

Think Out of the Box

SYSPRO ERP for the Packaging Industry



Simplify Your Operations with Industry-Specific ERP Software Designed with Your Unique Business Needs in Mind

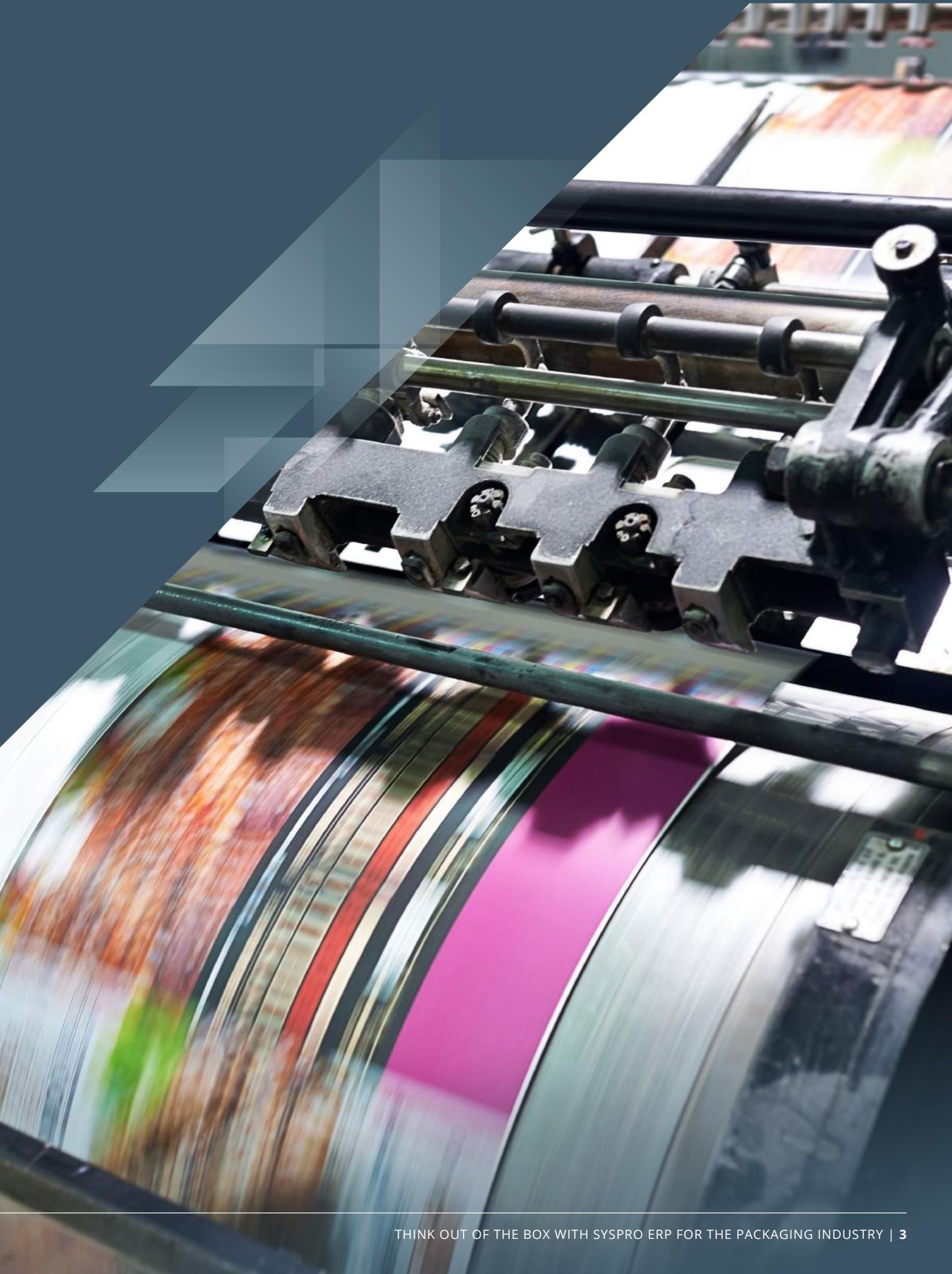
Whether your company produces recyclable cardboard, plastic roll stock, bags, pouches, shrink wrap, stretch film, boxes, bubble wrap or any other kind of packaging, you need to find ways to boost operational efficiency and quickly respond to evolving customer demands as well as changing regulations and market trends. Packaging companies need flexible management tools like SYSPRO ERP that can address these issues and changes, while still allowing growing businesses to scale.

