



Verdantis Adds Flavor to Industrial Baker's Maximo Upgrade

Overview

Our client is a privately-held, family-run American company with a history of innovation and a deeply held belief in doing business with integrity.

The company was implementing Maximo EAM solution and wanted to ensure that the data going into the new system was of a sufficiently high quality.

Good quality data would help with inventory optimization, cost reduction, improved visibility, and achieving higher ROI from ERP/EAM implementation.

A data quality analysis showed that a strategic material data quality excellence initiative was critical for a successful Maximo roll out.

Interestingly, this was not the first time that the organization undertook a data quality initiative. We realized that –

- Data was last manually cleansed over 5 years ago
- The client chose a matching approach that simply identified manufacturer part numbers and manufacturer names and looked them up in a database
- Because the output data did not have the application data from the input descriptions the data was never loaded



Major products from the company include:
Snack Cakes, Granola Bars, Cereals, and Cookies

- **Ten locations across the United States with over 7000 employees**
- **Annual Revenue ≈ \$ 5 billion**
- **Scope: 100,000 SKUs**
- **New Parts added every year ≈ 3000-3500**
- **Systems in use – 2 (Maximo and emPact)**
- **Data Sheet Definition for 1,402 Categories**
- **Initial Taxonomy– None**
- **Harmonized Taxonomy - UNSPSC 15.1101**

The Challenge

The clients had a somewhat standard way of creating descriptions for packaging materials and spare parts; however, they had not been consistent over the years.

Their abbreviations, punctuation and arrangement of information varied greatly, so searching for and finding things in their EAM was proving to be increasingly difficult.

Not being able to find something in the material master list frequently led to reordering it by the new item creation route, which resulted in duplicate inventory.

Strategic sourcing efforts were underway for power transmission components used by our client. This process revealed some interesting facts and the clients realized that –



Almost 20% of the components were superseded and being managed by the suppliers.



Obsolete parts were being ordered (which the supplier knew about and sent the new part equivalent)



This had been going on for years without anyone noticing

Half-hearted and incomplete data cleansing efforts lead to bigger problems down the road. It is better to go for a comprehensive solution, preferably in partnership with a company that has the domain expertise in your field.

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“We have had tremendous business growth, but it has led to a drop in the overall data quality. With this project, we are looking to bring all the data in line with the required standards of quality to drive optimum inventory levels and effective procurement control.” – Project Manager

Our Approach

The client wanted Verdantis to help them get their indirect materials data into a more consistent format for the Maximo upgrade. This was deemed to be the major problem leading to duplicate inventory, overspending, and obsolete parts being ordered.

Verdantis was able to achieve every goal set by the clients in time. We did this by – Putting our automated tools into use – These tools provide greater consistency and scale for classification, parsing, normalization and enrichment of data – as compared to a manual approach

Separating the inventory into specific category types using the UNSPSC (United Nations Standard Products and Services Code) numbering system

Utilizing specification sheets (example on next page) to 'slot' data into a specific structure – This ensured that data was standardized, the occurrence of duplicate data was noted and deduplication was performed


Helping the client develop a new stock setup and change request process - going forward this will be utilizing the spec sheets to help vthem maintain consistency

Most companies go for comprehensive MDM and data governance when Strategic Sourcing efforts are underway as these efforts bring procurement inefficiencies in focus.

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A business case detailing the features and cost-benefit analysis of a material data quality initiative can be a great tool to get the buy-in from the management. You can get a plan for your organization **here.**

Item Attributes	Prefix	Value	UOM	Suffix
VOLTAGE RATING *		<input type="text" value="200"/>	<input type="text" value="VAC"/>	
CURRENT RATING *		<input type="text" value="5"/>	<input type="text" value="A"/>	
POWER RATING *		<input type="text" value="1"/>	<input type="text" value="KW"/>	
NUMBER OF PHASES *		<input type="text" value="3"/>	<input type="text" value=""/>	PH
SPEED *		<input type="text" value="5000"/>	<input type="text" value="RPM"/>	
TYPE	TYPE	<input type="text" value=""/>	<input type="text" value=""/>	
FRAME SIZE	FRM SZ	<input type="text" value=""/>	<input type="text" value=""/>	
INSULATION CLASS	INS CLS	<input type="text" value="B"/>	<input type="text" value=""/>	
SERVICE FACTOR		<input type="text" value=""/>	<input type="text" value=""/>	S.F.
EFFICIENCY	EFF	<input type="text" value=""/>	<input type="text" value=""/>	
DESIGN	DSGN	<input type="text" value=""/>	<input type="text" value=""/>	
ENCLOSURE TYPE		<input type="text" value=""/>	<input type="text" value=""/>	ENCLSR
MOUNTING POSITION		<input type="text" value=""/>	<input type="text" value=""/>	MTG
FREQUENCY		<input type="text" value=""/>	<input type="text" value="---SELECT / TYPE---"/>	
NUMBER OF POLES		<input type="text" value=""/>	<input type="text" value=""/>	PL
ROTATION DIRECTION		<input type="text" value=""/>	<input type="text" value=""/>	
ADDITIONAL INFO		<input type="text" value=""/>	<input type="text" value=""/>	

 Check Duplicates

* indicates mandatory fields

Specification Sheet for an AC motor – Structured data can be searched and modified easily.

