

Cost Reduction by advanced Integration of ERP and PLM Systems

Enventure offered PLM Data Management tools & techniques, enabling a communications equipment & services company to achieve a competitive advantage.



About the Client

With over 20 years of experience in the optical solutions industry, the Client has established itself as a pioneer and technological leader in its field. They enable customers to make network systems smarter, faster and more efficient. They also provide optical communications network infrastructure equipment and services to suit an array of requirements in the telecom industry.



Business Need

The Client was a Contract Manufacturer headquartered in Europe, with manufacturing sites across various geographical locations. They were using a legacy ERP system, which had very limited connectivity and synchronization between sites. They were not using any PLM (Product Lifecycle Management) system, and hence there was no centralized and up-to-date BOM (Bills of Materials) database or Vendor Database.

With this environment, the Client had to deal with poor data integrity and quality, leading to several operational issues for Supply Chain and Engineering. Some of the key issues they faced were non optimized procurement, uncontrolled BOM revisions, inflated pricing, component stockouts, unexpected obsolescence and lack of compliance information.

Not only did these impact costs for the Client, they also negatively impacted the organization's process and delivery system; and therefore, their brand reputation. The business need was to implement a new PLM system, which would bring the organization under a single platform. But in order to do that, the Client had to collate and re-organize all the BOM and Supplier data to create a central data repository, which would become the backbone for the PLM system and power various business functions within Supply Chain, Engineering and Quality.

The Client did not have the internal resources or bandwidth to complete this initial task, which was crucial for the PLM implementation.



Why Enventure?

The Client required an effective solution to be able to access accurate and consistent data from multiple locations. Another concern was that the Client had previously never outsourced its data management process. Keeping these nuances in mind, Enventure approached the Client with a well-planned proposal. The solution offered was to put in place a centralized database that could merge existing data, identify discrepancies and update relevant information. In addition, the team at Enventure was skilled at Oracle Agile – the PLM application the Client used to maintain its engineering and BOM data.

After a series of discussions, the partnership with the Client was sealed on the basis of Enventure's prior experience in similar projects, clarity in proposal and familiarity with the Oracle Agile PLM application.

The Solution

The first step in the project was to source relevant information from the Client's manufacturing sites. Enventure commissioned two lead engineers to work with the respective sites, and collate the information. In parallel, Enventure worked with key stakeholders within the Client organization to develop the internal part numbering system, commodity coding and overall data schema.

The data collected from various sources, including the Client's supply chain network, was analysed, cleansed, de-duplicated and enriched to create a central database. Each part was also enriched with attribute information and lifecycle data, apart from the compliance information related to RoHS and REACH. The supporting documentation was also tagged to each part.

The Client had evaluated various PLM solutions and found Oracle Agile PLM to be the best fit for their business needs. Enventure assisted the Client with loading the BOM data into Oracle Agile PLM, and supported the implementation team until go-live.

An ongoing support system was established after go-live, to manage various requests such as NPR (New Part Request), NPI (New Product Introduction) and ECO (Engineering Change Orders). Leveraging time zone differences, the Enventure team was able to make the process more efficient for the different sites, which also benefited from reduced load on internal resources, so they could focus on their core functions.

Benefits

Effective data management systems are known to offer short- and long-term benefits to an organization's processes. Enventure's solution provided the following benefits to the Client:

Smooth Implementation of PLM	Clean and enriched data ensured smooth transformation from manual data management to seamless data flow within the PLM.
Reduced cycle times	With Oracle Agile providing a centralised data repository, all BOM information was easily accessible on real-time basis, reducing cycle times for both engineering and supply chain.
Lower procurement costs	Elimination of duplicate entries and vendors, enabled optimized procurement and lower buying costs – as well as avoid last-minute purchases and ad-hoc procurement.
Improved Search Capabilities	With new part metadata in the system, along with clean short and long descriptions, the PLM data served as a searchable internal parts repository, built collaboration across teams and enhanced overall performance and productivity.
Compliance	The Client needed to meet regulatory requirements for RoHS and REACH, and having the required compliance declarations along with supporting documentation, enabled the client to make their compliance declarations confidently, and generate compliance reports as needed.

Conclusion

Enventure was able to gain the confidence of the Client due to its experience in the PLM domain and expertise in BOM management. Although the Client was initially hesitant to outsource its PLM data management process, this engagement built the foundation for a strong and long-term partnership. Data optimization helped the Client achieve efficient processes and turnaround times. Having established a smooth process for PLM data management, the Client continues to partner with Enventure for ongoing maintenance of BOMs in the PLM system.





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