



## SCA GRAPHIC SUNDSVALL AB INCREASES EFFICIENCY WITH IFS APPLICATIONS™

**Ortviken paper mill and Östrand pulp mill in northern Sweden are building on their lifecycle solution from IFS. Enhanced analysis tools, fewer customizations and the hard work involved in defining key performance ratios have given SCA Graphic Sundsvall an even firmer hold on its productivity.**

“The decisions we make today are well-founded because we know they are based on accurate, high-quality information,” says Christer Byström, IFS Applications system owner at Ortviken paper mill and Östrand pulp mill. The plants have used IT support from IFS since the mid-1990s. At the beginning of 2000, the plants were modernized with the aim of having a single solution for maintenance, inventory, purchasing and engineering.

### BETTER OVERVIEW

It didn't take long for the benefits of going from a mainframe computer system with various applications to a uniform lifecycle solution to materialize. Data for planning and analysis improved, and the employees were able to react faster on an operational level. Operators and maintenance staff also got an improved, shared view of faults. At the same time, it also became possible to follow up the total cost of a specific part of the plant—from purchase, registration and fault reporting to repair and maintenance. “In all, it became easier for us to identify failures and resolve technical issues that cause downtime, disruptions and other losses,” says Byström.

### IFS APPLICATIONS UPGRADE

Gathering the important data in a single IT system facilitated both the operational and strategic sides of the work. Work remained, however, especially the process of better linking internal processes to the solution and reducing the number of customizations.

The will to eliminate customizations was one of the reasons why Byström and his personnel chose to upgrade to IFS Applications 2004 Flex in 2006. “It's expensive to have customized business software; that was our main reason for wanting to get rid of them,” says Byström, adding that a positive side-effect were the many opportunities to increase effectiveness that emerged because of the review of internal process and routines involved. Inventory and purchasing were the two main areas that were closely scrutinized and revised. And even if this required major internal efforts and Ortviken paper mill and Östrand pulp mill, the subsequent implementation of the IT solution was painless.

### ABOUT SCA

SCA has 52,000 employees in about 60 countries and revenue of SKr 110 billion (2008). SCA is Europe's biggest private forestry companies with 2.6 million hectares of forests that is managed with sustainability in mind, which means that growth is larger than timber extraction.

SCA's operations in the Sundsvall region of Sweden are run by the SCA Forest Products division. Östrand pulp mill, with 400 employees, produces 430,000 tons of TCF-bleached softwood sulfate per annum. From this, Ortviken paper mill, with 900 employees, produces coated paper, light-weight coated paper, and newsprint. The annual production capacity is 850,000 tons of paper. The energy extracted from Ortviken's flue gas condensation provides excess heat to the district heating grid corresponding to the amount required to heat 5,000 houses per year.



## BETTER ABLE TO MEASURE PRODUCTIVITY

After the IFS Applications upgrade it became possible to change the tools Ortviken paper mill used to measure productivity in the plant. The mill had used the IFS analysis called Overall Equipment Effectiveness (OEE) for many years. But even if OEE worked well as an analysis tool, the user interface was not optimized for operators so IFS and Ortviken began a joint pilot project to develop a new tool.

MaxOEE, as the new tool is called, has a graphical interface that is easier to use and is adapted to the system that operators are used to. Moreover, it has built-in analysis tools and is integrated with the plant's work order system. "Operators report operational and production events via MaxOEE. The simplicity of the system has resulted in people using the system, which ensures that we get a complete overall view of the plant," says Byström.

## KPIS FOR BETTER MEASUREMENTS

Currently, IFS Applications is integrated with Standard Solution Group's (SSG) article database, which is a standard for classifying different articles. The advantages of uniform product data are control of the purchasing process and less administration.

SCA Graphic Sundsvall is also in the process of defining key performance indicators (KPI) to measure operations and maintenance. For example, one of the issues is to map downtime and to measure work order management. "We are also working to use a European standard for maintenance," says Byström. "Then we can compare our position relative to other actors with respect to production and capacity. Then we can link KPIs to that."

## AUTOMATED INVOICING

The IFS Applications upgrade has led to a further enhancement; fewer invoices are processed manually. Purchase requisitions are now authorized, which means that an invoice doesn't need to be authorized if the invoice and the requisition match each other. Moreover, all invoices are scanned, which enables them to be viewed electronically. "Invoice matching connected to maintenance operations will save us time and money when the solution is fully used," says Byström.

## ACCURATE DATA FOR DECISION-MAKING

Byström is now considering an upgrade of IFS Applications within a year. He hopes this will eliminate even more customizations and give IFS users access to the new IFS Enterprise Explorer interface.

Despite the general economic slump worldwide SCA Graphic Sundsvall has more than held its own. Neither Ortviken paper mill nor Östrand pulp mill have had to cut production. Between 1996 and 2008, productivity at the plants has increased by 70%. Having a maintenance solution that works well has played a major part in the increase. "Good productivity development is the be-all and end-all for us. With IFS Applications we can quickly and easily find the information we require to make the right strategic decisions," concludes Byström.

## BENEFITS

- Easy to make the right strategic and operational decisions thanks to an enhanced overview of the plants
- Easier to identify faults and resolve technical issues thanks to a unified view and better reporting
- Enhanced cost control because it is possible to see the total cost of individual parts of the plant
- Increased efficiency through automated invoice handling



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