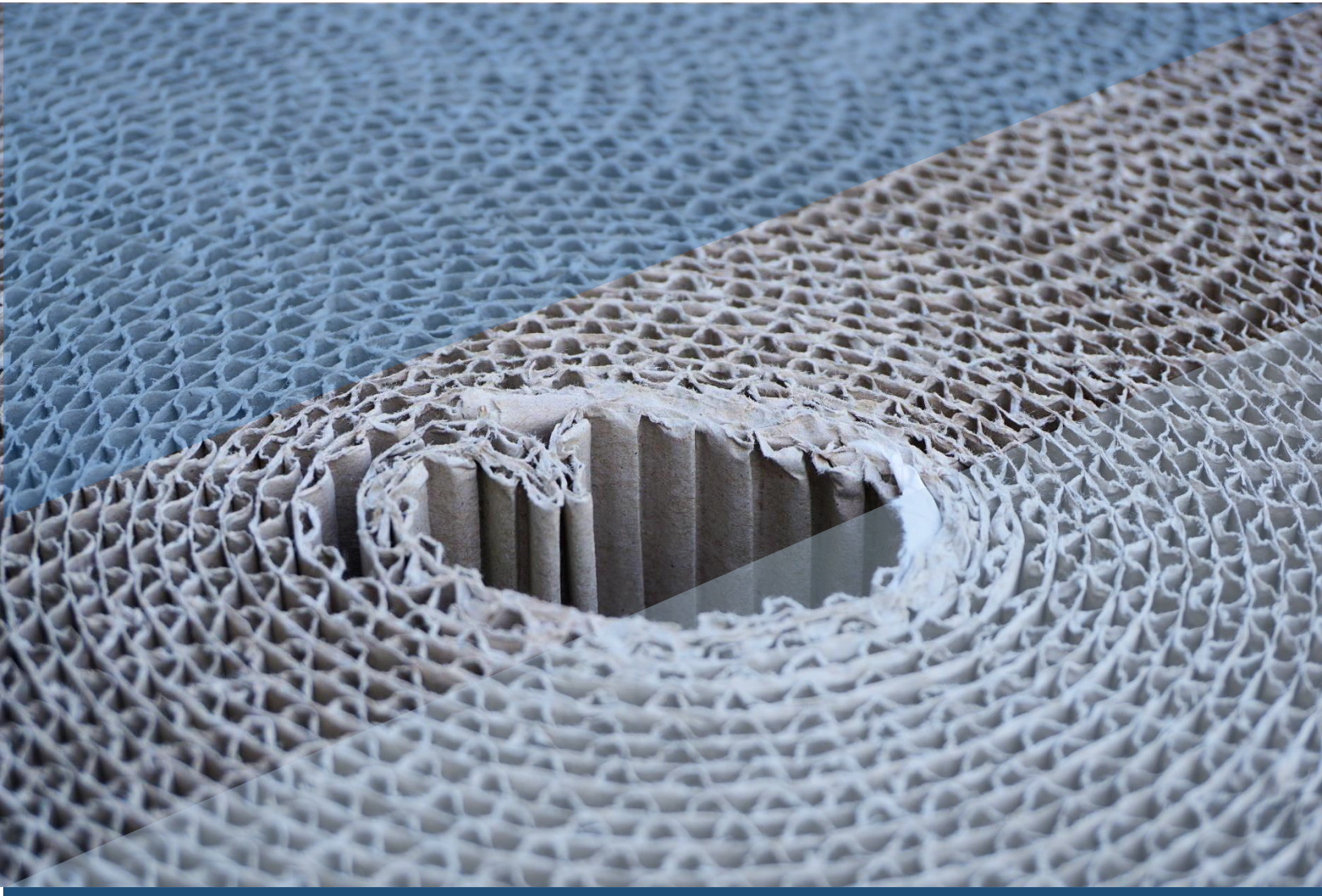


Leading Packaging Company

Unloading efficiencies after acquisition of a competitor

Case Study



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About the Client

Headquartered in the southeast USA, our client is one of North America's leading manufacturers of paperboard, containerboard, consumer and corrugated packaging, and merchandising displays.

\$5 BILLION+ IN SALES

40,000+ EMPLOYEES

250+ FACILITIES IN 10+ COUNTRIES

10+ MILLION TONS OF PAPERBOARD SHIPPED ANNUALLY

The Challenge

Background

The Company approached Verdantis after acquiring a larger competitor. Expanding their market share through acquisitions, they knew success would be possible if they could maintain operational efficiencies as they grew. Having just acquired new systems and disparate data sets, “efficiency” initially seemed like an insurmountable challenge.

