

## IMPROVED SUPPLIER REPLENISHMENT CYCLE FROM THREE DAYS TO LESS THAN 24 HOURS USING THE WEBMETHODS PRODUCT SUITE

### Challenge

PolyOne faced a number of supply chain and operations efficiency challenges that were limiting their ability to achieve customer service and employee productivity objectives. Order processing often took as long as two-and-a-half days, data integrity was increasingly compromised and PolyOne had little insight into demand, inventory and shipment trends.

### Solution

PolyOne teamed with Accenture to design an integration solution. After considerable research, Accenture recommended the webMethods product suite as the most suitable technology for PolyOne's needs.

### Benefits

In addition to a number of corollary benefits (such as data integrity improvements), PolyOne has reduced inventory by 14% in one year, reduced their supplier replenishment cycle from three days to less than 24 hours, and reduced the number of rail cars in transit by 30.



PolyOne is the world's largest polymer service company, providing customers with a single source for polymer, elastomer, colorant and additives products to manufacturers of all kinds of goods. PolyOne has a diverse product portfolio and a complete range of support and technical services. Like most companies in the chemical sector, PolyOne must focus on operational issues such as inventory, transportation and logistics, procurement and production processes and demand trends in order to stay competitive.

Get there faster.™

**“The webMethods product suite takes our operational excellence to the highest level. Customers can now conduct business online and our procurement processes with suppliers are **completely automated.**”**

Doug Grimm | Director of Supply Chain Management | PolyOne

### **Cutting processing time while increasing efficiency and accuracy**

As a leading global supplier of specialized polymer materials, services and solutions, PolyOne faced a number of supply chain and operations efficiency challenges that were limiting their ability to achieve customer service and employee productivity objectives. Order processing often took as long as two-and-a-half days, data integrity was increasingly compromised and PolyOne had little insight into demand, inventory and shipment trends. In addition, manual efforts to manage supply chain processes were decreasing employee productivity.

“Over the years, we’ve learned that operational excellence in our industry is not optional,” said Doug Grimm, PolyOne’s Director of Supply Chain Management. “We needed to find a solution that could seamlessly connect our suppliers and customers to help us reduce order management costs as well as inventory. We also wanted to establish business rules, responsibilities and processes within an integrated supply chain environment.”

EDI (Electronic Data Interchange) was ruled out as being costly, inflexible and limiting. PolyOne looked instead for a solution that supported open standards, could be easily integrated with their SAP/R3 system and could be quickly implemented.

### **Accenture recommends the webMethods product suite**

PolyOne teamed with Accenture to design an integration solution. After considerable research, Accenture recommended the webMethods product suite as the most suitable technology for PolyOne’s needs. The webMethods integration

server could link the company directly with its customers and suppliers, effectively tying together their procurement and customer networks.

Initially, the software was deployed as a pilot program between PolyOne’s vinyl manufacturing unit and one of their key suppliers. This program’s success encouraged them to implement four more suppliers almost immediately, and expand their overall software capabilities. It also enabled PolyOne to integrate their Web site with their SAP R/3 system.

### **Dramatic results out of the gate**

Over the first year, PolyOne reduced inventory by 14%, reduced their supplier replenishment cycle from three days to less than 24 hours, and reduced the number of rail cars in transit by 30.

The webMethods product suite has resulted in a number of corollary benefits as well. Data integrity has improved, providing managers with considerably more accurate (and timely) information for basing business decisions. Orders and updates are now instantaneous, incorrect orders have been virtually eliminated and forecasts are more precise. And, by eliminating six or seven manual “hand-offs” for orders and product information, customers receive much better service as the possible points of process failure are greatly reduced. PolyOne is enjoying a variety of cost reductions and efficiency gains as well. Extraneous account representatives, planners and invoice administrators are no longer part of the process, so cost per transaction is dramatically reduced.

The webMethods integration server touched virtually every aspect of PolyOne’s business. They quickly transformed their business into an e-business. Needless inefficiencies were eliminated,

man-hours were saved in production and distribution, and they developed much greater insight into their production and demand processes. Procurement, production, sales, delivery and support all benefited from automated processes and accurate, easy-to-use information. Most importantly, their customers enjoy much greater value and convenience than before.

### **KEY COMPONENTS**

#### **webMethods Product Suite**

The webMethods product suite provides comprehensive integration capabilities and the ability to automate and improve business processes.

### **ABOUT SOFTWARE AG**

Software AG is the world’s largest independent provider of Business Infrastructure Software. Our 4,000 global customers achieve measurable business results by modernizing and automating their IT systems and rapidly building new systems and processes to meet growing business demands.

Our industry-leading product portfolio includes best-in-class solutions for managing data, enabling service oriented architecture, and improving business processes. By combining proven technology with industry expertise and best practices, our customers improve and differentiate their businesses – faster.

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