CASE STUDY

Current Version of glovia.com Automates Business Processes, Provides Real-Time Information and Standardizes the Company on a Single Enterprise Solution



GLOVIA AUTOMOTIVE CUSTOMER

Who: An integrated supplier to the automotive industry in North America and one of the world's leading developers and producers of innovative audio, digital and other electronic products for consumer, business

and industrial use.

Location: Headquartered in the United States with five additional primary

worldwide locations. The company has some 600 users regularly

using glovia.com.

Business Problem: Operating on an outdated version of glovia.com, the company had

numerous decentralized applications making them very difficult to monitor and coordinate. The more than 3,000 customizations made the system cumbersome to navigate and lacked the ability to have

important information available in real-time.

Solution: glovia.com was selected as their single enterprise solution. With

the company migrating to the then current version of glovia.com in 2005, replacing legacy systems at locations not utilizing glovia. com was the first task. This version automated many of their critical business processes, improved navigation of the system and provided

important operational information in real-time.

Benefit: Since going live after the migration, the company has

drastically reduced shipping errors, shortened physical inventory cycle time to six hours, increased customer on-time delivery to 99%.

reduced financial closing month end processes to three days and

eliminated the vast majority of their customizations.

Enjoying music in your car has become second nature to almost everyone. One of Glovia's customers is at the forefront of bringing audio and other electronic entertainment to the inside of automobiles.

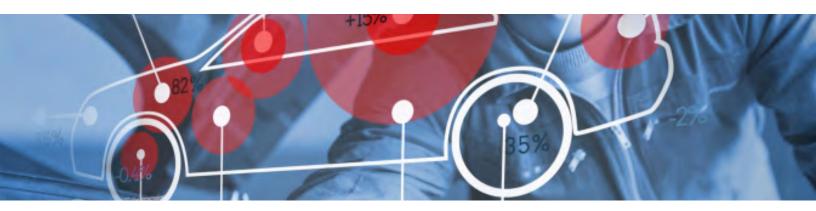
The company, a Glovia customer since 1997, has over 600 regular users of the system across multiple locations worldwide. The company had been running the product version originally purchased in 1997. As this version is several releases behind the current version, the company had to create countless customizations to continue effective utilization of glovia.com. This made the system difficult to navigate and many of their functions had to be done manually.

The Migration

As later versions of glovia.com became available, the company began to consider upgrading their system. They saw in the new version that the majority of their customizations could be eliminated and many functions could be automated, which would help their operations run faster and more efficiently.

The first step, once the IT department decided it would be beneficial to implement the new system, was to obtain executive support. Having executive support is very important as the executive team not only controls the money for the project but they are also able to help set up and sign off on expectations that relate business process change and application functionality to specific business benefits. This makes it possible to know what constitutes a successful implementation in their minds. Through steering committee meetings, quality reviews, issue escalations and conflict resolutions the executive team was involved in the upgrade and able to offer input and support throughout the process.

Six-sigma methodology was followed for the implementation, enabling the new system to be implemented incrementally as opposed to the more complex "Big Bang" approach. A five-step process enabled the company to define the implementation process, analyze and process the system design, then actually design, build and test the system and finally put the system into production.





Closely monitoring the migration with a program scorecard provided the current status of where the migration stood. Advancements in the five-step process were not made until the prior step was successfully completed.

The company began their upgrade in January of 2005 and went live the following November.

Automated Processes

Having a large number of decentralized systems was one of the major areas the company wanted to address with their migration. To simplify company-wide processes they decided to standardize onto a single enterprise solution and replace legacy systems at locations not using glovia.com.

operations. Standardizing applications with the migration has eliminated the vast majority of customizations. Now the company has less than 100 customizations. Along with streamlining the system the workload is spread across multiple servers which has lead to the application running about five times faster than before the migration.

The single enterprise solution has also vastly improved business application monitoring. By automating many processes that were previously done manually, operational measurements can now be done in real-time instead of daily, as can full-network monitoring where previously this was not an option. Web access is also now provided across all locations for order-entry, service, quotes and queries allowing access to self-service functions, further increasing the speed and effectiveness of operations. Their customers are also reaping the benefits as on-time delivery rate has risen to 99%.

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Having one global system provides a top down view of their global operations and helps streamline operations, automate manual processes and reduce the total cost of ownership, as multiple systems no longer need to be supported.

Prior to their migration the company created thousands of customizations, many of which had to be manually inputted into multiple systems. This cumbersome process was necessary for the decentralized systems to communicate with each other to successfully run their

Inventory Improvements

The company now has enterprise-wide management of all their inventories. The improved planning and control capabilities provide full visibility of all material movement within any location as well as between locations, both domestic and international. The enhanced interactive management has lead to an astounding reduction in shipping errors.





Inventory management is another area greatly improved with the new system. Being able to manage all inventory across multiple locations effectively has reduced inventories company-wide. It has also decreased the pick cycle time, which has in turn cut back the amount of overtime the company has to pay.

Accurate, up-to-date inventory information in glovia.com has streamlined the physical inventory count process. The company can now take comprehensive, company-wide counts as well as count smaller numbers of items with greater frequency. This has helped dramatically reduce their shipping physical inventory cycle time to six hours. Counting items more frequently has improved inventory accuracy to 99% and helped avoid costly and time-consuming errors in material planning and scheduling, thus quickening the Manufacturing Resource Planning (MRP) time from four hours down to 15 minutes.

Streamlined Financials

Financial processes have also been positively affected by having glovia.com as their single enterprise solution. Real-time analysis and advanced reporting capabilities to record, consolidate and provide complete visibility into company-wide transactions are now available. Users now have access to a multi-dimensional chart of accounts that provides real-time, online querying and drill down functionality to further improve financial visibility. Improving reporting and visibility of assets and costs have streamlined collection, financing, payment and settlement financial processes. This has shortened the financial closing month end process from five days to three days.

Working with Glovia

Throughout the migration process Glovia worked with the company to help keep them on track and make the migration a success. From the very beginning, Glovia helped plan and monitor the migration using a step-by-step approach so it was known when one step was successfully completed and another could begin. Since going live on the new version, operations have been standardized, streamlined and automated all while reducing the total cost of owning a single company-wide application.

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