Opportunity

Our client faced the challenge of integrating multiple sources of information across hundreds of plants onto a common platform. This complex process would fold in data acquired from the competitor as well as information accumulated over the years. Realized synergies from this and forthcoming M&As would be achieved through proper data rationalization and harmonization.

The challenges ahead:

- The Company suspected they had a high number of duplicate items that needed to be identified and eliminated.
- They did not want to lose critical information and yet did not want redundant information.
- They needed better visibility into the multi-lingual master data to perform proactive analysis.
- Various systems (each having its own MRO database) were used, including:
 - Ariba Procure to Pay, Contracts and Sourcing
 - JD Edwards Financials & Purchasing System
 - Purchasing Card
 - MP2
 - Spreadsheets

Amid the challenges emerged goals that could greatly improve profitability:

1. Continual development of high-margin products and services
2. Improved plant up-time and productivity
3. Reduction of overall costs
4. Pursuit of further acquisitions

Direct Spend

\$1.5 Billion

Indirect Spend

\$300 Million

Our Approach – The Plan

After understanding the importance of accurate and concise master data information to the success of realizing the merger synergies, Verdantis profiled the existing data as part of the Data Governance provisioning process. After uncovering certain inconsistencies and in collaboration with the customer, a two-pronged approach was identified.

1. **Data Cleansing** – At the very first stage of the project, we aimed to standardize, normalize, align attributes of, rationalize, and enrich the data. Our data-cleansing solution, Harmonize®, made all five critical steps possible. With this, we were able to ensure that all data, whether present in the legacy system or getting added through the merger, was at the same quality level and was de-duplicated.

The process consisted of:

- a. Data consolidation
- b. Consistent classification
- c. Noun-modifier classification
- d. Custom taxonomy
- e. Data dictionary alignment
- f. Splitting values & UoMs
- g. De-duplication
- h. Configure Data for Integrity®

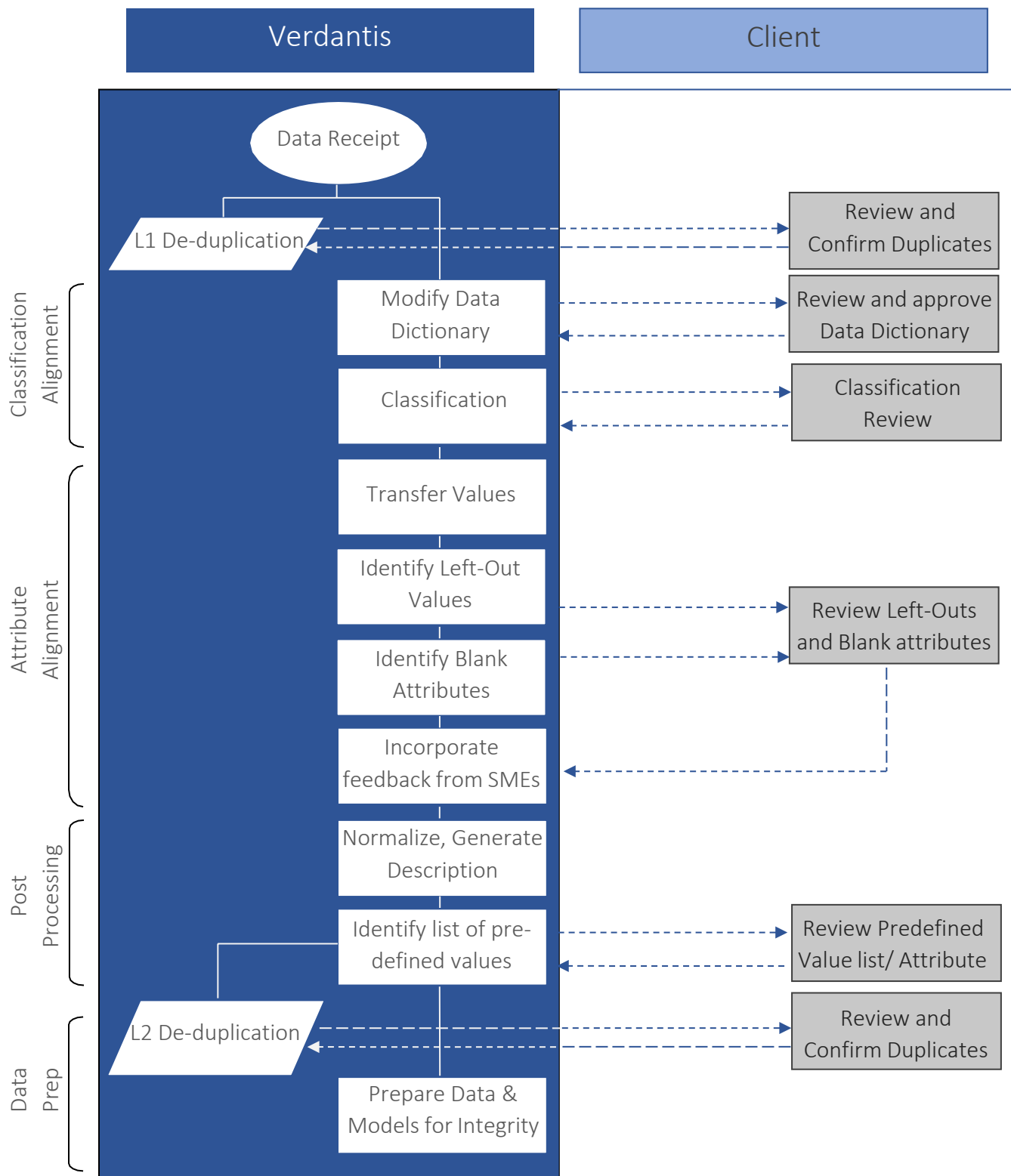
2. **Data Governance** – Once the available data was standardized and brought up to an acceptable quality level, we assured that continued quality control surrounded the incoming data. Verdantis Integrity®, our data governance solution, helped us do that.

