



PACKAGING MANUFACTURER LINPAC ALLIBERT INCREASES EFFICIENCY AND AGILITY WITH IFS APPLICATIONS

LINPAC Allibert was created in February 2007 by the merger of LINPAC Materials Handling and Allibert Buckhorn and now makes up 27% of the LINPAC Group.

IFS had worked with LINPAC Materials Handling since 2004 as its ERP provider and was selected as the preferred ERP solutions provider for the whole of the newly formed company, LINPAC Allibert, to roll out IFS Applications across 800 users in 12 European countries throughout 2008 and 2009.

ABOUT LINPAC ALLIBERT

LINPAC Allibert design and manufacture Returnable Transit Packaging (RTP), such as plastic pallets and containers, for the retail, automotive and general industry sectors across the UK & Europe.

THE NEED FOR ERP

In the manufacturing industry, Enterprise Resource Planning (ERP) software is a long-established tool in managing the supply chain and giving greater visibility to costs, demands and expenditure.

Innovation and new product development are key strengths for LINPAC Allibert, alongside the capability to provide total supply chain support – including RFID tagging, asset tracking, tray washing and repair, rental and asset management services for their customers.

Prior to 2004, LINPAC Material Handling had a variety of supply chain management systems. Therefore, when LINPAC Materials Handling reviewed its supply chain in 2003, it decided to unify its supply chain management under a single ERP software solution. It was felt a single solution would offer greater flexibility, scalability and visibility, and would give the business an edge in an increasingly competitive global marketplace.

THE HISTORY

After a two-way pitch process to select a single ERP provider, IFS was appointed in July 2004.

Andre Ertel, Project Manager at LINPAC Allibert, described why the business selected IFS: “There were three competitive advantages that IFS had over their competitors.

“Firstly, we liked the fact that their software solution fits our requirements without the need for major modifications and could be installed off-the-shelf. This made the system easy and fast to install. Secondly, their component architecture was a strong selling point as it allowed us to scale up over time and create a system to suit our changing requirements.

“Finally, working with a medium sized supplier also meant that we had a more personal relationship with IFS than we could have with their larger competitors. This proved to be a significant benefit as they became a trusted partner as our business needs changed over time.”



PHASE ONE

IFS was selected to provide IFS Applications 2004 for 300 users across five sites in the UK and Germany. The new system went live in May 2005 with a basic software model including modules for Customer Order Processing, Supply Chain, Manufacturing and Finance.

Once the initial installation was complete, additional modules to the system, to improve business performance, were added. The modular architecture of the IFS system made this possible. The addition of a CRM module allowed the business to integrate the demands of customers into the supply chain, and the plant maintenance model enabled upkeep and repair of machinery to be factored in to the supply chain – giving management an accurate representation of what was happening on the shop floor.

“In the first instance, we moved the whole company over to the simple IFS solution and then, thanks to the component architecture, we were able to add the ‘cream cake’ luxury modules over time.

“This was beneficial to the business as it allowed time for us to adjust the way we worked with the new system before introducing it into all of our business processes – reducing disruption and increasing effectiveness,” explains Ertel.



A GROWING BUSINESS

In the first quarter of 2007, LINPAC Materials Handling acquired French container and storage giant Allibert Buckhorn. A new company was formed, LINPAC Allibert, now one of the world’s leading packaging and materials handling companies.

Andre Ertel was faced with the task of assessing the existing system across the new company and deciding how best to unify them into one workable system. “LINPAC and Allibert Buckhorn were both well known businesses, but we needed to launch ourselves on to the international stage as LINPAC Allibert.

“One of the biggest challenges facing a newly merged company such as LINPAC Allibert is the streamlining of processes on a global scale.”

Allibert Buckhorn was using a JD Edwards ERP solution, whilst the LINPAC Materials Handling section of the business was using IFS Applications 2004.

Andre Ertel found himself back at square one – one business, with several supply chain management systems in place.

ASSESSING THE OPTIONS

The business remained keen to work with an unmodified ‘off-the-shelf’ solution rather than a modified system, since this offered greater flexibility and business agility. The JD Edwards system did not offer this as it was a modified system tailored specifically for Allibert Buckhorn.

After careful consultation with IFS, the decision was taken to upgrade all of LINPAC Materials Handling’s existing ERP solutions from IFS Applications 2004 to IFS Applications 7, which would offer improved usability, and then roll out the new system across the whole of LINPAC Allibert in order to bring

about better business intelligence and streamlined global processes.

IFS Applications 7 had a number of advantages over the 2004 version which would add value to the new business structure, including improved interface usability and a business analytics model, as well as a budget management tool providing better visibility of costs.

Mark Winterburn, Account Manager at IFS, said: “In the early stages the relationship with LINPAC was a fairly traditional customer/supplier one. However, as time went by, we became increasingly involved in what was happening with the expansion of their business.

“Our understanding of their business challenges meant that we were able to provide quality consultancy on how to maximise the way ERP delivered solutions for them.”

Andre Ertel added: “Our staff were used to working with IFS Applications and it had delivered significant businesses benefits, so we were keen to continue this relationship and looked to IFS to advise us on the best way to do this across the newly-formed company.

“The guys at IFS became real trusted partners. They worked closely with us to help identify the requirements of the new business as it stands, and helped us to devise a plan for the introduction of a system that would be future-proof, scalable and flexible for many years to come.”

PHASE TWO

The first step in the process was the upgrade of the existing system on the sites in Germany and in the UK to IFS Applications 7, which was completed in the spring of 2008.

The second phase will see the system being rolled out to France and Belgium by the summer of 2009, with Italy and Spain to follow. Towards the end of 2009, installation will take place across marketing offices in a further 6 European countries including Poland, Sweden, Turkey and Ireland.

The project, due to be completed in full by 2009, will equip the new company with an efficient and responsive system that affords them enviable business intelligence and agility across their suite of products and services. It will cover 800 users across 12 countries.

BUSINESS BENEFITS

Using a single IT platform across the business will allow users to compare data from each site and analyse margins and profitability. This business intelligence, coupled with the agility the system provides, can then be used to rapidly adapt systems to increase productivity and drive up standards. The accounting functions will also allow the business to track costs and manage credit control on a global scale.

As well as internal benefits, it is anticipated that the system will afford LINPAC Allibert’s customers significant benefits, including better production and quality control, more accurate delivery times, and overall improved customer service through CRM software.

BENEFITS

- A single IT platform across the business
- Costs and credit control managed on a global scale.
- Better production and quality control, more accurate delivery times, improved customer service

“In the context of a looming global economic slow-down, maintaining an agile business is more important than ever. You can only react if you have reliable information to act on. IFS gives us this in real time, every time.”



Andre Ertel
Project Manager
LINPAC Allibert



THE FUTURE

Andre Ertel is confident that the technology solutions supporting LINPAC Allibert will act as a catalyst for the success of the business as a whole, and as a springboard for realising his vision of a streamlined, responsive and efficient business model. Following the successful implementation of the system, the business plans to move on with Permanent Improvement Programmes.

Andre Ertel concludes: “In the context of a looming global economic slow-down, maintaining an agile business is more important than ever.”

“You can only react if you have reliable information to act on. IFS gives us this in real time, every time.”