The old adage ‘don’t judge a book by its cover’ is oppositional to current market forces that show packaging is increasingly vital for product preference and adoption by customers. In fact, in many ways, the packaging has become more important than the product inside.

What makes SYSPRO Different
by Phil Duff, Mint Jutras, August 2018

Customers around the globe have used the SYSPRO solution to fine-tune their packaging operations for decades. For example, Samuel Strapping Systems in the USA, a manufacturer of steel and plastic strapping, successfully reduced its inventory by \$2 million while still meeting customer demand*.

Source: <https://www.syspro.com/blog/erp-for-distribution/erp-and-the-evolution-of-packaging/>



Introduction

Packaging has to be one of the most exciting – and daunting – industries. Consider the increased spotlight on the environmental impact of packaging materials and the negative publicity from media, celebrities and lobby groups.

Add the pressure from a better informed and conscious-driven consumer that has led to a growing demand for packaging that is aesthetically pleasing yet recyclable, while being reusable, compostable, biodegradable and even edible. It soon becomes clear that packaging that fails to meet these ever-more exacting standards will soon no longer have a place on the shelves.

However, for packaging companies that can adapt and comply, the sky is the limit.

Key Packaging Industry Trends

Research by the Smithers Group reveals that the packaging industry was worth a massive \$975 billion in 2018! Considering its rate of growth, this means it will probably exceed \$1 trillion in 2019, all of which could be overshadowed by some truly challenging demands –

Conscious consumerism: By responding to global environmental issues and adapting their buying patterns accordingly, consumers are dictating the future of packaging.

Circular economy: There is a significant drive towards a circular economy as opposed to the current linear MUD (make, use, dispose) economy. In a circular economy, material is reduced in the initial design phase and recycled into the value chain or removed naturally.

Transparency: Regulations require specific information and health credentials to be displayed on packaging. Consumers increasingly want to know the exact nature of the contents; how it was made and where it came from. (For example, dolphin-friendly tuna.)

Convenience: There is an increased demand for packaging which is easy to open, easy to use, safe and easy to dispose of, and easy to consume on the go.

Cost effectiveness: Although modern packaging is designed to attract customers through creative differentiation, consumers are wary of being overcharged or simply 'paying for the packaging.'

Technology: There is constant innovation to create packaging differentiation through improved design, performance, aesthetics and even collectability.



Key Challenges Facing the Packaging Industry

As with every industry, it faces some difficult challenges:

- **Cost** – Cost control in each link of the supply chain is of paramount importance.
- **Innovation** – Rapid changes in technology need to be carefully considered and rapidly adopted.
- **New product development** – A formal process to regularly refresh and improve product lines needs to be in place.
- **Quality Control and Quality Assurance** – With the rapid changes the industry is experiencing, everything bought-in or manufactured in-house has to be right first time.
- **Planning** – With many different variants being made simultaneously, the planning process must be robust and agile.
- **Inventory control** – Raw materials, WIP and finished goods must all be carefully controlled and kept at minimum possible stock levels.

SYSPRO Solutions Supporting the Packaging Porter’s Value Chain



9 Ways SYSPRO ERP Helps Packaging Companies Stay Ahead of the Game

1 Compliance with Local and International Regulations

Improve your capability to demonstrate compliance in your core processes and implement a variety of control measures for stringent record-keeping.

- SYSPRO's Manufacturing Operations Management solution includes integrated quality functionality which supports continuous improvement programs and vastly improves the quality of regulatory and compliance documentation. This will reduce delayed and inflexible reporting, decrease response time to problems, and help meet certification criteria.
- Multi-warehouse capability enables you to separate, identify and track compliant, non-compliant and quarantined materials. Customization enables you to configure on-screen highlighting of deviations as well as automatic notification of relevant personnel.
- Quality Management, Lot Traceability, Serial Tracking and Return Merchandise Authorisation systems improve process control, defect tracking and traceability of raw materials and products. Rapid extraction of information for efficient product recalls is improved.
- Electronic signatures provide rigorous transaction-level security, tracking and auditability, as well as the facility to trigger notifications and other actions, such as transferring data to third-party applications and databases.

