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Simon Brichet, Director of Supply Chain, ARMOR

CUSTOMER CASE STUDY
ARMOR

DYNASYS ENABLES ARMOR TO CONTROL THEIR SUPPLY CHAIN

THE COMPANY: ARMOR

ARMOR SAS, created in 1922, is an international industrial group specialising in printing technologies and ink chemistry. Its headquarters is based in Nantes but it has 19 subsidiaries on 4 continents and 9 production sites. In 2012, SAS ARMOR had a turnover of €214 million and 1,800 employees.

ARMOR is a 'French success story', the group is the world number one in heat transfer inks, the leader in Europe for inkjet cartridge production and market leader in France for remanufactured laser cartridges.

ARMOR produce compatible consumables for more than 90% of printers currently on the market.

HIGHLIGHTS	
Company	Group ARMOR
Headquarters	Nantes - France
Sites	9
Industry	Chemical
Products	Inks and Printing Technologies
DynaSys Solution	Demand Planning

CONTROL, INNOVATION AND SUSTAINABLE DEVELOPMENT

Are the three drivers of the company. ARMOR Office Printing develops over fifty new products each year, and invests more than 3% of its annual turnover in research and development.

In order to develop and create its product offerings, ARMOR Office Printing faces significant technological barriers. An inkjet cartridge can be protected by more than 100 patents from its original manufacturer. Ingenuity is therefore required to create new or remanufactured print cartridges while being respectful of the original manufacturers. The ARMOR Office Printing range covers over 20 brands and manufacturers consisting of in excess of 8,000 different products.

Before DynaSys Demand Planning, ARMOR's sales forecasts were prepared using information from their ERP solution and held in Excel files. Simon Brichet, Director of Supply Chain explained "This process was workable when we had 300 or so products, but it became more complex, time consuming and unreliable as our product portfolio grew."

ARMOR needed a Demand & Supply Chain Planning solution that was robust, flexible and importantly, collaborative. They selected DynaSys Demand Planning solution for sales forecasting in January 2012.

THE CHALLENGE: CENTRALISE SALES FORECAST PLANNING

Centralise sales forecast planning and involve both sales teams and supply chain departments of the different sites in the "lift" of information.

- Improve the reliability of sales forecasts, within a very competitive and volatile market.
- Reduce inventory levels while maximising customer service levels.
- Optimize the work of the Demand Planner, to allow him to spend more time on value-added tasks.
- Use the results of the analysis of sales forecasts as the first stage of their S&OP process.
- Implement the solution within 6 months

THE SOLUTION: S&OP PROCESS (SALES & OPERATIONS PLANNING) FOR A GLOBAL VISION

In 2011 ARMOR used an external consulting firm to help them develop a structured S&OP process. "We had a fragmented vision of our business," explains Brichet. "We previously had an informal S&OP process in place. The basis for this was our internal information meetings, a collection of Excel files and detailed analysis. Our executive team wanted to involve all the departments in the product development cycle: sales, marketing, supply chain, manufacturing and general management in a structured S&OP process. Allowing us to define an operations and sales strategy based on the expertise of each stake holder and using centralized data. A truly collaborative project!" DynaSys solutions provided a key component in the new S&OP framework.

The S&OP process was initially setup for ARMOR laser ink products. “We involved the Sales Manager in the project at the outset and conducted a transfer of responsibility from the supply chain to the sales department. It was essential for the sales team to take ownership of both the process and tools.” said Brichet

THE 5 STEPS OF THE S&OP PROCESS:

- Planning of new product launch
- Transmission of requirements planning to the demand planner so that he could integrate it into the existing plan
- Program management - production manager based information (new and existing)
- Conflict management - first level between demand and resource management impacts on production plans or finances, changes made by management
- Monthly reviews by each department: purchasing, finance, marketing, sales, production, etc.

“This process today allows us to have a single global view of our business, a complete overview and therefore a better daily management. This was not possible previously. We know how to adjust our strategic plan to match operational needs. We guarantee, in fact, synergy of the sales planning, inventory management, production planning and ultimately our customer service level.”

This was a crucial factor for ARMOR as it is now deploying the S&OP process to the other businesses within the group.

KEY SUCCESS FACTORS

“We overhauled all of our processes, including our information systems. We homogenized our ERP” explains Brichet. “Our executive team was heavily involved in the project from the outset. We set up a team from across the business: IT and business management, sales and supply chain in order to ensure consistency between the different needs and expectations from each department.”

The flexibility of the DynaSys solution was also a crucial factor in the success of the project. DynaSys Demand Planning now satisfies all the functional needs of ARMOR. Last but not least, the training was rapidly able to make the sales force completely self sufficient in the use of the tool. “Our sales team are now also demand planners. They help us to enrich our centralized database. The ergonomics and ease of use of DynaSys Demand Planning has facilitated this rapid adoption.”

THE BENEFITS: ARMOR HAS A WIDER AND CLEARER VISION OF CUSTOMER DEMAND

The B2C (business to consumer) division of ARMOR which operates on extremely short cycles, has an accurate forecast. Within the B2B (business to business) the match between the independent and dependent needs (market knowledge and inventory management according to needs) is sustainable. This accuracy across all areas of the business enables ARMOR to have a global service level of 95%.

“Within a few months we achieved real stability and were able to rely on our sales forecasts and inventory management,” says Brichet. “Knowing that ARMOR shipped 600 packages every day and 9 tons of products, we realised significant improvement for our logistics team.”

Information is shared by the various sites within the group in a collaborative way. This allows ARMOR to enrich its database and to improve its sales forecasts over time. “The reports that we get through DynaSys Demand Planning enable us to monitor the evolution of our forecasts, that was much more difficult before.” he adds.

ARMOR IMPLEMENTATION OF DYNASYS SOLUTIONS

95% | **400%**
GLOBAL CUSTOMER SERVICE LEVEL ACHIEVED | GROWTH IN PRODUCTS

19 SUBSIDIARIES WORLDWIDE

22 | **MORE THAN**
BRANDS | **8000 SKU's**

100% DEMAND PLANNING NOW CONDUCTED WITHIN DYNASYS

A BRIGHT FUTURE

“The flexibility of Demand Planning will allow us to adapt continuously to the evolution of our business and the development of the company,” explains Brichet. “We have implemented new processes, we manage the change management of our different departments, we were able to absorb a 400% growth in our product range with no additional head count. We are ready for the future.”

“Product life cycles are becoming shorter, the renewal of printer models is constant and rapid. We need to be responsive in developing our new products, knowing that our product development takes place across multiple sites.

To summarize the ARMOR strategy, is very simple: provide the market with useful products that are part of a sustainable development. This requires that we put in place the right tools to enable us to focus on our core business: the design of innovative products. More importantly, it is necessary that these solutions support our business strategy, with DynaSys we feel this has been achieved.” says Brichet.



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