



QAD PACKAGING

TODAY'S CHALLENGES

Packaging manufacturers face pressure on several fronts. Many find it difficult to grow profits due to higher costs and higher working capital. Specifically, margin difficulties come from increasing resin and labor costs, lower labor utilization and lower OEE (Overall Equipment Effectiveness) due to SKU proliferation and associated changeovers.

The need to improve sustainability adds additional pressure. Sustainable practices are being widely adopted across all industries requiring packaging and are becoming mandatory in several countries.

Another common challenge is unplanned and costly corrective maintenance, instead of planned preventative interventions. This situation is often due to a lack of asset management and maintenance control solutions. Also, multinational packaging companies must comply with local tax regulations which are in a high state of flux and will likely continue to change at a rapid rate.

FUTURE TRENDS

Pressures on packaging manufacturers are accelerating, forcing them to adapt quickly to current and future market forces.

For example, IoT can increase visibility into the real-time status of manufacturing production, providing an early warning of potential issues. It can also provide deeper insight across the supply chain. Similarly, machine learning, using information from data lakes, can augment supply chain and enterprise insight. Emerging technologies will deliver benefits to adaptive packaging manufacturers through faster time to knowledge and better decision making.

For example, advanced technologies like machine learning and IoT will prove disruptive to those packaging companies not prepared to adopt these game changers, and will provide a competitive advantage to those that can apply the new technologies.

IMPERATIVES FOR KEY DECISION MAKERS

Successful COOs need to effectively manage critical production resources and inventory to reduce working capital, increase OEE and drive up profitability. Lean manufacturing, better supply chain integration, improved manufacturing planning and asset management, including predictive maintenance and IoT, will play an important role in the future.

CEOs need to ensure their company is strategically aligned with the key trends in the marketplace. The CEO also needs to continually balance cost, innovation, risk and investment to achieve a healthy EBITDA.

CIOs need to move from old, insecure systems with customizations and brittle integration to agile solutions. The IT organization needs to rapidly adapt to changing company business models, consolidation and the turbulent external environment. CIOs will also need to maximize the benefits of their investment in IT resources with productive technologies that deliver shop floor flexibility.

Supply chain leadership has become a strategic role. It is becoming imperative to deliver tighter integration between sales forecasts and demand planning to provide full visibility to manufacturing.



HOW CAN QAD HELP?

QAD has been a trusted solution partner to packaging manufacturers for decades. QAD's solutions allow manufacturers to selectively apply financial, planning and operations capabilities to best support their needs.

QAD Adaptive ERP is founded on industry best practices and provides a comprehensive yet flexible solution for global packaging manufacturers. The **QAD Enterprise Platform**, the application platform for QAD Adaptive ERP, simplifies the adoption of

advanced technologies to support ongoing digital transformation. The QAD Cloud helps future-proof global packaging manufacturers as they expand.

For more information on how **QAD Adaptive ERP** can help your company, please contact QAD at +1-805-566-6100 or email info@qad.com.



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