

# Amcor Bottles Up Efficiencies

Amcor is proud of its tagline: “Innovative packaging.” In fact, its inventive culture helped the Australian-based firm become one of the top three packaging companies in the world. So, when faced with the complexities of globalization and large-scale acquisitions in 2002, Amcor’s PET (Polyethylene Terephthalate) division chose to think outside the box – or in their case, the bottle – becoming an early adopter of Apriso’s FlexNet solution.

The Apriso FlexNet solution is much more than just a Manufacturing Execution System, or MES, managing everything from production, warehouse and quality processes, while integrating data from individual machines all the way into their Enterprise Resource Planning (ERP) system. Amcor faced a serious challenge of rapidly rolling out a solution in a timely manner without disrupting daily operations. Benefiting from a truly global presence and an enterprise ‘Core’ deployment model, Apriso provided a streamlined implementation to manage and execute manufacturing operations at 46 Amcor PET packaging facilities around the world. These diverse facilities, primarily producing bottles for soft drinks, juices and sports drinks, are served by a common SAP / Apriso configuration.

## Single, Global System for Simplicity

Amcor’s plants run non-stop, 365 days a year, with close to Just-in-Time deliveries. A solution was needed to guarantee 24x7 availability while migrating to a single, centralized version of SAP at the lowest total cost of ownership. This challenge was solved by standardizing their SAP operations footprint while performing plant-specific modifications in FlexNet. By leveraging a ‘Center of Excellence’ concept, standardized business processes are developed once and then distributed enterprise wide, virtually eliminating ERP modifications, which tend to be highly complicated, expensive and time consuming.

“Amcor selected Apriso for its unique global footprint, connecting all areas of our enterprise. We now have just one instance of SAP with nearly identical Apriso deployments at all facilities. This has allowed us to standardize operations and extend best practices for better quality control,” explained Lee Allen Paree, chief information officer.

More than 3,600 Amcor PET Packaging employees use Apriso in the United States, Latin America and Canada. At larger sites, Apriso and SAP exchange over 10,000 i-docs every day. Plant activity managed by Apriso represents 70 percent of Amcor’s SAP transaction volume, automating management of more than 25 million units per day at co-located and remote sites, in real-time.

## Improved Inventory & Traceability Accuracy

Like many manufacturers, Amcor had previously struggled with maintaining inventory accuracy as well as complete traceability records across operations. In the warehouse, two products may appear identical to the naked eye, but contain subtle differences that are critical for their customers. Apriso tracks all finished goods with a complete product



## Benefits Achieved

- 99% inventory accuracy
- 99.999% availability for critical shop floor systems
- IT costs at 0.7% of revenues
- Lowest TCO of manufacturing systems
- Improved customer satisfaction
- Entire enterprise supported by just two IT staff members
- Manage system changes from a single location
- Simple user interface for employees on plant floor

genealogy, encompassing all product characteristics to improve inventory accuracy to greater than 99 percent. "Apriso provides an easy cycle counting process we can trust. Automating these processes in Apriso has replaced the need for wall-to-wall physical inventories or paper tracking of product genealogies," said Parea.

Similarly, product packaging is critical when fulfilling customer orders. Some customers require delivery on a seven-tier pallet, while others want eight or nine levels. Auto-ticketing capabilities ensure the right ticket is put on the right product so it is shipped accurately. Bar-code tracking has helped eliminate mis-shipments, a major factor in competitive positioning and customer satisfaction.

### **Robust & Reliable**

Amcor depends on the high availability of Apriso's systems – currently at 99.999 percent. Previously, the company suffered when its ERP system went offline during maintenance windows or was simply unavailable. The Apriso solution keeps production running, performing the necessary reconciliations once SAP comes back online. "We can count on Apriso's solution, no matter what happens elsewhere in the company," said Parea.

### **Easy Interfaces and Economies**

One of the most critical factors of FlexNet has been its ease of use, critical for user acceptance, enabling a roll out at 10 to 12 plants per year. Most operators were up and running after just four hours of training. The screens operate in multiple languages and the system's ease of use translates into other important economies. "We run our entire system with just two full-time IT employees – remarkable for an organization of our size," said Parea. "Thanks to Apriso, our overall IT costs are just 0.7 percent of revenues, less than half the industry average."

### **Managing to Metrics to Improve Quality**

Apriso enables Amcor to define their own KPIs for quantitative analysis of performance, letting Amcor compare performance across the enterprise. Reliable, real-time KPIs provide a meaningful way to compare plant or machine performance, while delivering an actionable interface to quickly remedy operational issues, helping to achieve a culture of continuous improvement while improving overall quality levels.

Apriso is now considered a strategic partner and enterprise standard of Amcor. Financial and operational improvements have been so dramatic that a second Amcor division has now adopted Apriso as its global platform, with roll-outs under way in the Flexible Packaging division at over 20 locations spread across Europe.

### **About Apriso**

Apriso Corporation is a software company dedicated to helping manufacturers achieve and sustain operational excellence. Apriso serves 180+ customers in 40+ countries across the Americas, Europe and Asia. Learn more at <http://www.apriso.com>.

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**Lee Allen Parea**  
CIO,  
Amcor PET Packaging