2 Improved Quality of Raw Materials and Monitoring During the Production Process

- SYSPRO's Quality Management System (QMS) improves internal process quality control by allowing each organisation to develop its own unique quality plan and inspection system.
- The Inspection system allows individual configuration per customer, supplier, operation and workstation, as well as for Incoming, In-process and outgoing products.
- Advanced functionality adds the ability to escalate quality issues and drive specific actions, like holding a Material Review Board. The decision of the review board is then recorded and tracked.
- Where a full QMS system is not required, a number of quality checks may be implemented directly into SYSPRO using the standard inspection facilities in the WIP and Purchase Order modules. For example, purchased items can be flagged as requiring inspection so that during receipting, detailed records of counts, inspection, scrap, rejects and returns are recorded. Stock is 'on hold' in inspection, and while quantities are visible, it is unavailable for use until accepted into stock.



3 Reduce Costs and Eliminate Waste while Remaining Flexible and Responsive

- Cost management is critical to any business. SYSPRO provides integrated visibility across your accounting, distribution and manufacturing operations, enabling you to easily identify and track cost elements and target areas of waste for improvement programs. Additionally, many manual processes that have traditionally been labor-intensive and time-consuming are now automated, reducing cost.
- ROI (Return On Investment) of implementing SYSPRO is rapidly realized through full visibility of your business operations and the resultant reduction in operational costs, processing time and human resources.
- SYSPRO offers advanced costing ability – from Standard, Average, Last, FIFO and LIFO costing methods to costing by warehouse and even job costing. This is supported by actual-cost tracking, providing an accurate, operations-focused inventory valuation for accurate product pricing and profitability.
- Comprehensive multi-level costing of manufactured items is provided through SYSPRO Bill of Materials and Work in Progress. The SYSPRO Product Configurator and Quotations and Estimating modules provide additional tools for ATO, MTO and ETO (Assemble-To-Order/Make-To-Order/Engineer-To-Order) environments.

4 Improved Forecast Accuracy

- In business, companies forecast demand to fine-tune the balance between supply and demand, and better manage stockholding to reduce WIP and ultimately increase cash turns.
- In forecasting environments where product ranges are extensive and raw material and component lead times are long, Bills of Materials become complex. Improved forecast accuracy is essential to minimizing inventory holding and obsolescence costs while compromising customer service.
- SYSPRO provides a number of tools to track and evaluate the accuracy of your forecasts, as well as to identify the causes of forecast errors.
- Forecast accuracy is enhanced through the ability to automatically filter and adjust outliers, as well as to manually adjust forecast base data.
- SYSPRO's proxy functionality enables the forecasting of new products based on the sales history of similar superseded products. This is useful in industries where product life-cycles are short.

5

Enjoy Improved Collaboration with Trading Partners

- Customers and suppliers are demanding increasingly closer collaboration to cut their production timetables and minimize disruption to their supply chains. Your ability to effectively harness e-Commerce technologies to support customers and suppliers will enhance commercial success and growth along the whole supply chain.
- Quick response times and accuracy in fulfilling orders are critical to your reputation in a diverse and demanding global market. Automated 24/7 customer order placement and acknowledgment is facilitated via SYSPRO's Document Flow Manager and email. In addition, SYSPRO's e.net Solutions enable the rapid development of applications for mobile devices, so that your sales force can check stock and place orders directly into SYSPRO while out visiting customers, improving order turnaround times.

