



CUSTOMER CASE STUDY
RENOLIT



“When we looked at our needs in production, QAD was a perfect fit for us.”

Martin Klinkert, CIO, RENOLIT





RENOLIT

DETERMINING THE BEST ERP SOLUTION AND SYSTEMATICALLY UPGRADING

THE COMPANY: RENOLIT

The RENOLIT Group is an international leader in the manufacture of high-quality plastic films and related products for technical applications. Established

HIGHLIGHTS	
Company	RENOLIT
Headquarters	Worms, Germany
Industry	Industrial
Products	High-Quality Plastic Films
Solutions Utilized	QAD Enterprise Applications Enterprise Edition

70 years ago, RENOLIT was founded with the aim of substituting conventional materials with highly effective plastic films. The scope of applications has since broadened substantially.

Their products are now used in many different industries throughout the world. RENOLIT thermoplastic films provide decorative surface finishes to furniture, building components and consumer electronics. Their products are utilized to seal roofs, underground structures and line swimming pools. RENOLIT also produces films and tubes for medical applications and recyclable composite panels for the building sector and automotive industry. RENOLIT film is a key material for office management supplies, vehicle interiors, self-adhesive products for the graphic design and labeling industry, and in technical products. Essentially throughout the world, and in many different applications, you will find RENOLIT's products adding value to other products.

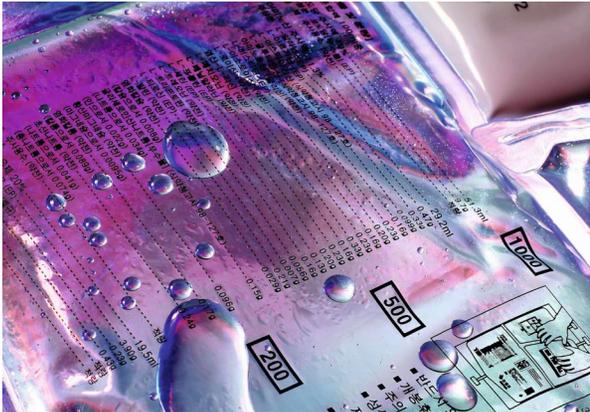
An independent family-owned business, RENOLIT now employs a workforce of approximately 4,500 employees at more than 30 production sites and sales entities worldwide, with annual revenue approaching €1B.



THE CHALLENGE: ACHIEVING MAXIMUM EFFECTIVENESS WHILE GROWING A COMPLEX WIDESPREAD BUSINESS

RENOLIT is a complex business with a global distribution network comprised of eight business units in more than 30 sites on four continents. In addition to maximizing the productivity and profitability of their ongoing daily business, RENOLIT is focused on a strategy of sustained growth through expanding existing business units, and acquiring companies which expand RENOLIT into new geography or lines of business.





One such acquisition was the industrial films division of Solvay, a Belgian-based chemical company. Solvay's film division was a long time customer of QAD ERP, and RENOLIT was faced with a decision of implementing their other ERP system by replacing QAD, which would require changing many business processes, or pursue a dual ERP strategy with QAD as the backbone of their acquired industrial films business unit.

"At the time of the Solvay acquisition RENOLIT only used another ERP system," comments Martin Klinkert, CIO of RENOLIT. "But we realized the increasing diversity of our product lines was resulting in widely varied manufacturing processes from the complex, with many production steps, to the lighter with just a few. It became apparent our other ERP system might not be the best choice for all our business units after the Solvay acquisition."

"Having a central infrastructure is a high priority for us and our vision is to have most activities of each business unit on one ERP system. We knew we needed to look at each business unit to determine

the best ERP for that unit's needs," continues Klinkert. "We determined it was most effective for the company to use more than one ERP system, including QAD."

THE SOLUTION: A NEW IT STRATEGY OF THE BEST ERP SYSTEM FOR EACH BUSINESS UNIT

"We decided on a new IT strategy to include QAD ERP in our business because our other ERP is too heavy for certain business units, and QAD was really a perfect fit," notes Klinkert. "At the time we decided on this new strategy we had very limited internal resources. We are able to depend on QAD for guidance and we've hired people who can support our vision, implement QAD, bring it to one central infrastructure and handle upgrades every two years. Many of our acquisitions were already using different versions of QAD which makes the process of consolidating and upgrading every site to the same QAD version easier."

"With each new acquisition we bring them up to our current QAD version and we upgrade all our QAD sites every two years," adds Klinkert. "Having all our QAD sites on the same version is absolutely necessary to our central infrastructure. Implementing the most recent version of QAD ERP and upgrading every two years keeps RENOLIT prepared for the future."

RENOLIT now runs three systems for production sites -- a central information management system, QAD and another major ERP. The central management system catches information from both ERP systems which allows RENOLIT to maximize

their efficiency and better supply their customers with the products, service, and information they need.

Since the Solvay purchase RENOLIT has acquired even more companies, including a new site in Guangzhou China, near Hong Kong. All have incorporated the adapted QAD strategy. "When we acquired our new China site they were running another ERP system which we knew would be a challenge to incorporate into our German and English-based business," remarks Klinkert. "Based on production needs we determined QAD was the best system for this site and QAD's internationalization capability, which address language, regulation, and currency, helped the process of implementing a new ERP system while translating everything from Chinese to German and English."

THE BENEFITS: UTILIZING ERP SYSTEMS BASED ON PRODUCTION NEEDS CREATES AN EFFECTIVE ENTERPRISE

"From the IT view running multiple ERP systems is more challenging but from the production view it is the best way to work," states Klinkert. "We now have six sites using QAD in Europe, one in the U.S., one in China and we're planning future expansions."

Some additional benefits RENOLIT has realized include:

- QAD software includes the necessary components for most of the newly acquired sites, reducing the need for most customizations.
- Better quality information is available for management to make business decisions.

- RENOLIT can supply all their customers with the same quality of data.
- Headcount and man-hours are saved by being able to manage all the QAD sites with a central support team headed by a central project manager.
- Bi-yearly upgrades to the newest QAD version can be done as an effective centralized project. By choosing this dual ERP strategy for production sites, RENOLIT has been able to maximize the effectiveness of their diverse manufacturing sites by using the most productive ERP system for each. The ease with which various QAD sites can be consolidated and managed in a central structure has also proven an asset as RENOLIT continues to acquire new companies and systematically upgrade their QAD systems.

“Using different ERP systems in our various business units based on business needs has been the right strategy for us.”

Martin Klinkert, CIO, RENOLIT