How Clean Data Looks

Input Long Descriptions

BEARING, WIRELOCK, AMI, UE207-22, 1-3/8" ID

BEARING, BALL, GENERAL, 60052RS, 25MMX47MMX12MM
(ACCURATE PART S308305.01)

Verdantis Harmonized Long Descriptions

BEARING, CONCENTRIC COLLAR LOCKING, NORMAL DUTY, 1.375IN ID, 2.8346IN OD, 1.734IN WIDTH, CONTACT SEAL AND SLINGER, 52100 BEARING STEEL, BLACK OXIDE FINISH, C0 INTERNAL CLEARANCE, 3460 LB STATIC, 5820 LB DYNAMIC

BEARING, BALL, LIGHT DUTY, 25MM ID, 47MM OD, 12MM WIDTH, SIZE 1.8504 IN LENGTH, 0.4724 IN HEIGHT, 1.8504 IN DEPTH, DEEP GROOVE, RUBBER DOUBLE SEALED, CHROME STEEL, 1320 LB STATIC, 2260 LB DYNAMIC

The above examples compare and contrast long descriptions that existed in the client's database and the corresponding long descriptions generated by Verdantis Harmonize after cleansing the data.

The input descriptions had non-standardized information (use of "" instead of 'IN') , a lack of units in some cases, and irrelevant information such as application instructions.

The harmonized descriptions, on the other hand, mention units, standardize terms and symbols, and include only relevant data. None of the information is lost – any data present in the input description but not present in the output description becomes a part of a separate section – 'Additional Information'.



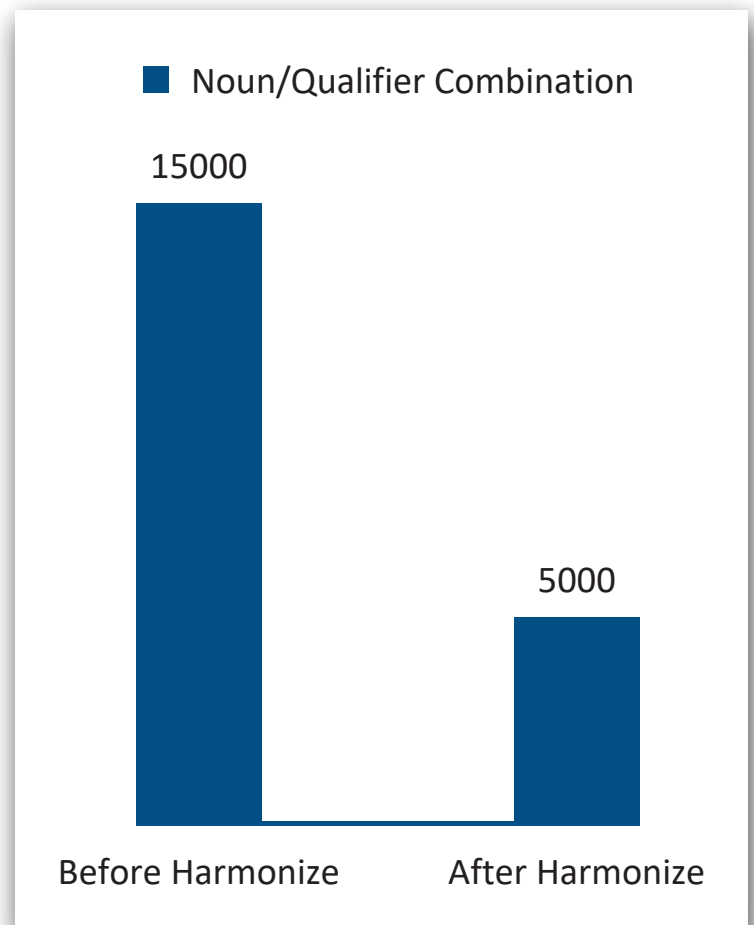
Non-source enrichment complements your source data with nonsource information, e.g. attribute values from Verdantis databases and/or online catalogs. Non source enrichment was done for 18,000+ records, 19% of Total SKUs.

Result

Here are some benefits of our efforts – identified and described by the FMCG client:

- Data driven performance. The data that was loaded into the new Maximo instance was credible and business-ready.
- Fewer minutes lost on the shop floor. Standardization meant less unproductive time was spent in locating items.
- Fewer instances of duplicate inventory. The company had about 15,000 noun / qualifier combinations at input stage. They had many different names for the same thing and some misspellings as well. With the updated descriptions they now have less than 5,000 combinations.
- Inventory control freed up working capital. Cleaner data meant identified duplicate spare parts leading to optimized inventory holding costs.
- Procurement control drives volume discounts. The company was able to give better part descriptions to their suppliers, and buy larger volumes from preferred suppliers.

THE HARMONIZE EFFECT



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“The people at Verdantis are smart and backed by solid experience in supporting Maximo upgrades. We are now confident of the material data quality in our EAM.

Some of the benefits, such as simpler search and identified duplicate inventory are already visible, and others such as the realization of savings will naturally follow. I am very happy with what we have been able to accomplish.” – Project Manager

- Complementary Material Master Data Audit
- Business Case for Material DQ Improvement
- MDM as an Answer to ROI of ERP Deployment
- Material Data Quality Project Handbook - Avoiding Pitfalls



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