It involved:

- a. Software Setup
- b. Configuration of:
 - Views
 - Workflows
 - Reference Masters
- c. Support Integration with their ERP
- d. UAT
- e. User Training
- f. Go-Live

Our Approach – The Process

We designed a full process flow to ensure proper Data Cleansing:



Our Approach – The People

Determined to help the Company overcome the challenges ahead and realize the full potential of their acquisitions, we turned to the people who know their information best—the experts at the company. We formed a cross-functional team made up of representatives from both the Client & Verdantis:

Client

Function	Role
Project Sponsor	Serves as first escalation point for the Customer Project Manager, can approve change requests
Project PoC	Serves as project SPC for Customer, coordinates with Verdantis team during the entire project
ETL Expert, IT/SAP Lead	Extracts and uploads the master data from source system, analyzing compatibility with existing database during upload
Subject Matter Experts	Collaborate with Verdantis on data validation, data review, specification sheet reviews, attribute extraction review

Verdantis

Function	Role
Regional Sales Manager	Provides customer relationship management, proposals, and negotiation develops contract; and serves as second escalation point for the Customer
Associate Vice President	Sets up project team and overall project management, gives guidance on scope of work and data cleansing assists in risk mitigation and serves as first escalation point for the Customer
Project Manager	Guides team on detailed project planning and tracking, tracks action item achieves milestone dates, looks out for slipping milestones, identifies and mitigates risks jointly with customer, cleanses data delivery
Product Manager	Guides the delivery team in implementation and directs product development team on development of features and product roadmap

Similar companies follow different methods and practices of recording and sorting data, as our Client discovered. Verdantis helped with de-duplicating, classifying, and normalizing data:

Data summary –

Count	ERP	EAM	Total
Unique Material Nos	577,908	415,272	993,180
Items with MFR	523,404	401,840	925,244
Items with MPN	541,656	392,648	934,304
Items with MFR & MPN	510,172	394,304	904,476
Items with neither MFR & MPN	22,976	1,928	24,904

The Table above represents the primary analysis of Client’s data. MFR and MPN counts were identified initially.

De-Duplication analysis

	Overall	Within ERP	Within EAM	Cross plants (ERP+EAM)
Parents	31,000	5,956	2,992	22,052
Children	64,908	12,476	6,368	46,064
Duplicate %	3.42%	0.66%	0.34%	2.42%
Percentage of Duplicates		19% of Total Duplicates	10% of Total Duplicates	71% of Total Duplicates

De-duplication analysis helped identify the duplicate counts and percentages across the two systems.

