

SAP Customer Success Story Consumer Products – Specialist Protective Gloves



“In just a few months, we integrated all Marigold Industrial processes. SAP [software] is an excellent solution for internal development and also forms a perfect platform for external growth.”

Pascal Bérend, CEO, Comasec

AT A GLANCE

Company

- Name: Comasec
- Location: Gennevilliers, France
- Industry: Consumer products
- Products and services: Specialist protective gloves
- Revenue: €90 million
- Employees: 1,700
- Web site: www.comasec.com
- Implementation partners: ISARTIS and oXya

Challenges and Opportunities

- Consolidating IT landscape in a complex merger environment of 2 companies with different cultures and business processes
- Carrying out post-merger implementation quickly and without disrupting business

Objectives

- Consolidate existing processes of Marigold Industrial (acquired in 2003) within the Comasec SAP® software
- Leverage SAP software to support future growth

SAP Solution and Services

SAP ERP application

Implementation Highlights

- 4 months to completely integrate Marigold Industrial activities
- 2 months to upgrade from SAP R/3® software to SAP ERP in 12 companies located in 11 countries

Why SAP

- Previous experience positive
- Ease of integration
- Rapid implementation and upgrade

Benefits

- Rapid integration of Marigold Industrial's and Comasec's processes
- Perception of newly merged companies as a single culture due to cross-organizational IT platform
- Capacity of the SAP software to support Comasec with rapid implementations in its future developments

Existing Environment

SAP software for financials, controlling, materials management, sales and distribution, production planning, and warehouse management

Third-Party Integration

- Database: Microsoft SQL Server 2003, base Microsoft SQL Server 2000
- Operating system: Microsoft Windows NT

COMASEC

French Maker of Protective Gloves Uses SAP® Software to Successfully Merge an Acquisition's Processes with Its Own

When Comasec – a manufacturer of specialist protective gloves, based in Gennevilliers, France – acquired Marigold Industrial in 2003, the company set itself an IT challenge. “With this acquisition, the size of our company doubled,” explains Pascal Bérend, CEO at Comasec. “The operations needed to merge two organizations – that do not necessarily share the same cultures – are crucial and often difficult to accomplish.” With a positive experience with SAP® software already under its belt, the company decided to turn again to SAP applications to help accomplish the daunting task of merging the two companies.

Employing a workforce of 1,700, Comasec is an international group that specializes in the manufacture of specialist protective gloves. The group has five production facilities and four research and development centers. In addition, Comasec designs the machine tools it needs to create its product ranges, which it markets worldwide. In fact, with a presence in more than 80 different countries, the company conducts more than 80% of its business with overseas customers.

Earlier Success with SAP Software Implementation

Comasec was already well-established as an SAP customer. In the late 1990s, the company saw a chance to enhance its IT environment and improve operations. “In 1997, we seized the opportunity to restructure our activities as part of overhauling our IT management systems, which were fragmented and obsolete,” says Bérend. “For example, they didn't support Y2K or the euro.”

As a result of this initiative, the company formalized its medium- and long-term strategic objectives for customer service and improved productivity. Moreover, Comasec decided to set its sights high. “We needed to put in place not just a better solution,” adds Bérend, “but the best solution to pursue our strategy.”

Selecting the best solution turned out to be easy. “Our section heads were unanimous in choosing SAP R/3 [software],” Bérend says. (SAP R/3® functionality is now available in the SAP ERP application.) In fact, in less than nine months, Comasec was using most of what the SAP R/3 software had to offer, including applications for financials, controlling, materials management, sales and distribution, production planning, and warehouse management. The SAP software was in use in seven of the group’s companies at locations spread over four different countries.

Leveraging SAP Portal and Web-Based Technology

Following on the heels of its initial SAP software implementation, Comasec decided to adopt Web-based technology. Early in 2000, the company used SAP functionality to implement an online store targeted at business-to-business trade with large purchasers. Moreover, by the end of the year, the company had also implemented SAP portal technology – in the space of just eight weeks. The aim of this portal was to develop internal collaborative processes before extending them to the marketplace.