6

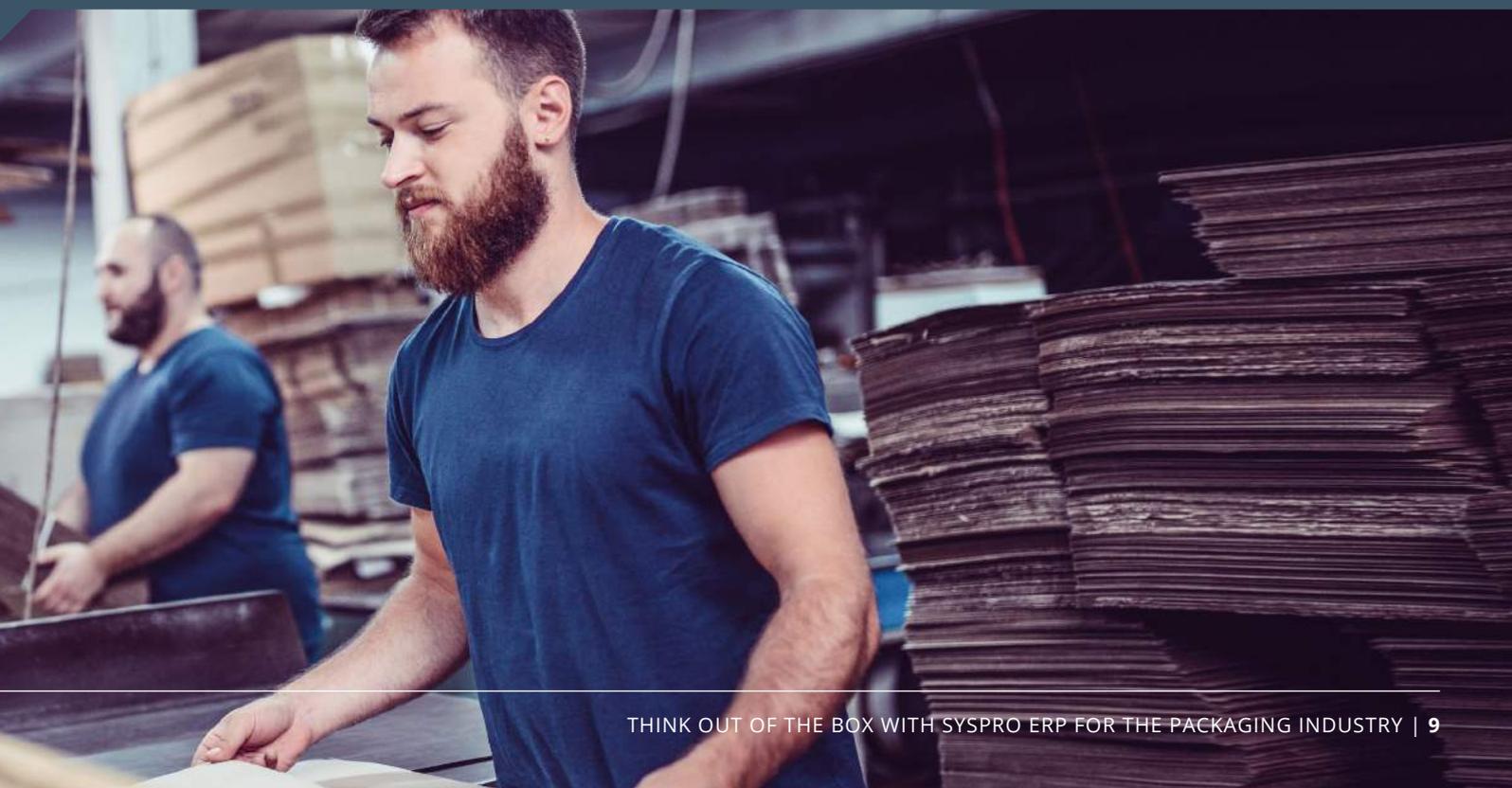
Leverage Technology with Shop Floor Data Collection and Automation

- Leveraging technologies like cloud-based platforms and mobile apps offers more efficient and accurate assessments of production processes, and the provision of real-time updates. Manually collecting information on paper is time-consuming and quickly outdated. It also renders vital data inaccessible to business systems and partners along the value chain. With an integrated ERP, complete visibility and control of the shop floor is possible, which helps prevent problems such as overruns, bottlenecks, downtime, poor employee or machine performance, and excessive scrap. The advantages of automating within an ERP-controlled environment are enormous – and growing.
- SYSPRO's integrated Manufacturing Operations Management solution delivers a digitalized manufacturing environment, incorporating shop floor data collection from employees and equipment, and connecting machines that report data without any manual inputs. This creates real-time visibility of uptime and downtime, scheduling, operational status, quantity and any performance issues.
- The solution is designed to eliminate manual collection processes and increase productivity for job shop, batch production, assembly line and mixed mode manufacturing environments. It captures data and measures activities on the shop floor, including labor, materials and waste.
- SYSPRO MOM allows managers to collect and track data from employees and equipment in real time, arriving at measures of OEE (Overall Equipment Effectiveness), OLE (Overall Labor Effectiveness) and TEEP (Total Effective Equipment Performance). Through a single, centralized software tool, SYSPRO MOM helps manufacturers optimize efficiency and maximize productivity in their operations.

7 Mobile ERP – SYSPRO Espresso

As companies across the world are proving, appropriately-chosen enterprise-wide mobile deployments create demonstrable gains in agility and productivity. Apart from Industry 4.0-related innovations, mobile technologies constitute a separate revolution in manufacturing, allowing businesses to deliver more value in less time than ever before.