Data Summary

Attribute Alignment & Normalization –

ERP		EAM		Verdantis	
Noun	Modifier	Noun	Modifier	Noun	Modifier
METER	FLOW	FLOWMETER		FLOWMETER	
BEARING	FLANGE BLOCK	BEARING	FLG	BEARING	FLANGE BLOCK
BEARING	PILLOW BLOCK	BEARING	PB	BEARING	PILLOW BLOCK
FILTER	AIR	FILTER	AIR LINE	FILTER	AIR
ELBOW	PIPE REDUCER	ELBOW	PIPE REDUCING	ELBOW	PIPE REDUCER
SWITCH	TEMPERATURE	SWITCH	TEMP	SWITCH	TEMPERATURE

Noun Modifier pairs were represented differently in the two source systems and were normalized by Verdantis

MFR Normalization

MFR	Normalized MFR
3-M	3M
3M CO	3M
MINNESOTA MINING & MFG.	3M
ABB INC	ABB
ABB INSTRUMENT	ABB
ABB PROCESS AUTOMATION	ABB
ALLEN-BR	ALLEN BRADLEY
ALLENBRA	ALLEN BRADLEY
BUSSMAN	COOPER BUSSMANN INC
BUSSMAN/ LITTLEFUSE	COOPER BUSSMANN INC
BUSSMANN / FERRAZ SHAWMUT	COOPER BUSSMANN INC

The above table depicts a snapshot of how the same MFR values were normalized by Verdantis

The Result

Our experience and our close partnership with the client resulted in a Timely and Successful integration. The members of the cross-functional team kept each other informed throughout the process. The most visible result was the Complete Migration of item master data to a single JDE system. Many other benefits were realized by the Client along the way, including how they operate, and the team involved.

Operational benefits for:

1. Plants

- a. Reduced inventory
- b. Reduced inventory handling costs
- c. Reduced sourcing costs
- d. Reduced search time
- e. Improved plant maintenance
- f. Improved BOM

2. MDM Team

- a. Reduction in internal resources
- b. Reduced time in problem resolution
- c. Improved data governance compliance
- d. More satisfied clients
- e. Automated real-time classification
- f. Real-time input source enrichment
- g. Improved OEM enrichment workflow
- h. Improved reporting

3. Purchasing

- a. Improved compliance to sourcing contracts
- b. Quicker time to respond to plant sourcing needs
- c. Increased purchasing accuracy

Accurate and timely information lead to measurably reduced inefficiencies, less waste, reduction in duplicate orders, and more efficient inventory management. The end result: a tangible impact on the organization's bottom line.

About Verdantis

Verdantis is the first to offer Master Data Management solutions that bring real ROI and Business Value by focusing on the business use and application of organizational Master data. Verdantis uniquely offers end-to-end automated ERP MDM solutions driven by our suite of Artificial Intelligence (AI) based solutions and business roles and rules. Our easy-to-use solutions are easily configured to fit enterprise requirements for classification, enrichment, screens, fields, security, attachments, workflow approvals, languages and more.

Verdantis Harmonize® is a high-speed automated material /item data quality improvement tool that uses internal knowledge assets to master legacy data. Harmonize assures a globally unified, standardized, de-duplicated and enriched material master for uploading into a customer's ERP, EAM as well as Verdantis Integrity.

Verdantis Integrity® is a data governance tool that manages the quality of the material/item/product master data on an ongoing basis. Powered by a strong workflow engine and a guided item creation process, it keeps a cleansed and harmonized material master permanently pristine. It prevents data duplication and enhances organization-wide parts discovery, visibility and compliance.

Leading global companies have chosen Verdantis solutions for the following reasons:

- In-depth industry and data-specific domain expertise with a robust project methodology
- End-to-end automated processes to harmonize & enrich historical master data
- Ability to ensure semantic and structural data integrity and quality
- Ability to handle large volumes of cryptic and complex data in multiple languages
- Delivery of higher quality and volume than manual/database-centric approaches
- Flexible engagement models with a single focus on customer success

GET IN TOUCH

LOCATE US:

NORTH AMERICA

103 Carnegie Center, Suite
300, Princeton, NJ 08540

INDIA

B-301, Times Square Building,1,
Andheri- Kurla Rd, Marol,
Andheri East,Mumbai,
Maharashtra 400059



EMAIL

info@verdantis.com



CALL

+1 (866) 987-4463



VISIT US

www.verdantis.com

