

Case Study

The trading arm of a global manufacturer of adhesives implements EPPS ERP to boost profitability.

About the company

A global adhesive manufacturer has its distribution arm in Bangalore, India. They have a warehouse in Mumbai, which is used for importing the products from the parent company and then distributing the same all over India.

Business case

- »» Expiration losses of inventory due to lack of visibility of expiration dates of various lots.
- »» Manual segregation of taxes and duties on imported items as per bill of entry was tedious and error prone.
- »» Tracking additional charges incurred during import on the products based on the product categorization and loading the same on landed cost was difficult.
- »» Erroneous forecasts of long lead time of purchased items led to low service levels or excess stocking of different items.
- »» Lack of visibility into free stock led to unrealistic delivery dates.
- »» Price negotiations without knowledge of true landing costs led to margin loss.
- »» Incorrect handling and clearing charges by Clearing House Agents (CHA) due to improper classification of hazardous and non-hazardous materials.
- »» Identical data lying in different systems led to massive reconciliation efforts.

HEADQUARTERS

Germany

Indian Operations: Karnataka

Warehouse: Maharashtra

INDUSTRY

Trading

EPPS MODULES IMPLEMENTED



Sales & Distribution Management System



Material Management System



Business Policy Management System



Human Resource Management System



Finance & Accounting Management System

Key Business Benefits

- »» Quick identification of goods nearing expiry to facilitate sales of such goods on priority.
- »» Automatic calculation of taxes and duties reduced manual efforts and errors.
- »» Ready information on dangerous and non-dangerous goods facilitated correct calculations of handling charges by the CHAs.
- »» Real visibility into free stock improved on time delivery performance.
- »» Online visibility into true landed cost (including additional charges) led to profitable price.
- »» Gross profit calculations based on inter-company pricing.
- »» Effective drill down of pricing into period wise, sales person wise, product wise profit based on inter-company pricing.
- »» Centralized database eliminated data reconciliation efforts.

