business with one of the best assembly capabilities in the business. Finding the best suppliers is also a key priority.

After having standardized their operations round IFS in 2009, one of the most important elements after implementation was to show results. The board was clear that they wanted to see return on investment. A team, in the form of a Solution Competence Centre, was set up to assure results and continuous improvements.

“The next step was to structure the collaboration with IFS to match the teams. At times we experienced challenges to get the right resources from IFS. IFS’s strategic decision to create a partner network was the right choice, as this solved much of their capacity challenges. That is why we work with IFS as a partner, not just as a software provider. That way we can also influence the direction of future solutions,” explains Kristensen.

## About Kitron

Kitron is a leading Electronics Manufacturing Services (EMS) company with operations in Norway, Sweden, Lithuania, Germany, Poland, China and USA.

The company was established in the early 1960’s in Arendal, Norway. Kitron’s head office is now in Asker, Norway. Kitron has 1700 employees deployed in six different countries in Europe, Asia and the US.

The company’s core areas of expertise are in the sectors Defense/Aerospace, Energy/Telecoms, Industry, Medical devices and Offshore/Marine. Kitron manufactures and delivers anything from fully assembled electronic circuit boards to complete end products for customers globally.

In addition, Kitron currently is developing expertise in Automotive Electronics with special focus on Autonomous Technologies. Kitron is listed on the Oslo Stock Exchange (ticker: KIT).

[www.kitron.com](http://www.kitron.com)

## Smarter material planning

Now Kitron is using IFS for supply chain, integrations, configurations and demand-driven material requirement planning (MRP), which has the potential to reduce inventory by 40 percent and lead times by 80 percent. MRP enables the manufacturers to access an interface of their current parts and see the parts highlighted in red that needs to be reordered. Resulting in a more agile supply chain management.

"We have an impressive list of customers. Our business systems must support their high expectations of us and our brand. Having precise control over our supply chain is of vital importance."

Competence is also their biggest cost, along with materials, making the right investments to keep a high rate of innovation, increasingly important. Recently Kitron acquired four new ABB Yumy automated robots to their Swedish factory, in addition to their autonomous production line in Lithuania.

Skills combined with technology allow Kitron to deliver products so precise that they can successfully meet expectations on high-risk products, like in the medical industry where it is often a matter of life and death. These products are tools for neurosurgery, blood analysis, life support respirators to name a few.

"Our three most important values are production, assembly and sourcing. Our customers require a high degree of flexibility, and this is only possible by having IFS as our business platform across all regions with the same databases and processes in place", concludes Kristensen.

Elni Kullmer, head of IFS Nordics adds: "Kitron has been a vital partner and contributor to IFS. Part of our company culture is to listen to our customers just as much as we provide products. Feedback from Kitron, who works with the most important industrial products and cutting-edge companies in the world, has not only provided us with great insight, but ensures that the innovations in our solutions meets tomorrow's standards. Our partnership is truly an example of modern industry."

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Olaf Kristen Kristensen IT Director at Kitron

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## Benefits

- Cost efficiency, accuracy and innovation power along the entire supply chain.
- Strong top line growth with revenue increasing 29% in Q2 2018.
- One common solution for the entire global organization.
- Standardized work processes throughout the entire corporation.
- Better-informed decisions with accurate data.
- Demand driven material requirement planning.
- Improved capacity by IFS partner network.
- Extended ability to manage alternative suppliers



## Find out more

Further information, e-mail [info@ifs.com](mailto:info@ifs.com), contact your local IFS office or visit our website, [ifs.com](http://ifs.com)