Comasec intended to make the most of emerging SAP technologies to help anticipate and respond to changing markets and customer requirements. “Because we’re a midsize enterprise, we grabbed the chance to take advantage of the opportunities offered by the development of SAP solutions that allowed us to position ourselves ideally and anticipate the needs of our customers,” explains Bérend.

Challenge: Integrating the Two Organizations

After Comasec’s 2003 acquisition of Marigold Industrial – a manufacturer of hand protection products, based in the United Kingdom – the company set about integrating the two different IT platforms. As it turned out, the consolidation of Marigold Industrial activities into Comasec’s information system was not straightforward. However, Comasec was confident it could carry the project to success. “We had an ace up our sleeve,” says Bérend. “It was our SAP platform.”

As part of the consolidation, Comasec had to create new legal entities and the corresponding structures in its SAP software landscape. Moreover, after incorporating some Marigold Industrial activities into its existing processes, Comasec’s IT team ended up creating nine different business scenarios. The scenarios comprised the integration of Comasec and Marigold activities in three countries, the creation of legal entities in the SAP software in

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four more countries, and the creation of new entities for two of the company’s factories. Each scenario included specifications in areas such as country, language, legal requirements, and local accounting. The Comasec IT team rolled out the new scenarios across four continents and integrated their processes in a series of rolling go-lives. The rollouts were implemented every two weeks in organizational structures of varying size – from structures with a dozen people in some cases to several hundred people in others.

No Problem Integrating New Activities

For Éric Guillemet, head of information systems at Comasec and Marigold Industrial, the actual structure of the SAP software helped in this complex integration process: “The way in which the SAP solution is designed enables it to be developed easily,” he says. “Everything is organized around customer data, products, and suppliers and if, like us, you have a well-structured system, it’s very easy to integrate new activities.”

At first Comasec focused on the creation of a joint product range, extending its existing range with Marigold Industrial’s products. In fact, during the consolidation process, the company multiplied the volume of items it managed by a factor of 10 – without compromising the existing structure. Not only that, but it also enhanced the operation of the overall system itself.

Within four months, the company deployed the solution in six different countries. “The operation was all the more difficult,” explains Guillemet, “because of our international presence. With the problem of different time zones – the United States is six hours behind and Malaysia is seven hours ahead – backup and maintenance windows are limited.”

SAP Software Enables Rapid Change

While SAP solutions certainly helped ensure that Comasec could execute a rapid technical integration, their role went beyond purely technical aspects. For Bérend, the speed of change has also had effects at the human level, for example, with the creation of a new enterprise-wide culture.

“In any merger,” Bérend says, “the integration of new personnel is essential. In our case, the integration benefit was very helpful by providing the ability to share a joint information platform.” A rapid implementation, he explains, was the key to success. “Normally, you have to put the activities of a company on hold while you put in place or develop the information system,” Bérend adds. “Speed is therefore essential for the company to be able to continue to move forward.”

Moving Ahead with an Upgrade

After successfully integrating the activities and personnel of Marigold Industrial, Comasec did not wait long to further enhance its IT landscape. The company upgraded to the newer release of its SAP software. In late 2005, the upgrade from the SAP R/3 software to SAP ERP – spanning 12 companies located in 11 different countries – took just two months to complete.

Although it has enlisted support from service providers for various previous projects, Comasec now has extensive in-house SAP software-related knowledge. In fact, Comasec is now confident that its staff has a level of expertise sufficient to enable the company to embark on new implementations on its own. The company’s implementation team includes three IT experts, a number of project leaders, and a pilot group of users.

“Success is basically dependent on our commitment to run a real enterprise project,” says Bérend. “But this commitment wouldn’t have been sufficient without a solution like SAP software – with the capability of sustaining our rhythm: flexible and with enough functions to enable our internal and external growth within a very short timescale.”

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