

Lion Nathan

Sydney, Australia



Performance Made Simple: Alcoholic Beverages Company Brews Profit With QAD Enterprise Asset Management

The Company: Leading Australasian Beer, Wine and Spirits Distributor

Headquartered in Sydney, Australia, Lion Nathan is a leading brewer, winemaker and distributor of alcoholic beverages in Australasian and international markets.

Lion Nathan first opened its doors in 1923 as New Zealand Breweries. It went on to become one of New Zealand's biggest corporations, and acquired the brewing assets of Australia's Bond Corporation in 1990. In 2007, Lion Nathan made a profit of \$267M AUD. It employs around 1800 Australians and 1400 New Zealanders and is listed on both the Australian and New Zealand Stock Exchanges.

The Challenge: Managing Plant Maintenance Costs for Optimum Performance

Lion Nathan needed a solution that would effectively manage, record and schedule plant maintenance activities, and generate a reliable history of costs, including spare parts and other resources. With production sites throughout Australia and New Zealand, the company required unified plant maintenance and purchasing systems across all sites, in order to make better maintenance decisions.

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Neil Schiff, Special Projects Manager, Lion Nathan

Prior to implementing QAD Enterprise Asset Management (QAD EAM), there was no standardisation or integration between these sites. “All of our sites had different tools and maintenance systems,” recalls Lion Nathan’s special projects manager Neil Schiff.

The Solution: Unified Assets Provide Simplicity and Agility

Schiff knew that an enterprise asset management system was the key to well-managed plant maintenance. And, he wanted a solution that would integrate with the company’s QAD system.

In 1997, Lion Nathan chose a product from FBO Systems, since acquired by QAD. “The strategic decision was to go with one system across all the Lion Nathan sites that would be integrated with QAD Enterprise Applications,” says Schiff, deciding that the software’s ease of integration with QAD made it the right choice for the organisation.

“We continuously see the product evolving in terms of increased functionality, and improved usability.” says Schiff. “The information availability allows us to be proactive in our decision making.”

Neil Schiff, Special Projects Manager, Lion Nathan

Lion Nathan has successfully aligned its asset management solution, QAD EAM, across ten sites in New Zealand and Australia. “We have consistent implementations but each site leverages it differently,” says Schiff. “You are able to use it and get the value out of it depending on site conditions.”

QAD EAM underpins decisions about purchasing equipment, tracks expenditures and supports the maintenance department by creating inventories of critical spare parts. The system runs in a Unix environment, on HP Integrity servers. “It’s a good, enterprise-strength hardware platform,” says Lion Nathan’s IT account director David Tape: “We try to keep environments as open as possible.”

According to Schiff, QAD EAM has become core to Lion Nathan’s brewing operations. “It’s a really well regarded product,” he says.

The Benefits: Clarity from Top to Bottom Line

Under challenging market conditions, including rising input costs and excise increases, every dollar Lion Nathan saves in plant operations is meaningful.

According to Schiff, the opportunity to manage costs has been a key benefit of QAD EAM. "It allows you to optimise maintenance to get the best bang for your buck," he says: "You are in a position to have accurate, meaningful information about labour and materials and see how much has gone into a machine over a period of time." Schiff notes that the information means Lion Nathan can make "excellent value-based decisions about plant equipment replacement."

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Lion Nathan utilises the scheduling capabilities to provide work instructions to maintenance teams to effect equipment setup for production change overs. This ensures setup consistency with both efficiency and quality gains. In addition, having an historical record of maintenance activities for each machine delivers an incalculable return on investment. "There is just no way you could ever measure it," he says.

Lion Nathan also benefits from QAD EAM planning tools that allow it to schedule routine maintenance. "We continuously see the product evolving in terms of increased functionality, and improved usability," says Schiff. "The information availability allows us to be proactive in our decision making."

The Future: Continued Improvement Through Unified Pathway

Schiff says he had to push his executive team hard to purchase the enterprise asset management system ten years ago — now QAD EAM is central to Lion Nathan's plant maintenance. Lion Nathan, now running QAD Enterprise Applications (version MFG/PRO eB2.1), continues to deepen its investment in QAD solutions.

Highlights

Company

Company Name	Lion Nathan
Industry	Food & Beverage
Products	Beer, wine and spirits

Solutions

QAD Enterprise Applications	QAD Enterprise Applications (version MFG/PRO eB2.1 SP4) QAD Enterprise Asset Management (QAD EAM)
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Hardware	HP 74/90s
Environment	HP-UX (Unix)
Languages	English
Number of Sites	10
Time-to-Benefit	Immediate

Results

- Improved cost efficiency in plant maintenance
- Accurate historical data supports timely plant replacement and maintenance decisions
- Increased safety due to precise maintenance program
- Clear integration pathway with CRM system
- More timely upgrades

On the horizon in the next 18 months is a trial of QAD .Net User Interface. This links to another key project, integrating Lion Nathan's CRM system with QAD Enterprise Applications. "The QAD .Net UI side of things opens up more options in respect to integration," says Tape. "The integration will be quite important, particularly getting QAD Enterprise Applications and our CRM system to sit nicely together."