

## SAP Customer Success Story Chemicals – Adhesives and Coatings; and Vibration, Noise, and Motion Control Systems



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cost-effective offering.”**

Carney Vensel, Director of International IT, LORD Corporation

### AT A GLANCE

#### Summary

LORD Corporation, based in Cary, N.C., designs and manufactures specialty and general-purpose adhesives and noise and vibration reduction systems. When LORD wanted to roll out a comprehensive yet low-cost and easy-to-use solution to its global subsidiaries, the longtime SAP customer chose the SAP® Business One application.

#### Web Site

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

#### Key Challenges

- Improve ability to manage worldwide growth and expansion
- Enable integrated marketing

#### Project Objective

Replace legacy systems with sophisticated yet low-cost, easy-to-use solution at smaller global subsidiaries

#### Solution and Services

SAP Business One

#### Why SAP Solution

- Provides rich, powerful functionality at a reasonable cost
- Supports growth
- Easily integrates with corporate business system and add-on manufacturing software
- Doesn't require an army of IT professionals to support

#### Implementation Highlights

- Rapid 4-month rollout
- On budget
- Near-perfect fit right out of the box
- Driven by local, cross-disciplinary team from manufacturing, financials, purchasing, and marketing

#### Key Benefits

- Ability to view costs and products worldwide, enhancing decision making
- Easy and fast access to quality, detailed information in the right form, enabling company to deliver products at a cost-competitive price

#### Implementation Partner

IMG Americas Inc., a certified SAP partner

#### Existing Environment

- SAP software for enterprise resource planning at home base
- Legacy systems at smaller subsidiaries
- SAP Business Information Warehouse component, a part of the SAP NetWeaver® Business Intelligence component

#### Third-Party Integration

- Database: Microsoft SQL Server
- Hardware: Dell
- Operating system: Microsoft Windows 2003

## LORD

### Midmarket Dynamo Rolls Out SAP® Business One to Global Operations in Four Months

Rapid growth and expansion drove midmarket dynamo LORD Corporation to the SAP® Business One application. With SAP software for enterprise resource planning anchoring its operational hub in the United States, the Cary, N.C.–based LORD wanted to roll out a comprehensive yet low-cost and easy-to-use software solution to its operations worldwide. Its overall objective was to replace legacy systems and provide support for integrated global reporting. LORD began the rollout in Japan, where implementation partner IMG Americas Inc. (headquartered outside Philadelphia, Pa.) helped install SAP Business One in only four months.

“SAP Business One is a very powerful, cost-effective offering,” says Carney Vensel, director of international IT at the US\$550 million company, which has manufacturing operations in eight countries. “It provides the flexibility we need to meet our changing business needs, today and in the future – and at a lower cost than a full-blown enterprise solution. It meets local language, financial, and statutory requirements and integrates with our corporate business systems. It is easy to use and navigate and doesn't require an army of IT professionals to support.”

SAP Business One is a business management application built from the ground up to serve the needs of small and midsize enterprises. It supports critical business functions – sales, financials, purchasing, manufacturing, inventory, service, and customer relationship management – and provides a unified view of operations. An open architecture and standard interfaces simplify integration with non-SAP software.

That open architecture was crucial for LORD, which designs and manufactures specialty and general-purpose adhesives as well as systems to manage mechanical motion and control noise and

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vibration. As a top-notch manufacturer with discreet and process operations, LORD needed specialized production software. LORD chose a solution from be.as (Pforzheim, Germany) to plan material requirements and handle routing and costing.

“be.as offers a nice package that integrates seamlessly into SAP Business One,” Vensel says. “You don’t even know it’s a separate add-in module; it’s that seamless.”

Costing data captured by the snap-in application flows from SAP Business One to LORD Corporation’s financial reporting system in the United States across a virtual private network (VPN). Sales information driven by market segments is transmitted from Japan over the VPN into the SAP Business Information Warehouse component, where it is “sliced and diced” to power further reporting. (SAP Business Information Warehouse is part of the SAP NetWeaver® Business Intelligence component.)

“LORD wants to put in place systems that will allow us to view manufacturing and financials as a seamless environment, so we can understand costs globally and not just regionally,” Vensel says. “With SAP Business One, we’ll be able to see product costs worldwide, identify cost components, and make intelligent decisions based upon that information.”

### **Easy to Use – Right from the Get-Go**

LORD was pleased by the straightforward implementation. Says Vensel, “I would say 99.9% of the work is just turning it on and adapting the existing functionality. We really didn’t modify the package – SAP Business One pretty much did exactly what we needed it to do. We did require some unique manufacturing and financial reports – there’s always that type of thing. But the overwhelming percentage of functionality worked right out of the box. SAP Business One is very process oriented – it’s easy to configure, set up, and adapt to your business. The go-live was almost a nonevent, which was very, very nice.”

IMG Americas, a certified SAP partner and global provider of business engineering services with a midmarket focus, played a big role in ensuring LORD Japan’s streamlined implementation. “We looked for an implementation partner with a global perspective that could also provide local consultants familiar

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with Japanese requirements,” Vensel says. “IMG has an office in Japan; that worked out very well. IMG also has expertise in both the SAP enterprise resource planning software and SAP Business One. We are pushing requirements from our domestic operations to our international facilities, so we wanted a partner that knew the SAP software.”

The LORD implementation was driven by the Japan site. Says Vensel, “The head of finance in Japan was project leader and put together a local cross-disciplinary team. We supported the team with experts from the United States in the areas of costing, finance, and IT. We started with a business-requirements review at a detailed level, blueprinted the requirements, and mapped them to SAP Business One functionality. Then we defined the settings and moved into implementation.”

LORD is looking at leveraging the successful rollout by implementing SAP Business One in France, Germany, Italy, Slovakia, Turkey, and the United Kingdom. It is also looking at the option of expanding the SAP Business One footprint in Japan to warehousing and manufacturing entities throughout LORD’s Far Eastern subsidiaries in Australia, India, Malaysia, and Singapore – and eventually China.

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For LORD, SAP Business One means a competitive advantage, locally and globally.

“LORD is like any other business – our customers want a better product at a cheaper price,” Vensel says. “We need to operate efficiently and provide the product at a cost-competitive price and at a margin where we’re making money. SAP Business One was very easily integrated into our existing environment with minimal disruption. This will help us see our information in a form we need it: faster and at a more detailed level and with higher quality.”

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