- SYSPRO's ERP solutions are mobile-ready, facilitating 24/7 collaboration and coordination all along the value chain. When equipped with a Cloud-capable web interface designed to display a wide variety of data types, packaging manufacturers can take advantage of almost any web-enabled device, like smart phones, tablets and desktops. Customizable to users and roles, mobile devices can provide key real-time metrics from sensor data, align that data to work flow, Predictive Analytics, Actionable Insights and more.
- Mobile CRM: Sales teams are quickly realizing the importance of mobile CRM solutions. Integrated with order management, pricing and fulfillment, mobile CRM provides up-to-the-minute, real-time information wherever it is needed. Thanks to mobile CRM, customer questions are readily resolved, adding to both efficiency and sales.
- Rapid Quote Generation: Generating quotes can be time-consuming. With real-time mobile solutions, however, the process is greatly streamlined. Sales representatives equipped with a mobile CPQ (configure, price and quote) system can deliver a competitive advantage to their customers, creating loyalty and winning sales in return.
- Mobile dashboard KPIs: Integrated mobile systems can provide real-time updates, Business Intelligence and Actionable Insights.
- Track machine-level performance: Packaging industry managers can use machine-based sensors to capture and report real-time performance data on any mobile device. This can help manage the entire shop floor remotely.
- Logistics and supply chain coordination: Warehouse management systems and logistics functions are providing materials handling and supply chain professionals with better oversight and control. When appropriately chosen and implemented, mobile technologies can reduce delivery time to market, lower costs through better control, and enable cohesive management across the full value chain.
- Business Intelligence for Finance: Mobility aids data collection, which will allow Predictive Analytics to highlight problematic trends. Mobile tools can also support cost and comparative financial analysis tools.



8

SYSPRO Cloud ERP

- SYSPRO Cloud brings enormous advantages to manufacturing. What has been lacking is the next generation of web-based interfaces, optimized for Industry 4.0 and enabling seamless delivery of any data, service or intelligence to the end user. While SYSPRO Cloud takes care of core technology, storage and networking capabilities, our modern web interface, Avanti, ensures a consistent user experience for workers along global value chains.
- Cloud deployment facilitates better collaboration all along the value chain, thanks to ease of access and use. With appropriate login credentials, customers, vendors and remote staff can instantly connect and collaborate. This reduces 'silos of information' along the value chain, increases transparency, improves visibility and centralizes vital information. This allows companies to empower themselves, their suppliers and their customers by responding quicker to shifts in consumer demand and optimizing sales and design cycles while gaining visibility into supply and order status, shortening supplier and distribution cycle times and troubleshooting problems.

9

Be Safe and Secure

SYSPRO customers can rest easy, knowing that their critical systems and data are well protected, fully backed up and safe from cyber attacks.

- High availability and fail-over (hot site) support are included.
- All SYSPRO users are protected from unauthorized access by industry-standard authentication and multi-level security.
- External access to data is controlled through the SYSPRO Integration Framework and e.net business objects, thus maintaining the SYSPRO business rules and security integrity.
- Electronic signatures can be configured at system, company, group, role or operator level. The system can also be configured to maintain transaction logs for auditing purposes and to activate triggers for integration with third-party systems or notifications.

In a nutshell, SYSPRO's solutions for the packaging industry are designed to integrate and automate a company's operations to increase efficiencies, reduce costs, improve customer service and gain a competitive advantage in the marketplace. SYSPRO offers full traceability for materials throughout the supply chain from purchasing through inspection, manufacturing, manufacturing inspection, stocking and sales - while SYSPRO's forecasting modules provide the tools to forecast future demand based on seasonal, cyclical and trend demand patterns. With our inventory optimization suite of modules, SYSPRO can help you minimize cash tied up in 'dead' stock and keep inventory processes fast, fluid and efficient.

About SYSPRO

Established in 1978, SYSPRO is an industry-built Enterprise Resource Planning (ERP) solution designed to simplify business complexity for manufacturers and distributors worldwide. SYSPRO provides an end-to-end business solution for optimized cost control, streamlined business processes, improved productivity, and real-time data analysis for comprehensive reporting and decision-making.

SYSPRO is highly scalable and can be deployed either in the cloud, on premise, or accessed via any mobile device. Combined with a practical approach to technology and a passionate commitment to simplifying business processes, SYSPRO dedicates itself to the success of its partners and customers alike. SYSPRO's intuitive product features, business intelligence capabilities and easy deployment methodology are unmatched in the marketplace. The depth of software functionality and targeted industry knowledge makes SYSPRO an excellent fit for a number of select manufacturing and distribution industries, including packaging, food and beverage, plastics and rubber, machinery and equipment, electronics, fabricated metals, automotive, and more.





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