

“ Standardizing on QAD ERP throughout our global plants has resulted in significant improvements in efficiency and profitability and helped win SMR a large contract in China.

Christophe Sib, Director, Global ERP and Quality Management Systems, SMR

CUSTOMER CASE STUDY

SMR



SMR INTEGRATES QAD ERP THROUGHOUT GLOBAL ENTERPRISE – WINS LARGE CHINA CONTRACT

THE COMPANY: SMR

Samvardhana Motherson Reflectec (SMR) is one of the largest manufacturers of passenger car rearview mirrors in the world with a 24 percent share of the global market in production of exterior mirrors for light vehicles. The company is also one of the leading experts for camera-based sensing systems in the automotive industry.

A global corporation with world class engineering capabilities, SMR has state-of-the-art manufacturing facilities and a global customer base including all major car makers in North America, Europe, Asia and Australia. With its worldwide network

HIGHLIGHTS

Company	SMR
Headquarters	Stuttgart, Germany
Industry	Automotive
Products	Rear View Mirrors and Camera Sensing Systems
Solutions Utilized	QAD Enterprise Applications

of manufacturing plants, design centers and representative offices on five continents, SMR operations can be found near more than 80 percent of the global automotive industry.

The company has more than 9,300 employees. In 2015/16, the company generated external revenue of €1.4 billion.

SMR is a member of Samvardhana Motherson Group (SMG), a diversified group providing integrated full system solutions to the automotive industry, from design and prototyping to tooling, molding, assembly and production of integrated modules. SMR is one of the 40 largest automotive suppliers worldwide.

SMR has a clear strategy for geographic expansion to establish further manufacturing capacities in growing markets across the world. Supported by SMG's experience and resources, SMR is capable of setting up a fully-equipped factory anywhere in the world within a short time.

THE CHALLENGE: CAPITALIZING ON OPPORTUNITY WHILE STANDARDIZING AND UPGRADING ERP SYSTEMS THROUGHOUT A GLOBAL COMPANY

SMR has 22 production and logistics centers located in 15 countries around the globe.

"Our main IT challenge is integrating all of our plants around the world onto the same ERP system," notes Christophe Sib, Director, Global ERP and Quality



Management Systems. "It's imperative for us to have a consistent ERP system across the entire company with the ability to accommodate multiple countries and a variety of languages. The solution also had to be capable of being customized for regional differences while still allowing us to function effectively as a single integrated company."

SMR faced a new challenge when a major customer approached the company about a large new contract for SMR's Langfang plant near Beijing. This plant, although part of the SMR organization, had been managed without an ERP system due in part to its small size and limited activity. A stipulation of the contract required that SMR implement an ERP system at the Langfang plant before the customer would commit.



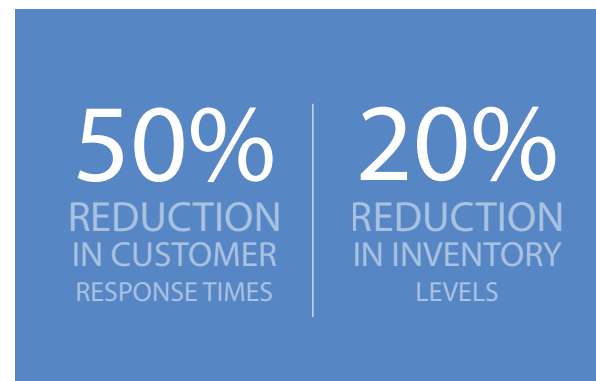
“It was very important to the company to accommodate our customer at the Langfang plant, plus it would be quite profitable,” added Christophe. “Fortunately the stipulation to install the QAD ERP system fit very well with our long term plan — it just sped up the process to meet their deadline.”

THE SOLUTION: QUICK RESPONSE AND IMPLEMENTATION WINS A MAJOR CONTRACT

Having such extensive experience with QAD ERP, SMR’s IT team was able to implement the system very quickly at the Langfang plant.

“We only had three months to get the Langfang ERP system installed, tested and live,” notes Christophe. “There were no problems with the software but we did have to work through some local expectations. Having QAD’s superior product and support was very helpful throughout the process.”

“We went live, and within two days the customer’s team came onsite to check if we had met our commitment,” notes Christophe. “They were very focused on the logistics and purchasing processes and certified everything was in place — the contract was quickly confirmed and the new project began.”



THE BENEFITS: NEW CONTRACT IS WON AND SMR IS POISED FOR THE FUTURE

“The new contract at the Langfang plant has been a great addition to SMR’s bottom line and the successful and quick ERP installation has had a positive impact not only on SMR in China but on the entire company,” comments Christophe. “All 21 of our plants around the world are now running QAD ERP and we are making plans for our next big upgrade.”

SMR uses a system of KPIs to judge the effectiveness of the ERP system at each location, tracking and measuring multi-basis guidelines, including:

- Material builds
- Purchasing processes
- Delivery processes
- EDI integrations
- Logistics
- Inventory

“We set global guidelines with a base minimum of 85 percent compliance within each process on average,” notes Christophe. “Generally we have seen compliance of around 96 percent of those discrete processes using the system.”

“Having QAD ERP implemented everywhere means we all are talking the same language, using the same tools and modules,” continues Christophe. “With the new plant in China we only needed to send two people from Logistics and Purchasing for the implementation. It used to take 18 months to implement a new ERP system in a new plant – now it only takes three to four months.”

Some of the other benefits SMR has realized with the standardization of QAD ERP across the company are:

- Standardization of monthly and weekly reporting and logistics practices
- A 50 percent time savings in customer response times for document management
- Easier and more accurate forecasting resulting in a 20 percent decrease in inventory levels
- Improved cost management with clear and detailed costs highlighted through a corresponding financial transaction generated for every physical transaction

“It’s very important to both SMR and our customers that we are using the same ERP system across the globe and working with QAD has helped us streamline our business,” concludes Christophe. “We can do everything everywhere with the same business processes, providing consistency for our customers.”

“ QAD is a strategic partner to SMR.

Christophe Sib, Director, Global ERP and Quality Management Systems

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