



SSAB'S SHEET STEELWORKS MOVING TOWARD COMMON IT SUPPORT

SSAB's steelworks in Borlänge and Luleå, Sweden, are continuing to develop the IT solution that will support their extensive maintenance operations. After a successful upgrade of IFS Applications that introduced identical business solutions to both plants, the conditions are in place for savings and greater visibility.

For maintenance-heavy operations, efficient IT support is often the key to high profitability. At the same time, this is where the major investments in time and money are made. Achieving a complete overview of a complex plant can be compared to a continuous journey rather than a standard IT project with a distinct beginning and end.

SEASONED IFS USERS

SSAB's sheet steel division is a good example of the description above. It has been using IFS Applications since 1997, when IFS' maintenance software went live at the Luleå plant. And during 2001, IFS Maintenance was implemented at the Borlänge plant with the ambition to raise productivity. At the same time, IFS Applications was upgraded in Luleå.

Parallel with this, the Borlänge plant underwent extensive reorganization, and the combination of a change in processes and new ERP software made life anything but easy for users in Borlänge.

TWO PLANTS—TWO SYSTEMS

Even if things eventually fell into place, the fact remained that the plants in Luleå and Borlänge used different IT solutions although they both were part of the same company. Running two completely different solutions—even if they came from the same company—is not ideal with respect to cost and competence requirements. Major savings can be made if new functionality can be implemented at the same time and if joint support can be provided.

“In connection with an internal project to streamline purchasing we decided that we should merge system support for the purchasing organizations, among other areas,” says Robert Karlsson, project manager at SSAB in Luleå. “We also wanted a single support organization.”

TIME TO UPGRADE

To create a more uniform IT environment, SSAB's sheet steel division opted for an upgrade. IFS Applications 7 went live in Luleå at the beginning of 2009 and a few months later the same version was up and running in Borlänge. Initially, SSAB's sheet steel division intended to merge its IT applications into a single

ABOUT SSAB

SSAB is a leading global supplier of high-strength steel, with 9,200 employees in more than 45 countries. The group report revenue of SKr 54 billion in 2008. As of January 1, 2009, the group consists of three business areas—EMEA: Europe, Middle East and Africa; APAC: Asia, Australia and New Zealand; and Americas: North and South America.

Production units are located primarily in Sweden and North America. In Sweden, a coking plant, blast furnace and steelworks for producing steel elements are located in Luleå; rolling mills, and coating and treatment lines are situated in Borlänge. SSAB's sheet steel is used in situations that require high strength in combination with low weight, as in the automotive industry, for cranes and various safety details.



solution in connection with the upgrade, a plan that changed as the project progressed. “We simply didn’t have the energy to take such a major step directly; we decided instead to make sure the business solutions at the plants were identical”, says Karlsson. Currently SSAB’s Sheet steel division uses almost exactly the same work processes and identical solutions in Borlänge and Luleå. Certain functionality is used more at one plant than at the other, but technically, the systems are identical.

AUTOMATED PURCHASING PROCESSES

After upgrading to IFS Applications 7, SSAB’s sheet steel division was able to take a closer look at how it could streamline its purchasing process. One of the actions it took was to implement IFS eBuyer in combination with a homegrown application for its buyers.

“Our main suppliers’ product catalogs will be downloaded into the application and our buyers will be able to filter out what they are allowed to buy according to the agreements we have with our suppliers,” says Karlsson. “The idea is to give us better control over purchases and, of course, to save money.”

FILTER SYSTEM MADE AVAILABLE

The application will be implemented in Borlänge and Luleå, and will be integrated with IFS eBuyer, which is used to buy the products. The filter application is also being offered externally free of charge, and anyone who is interested in it can contact SSAB. “When the solution goes live, it is likely to make everyday life easier for our buyers, who will only need to access IFS eBuyer, not the main system,” says Karlsson.

ADAPTABLE SOLUTION

SSAB is a big organization, so it takes a long time to change processes. The plants themselves have a large number of users; in Luleå alone, 600–700 employees use IFS Applications each week. In Borlänge the number is thought to be even bigger.

“We achieved our upgrade target, but even if we think that the maintenance software works well and is simpler now, it’s too early to count saving in dollars and cents,” says Karlsson. “One of the benefits is that the solution can easily be adapted to our operations and that we can remove anything that is not required.”

COMMON IT SUPPORT

The winds of change are blowing through SSAB, and it is not merely a question of tough economic times or lower demand for sheet steel. In the near future, three plants—Borlänge, Luleå and Oxelösund—will become part of a new business area: SSAB EMEA. Having an efficient, streamlined maintenance solution is hardly likely to be less important.

“We hope we’ve seen the recession bottom out and that demand for SSAB’s products will increase again. The next stop on our journey toward the perfect maintenance solution is to merge the maintenance solutions used at the Borlänge and Luleå plants into a single, common solution,” Karlsson concludes.

BENEFITS

- Easy to add to and change the IT support step by step
- Easy to adapt the IT solution according to company needs and to pare away the parts that are not required
- Coordination gains from using identical IT solution at both plants, e.g. uniform support and simplified development of IT support
- IFS Applications will support SSAB’s goals: Increased profitability—higher productivity through better utilization of the plants; lower inventory costs; uniform, efficient purchasing process



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