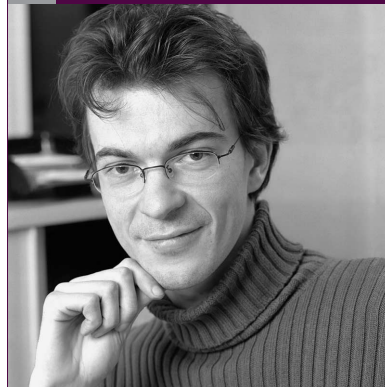


## SAP Customer Success Story

**“SAP Enterprise Service Select offered rapid implementation at a price we could live with. And for our industry, SAP is the clear leader. In the end, going with SAP was a no-brainer.”**

Don Cormier, Director of Information and Quality Systems,  
Toray Plastics (America) Inc.



### AT A GLANCE

#### Company Name

Toray Plastics (America) Inc.,  
United States  
www.toraytpa.com

#### Industry

Synthetic fibers, textiles, and  
plastics

#### Key Challenges

- Build a solid foundation for continuous improvement activities
- Streamline corporate structure
- Improve customer satisfaction
- Increase information access for better decision making
- Standardize business processes

#### Implementation Partner

SAP Consulting, part of SAP  
Customer Services Network

#### Solution and Services

- SAP® Enterprise Service Select
- mySAP™ ERP
- RWD Info Pak delivered by SAP Education, part of SAP Customer Services Network
- Offshore delivery services provided by SAP Consulting

#### Existing Environment

Ross Systems and legacy manufacturing execution system

#### Implementation Highlights

- Best practices approach through SAP Enterprise Service Select
- Five-month implementation time across five divisions
- High level of user acceptance through documentation and online support

#### Key Benefits

- Increased productivity
- Inventory visibility
- Streamlined processes
- Platform for growth
- Improved competitive position
- Rapid implementation at lower cost

#### Operating System

Microsoft Windows 2000

## TORAY PLASTICS (AMERICA) INC.

### SAP® ENTERPRISE SERVICE SELECT HELPS A LEADING PLASTICS MANUFACTURER TRANSFORM ITS BUSINESS

Toray Plastics (America) Inc. is the world's leading manufacturer of polypropylene and polyester film and foam products. With a reputation for quality and innovation, Toray boasts a product line that ranges from the snack food packaging used by Frito-Lay and Nabisco to the olefin foam used by the automotive industry for dashboards, interior trim, and other common applications.

“We’re a diversified company serving multiple markets,” says Don Cormier, director of information and quality systems. “As our business has changed over the years, we’ve had to adapt our core processes to meet emerging requirements. The result was a patchwork IT landscape with more than 500 system modifications and no single source of information for tracking and reporting.”

To control costs, streamline processes, and maintain competitiveness, Toray knew that something had to be done. “The fundamental issue for us,” says Cormier, “was whether we should transform our company by evolving processes and systems over time or by breaking with the past and going with something new: evolution versus revolution. We chose revolution.”



## **FINDING THE RIGHT FIT FIRST**

In 2001 Toray hired external consultants to analyze current processes with industry best practices. Their recommendation: SAP. Because of SAP's leading market position, world-class technology, and industry-specific functionality, SAP was the clear choice. But was SAP too big for Toray?

"To be frank," says Cormier, "there was a cost issue. Could we afford SAP?" Toray balanced the cost of a new system against the cost of overhauling its legacy systems, and the company was afraid the SAP® solution would not fit within its budget.

During the decision-making process, SAP Consulting was busy developing a mid-market program for rapid, low-risk implementations based on proven industry practices. Now called SAP Enterprise Service Select, this program provides a focused implementation with built-in content, tools, and methodologies that ensure a cost-effective, turnkey deployment for midsize businesses. Based on SAP Best Practices, SAP Enterprise Service Select follows a building-block approach that helps align the delivered solution with corporate strategy.

Would Toray be interested? "We most certainly were," says Cormier. "Toray was an early adopter and SAP Consulting provided seasoned consultants, executive-level focus, and a rapid implementation approach that spanned five divisions yet still fit our budget. Why go with a mediocre solution for slightly less when we could have a market-leading system for slightly more? The choice was clear."

## **RAPID IMPLEMENTATION USING BEST PRACTICES**

Ann Thomas, Toray's project manager, says that Toray's 25-member functional and IS project team was supported by a seasoned, solid, and dedicated SAP Consulting staff. They worked together on a predefined blueprint and jointly implemented functionality for sales and distribution, financial controlling, materials management, production planning, and business analytics. SAP Consulting provided offshore delivery services to address many of Toray's specific reporting needs. It also delivered custom

interfaces to Toray's legacy manufacturing execution systems (MES) to integrate its ERP system with the factory floor.

According to Cormier, MES integration was critical to the project's success: "We're up 24-7-365. We needed the MES interface to be resilient, and that required extensive unit testing – every variation possible from order to cash. The interface stood up to the test."

Internal executive stewardship was another key to the project's success. "My hat goes off to senior Toray management," Cormier says. "We pursued a best practices approach, and they supported it without deviation."

To ensure user competency, acceptance, and performance, SAP Education provided project team training, user training, and on-line user support through RWD Info Pak, an SAP Education productivity tool that allows companies to quickly and accurately create customized context-sensitive, online user support and printed documentation. The jointly developed training strategy included classroom training as well as e-learning for specific needs. According to Patrick McGuire, SAP training lead for Toray, "You cannot underestimate the importance of training to the success of a project. We used the planning services and RWD Info Pak delivered by SAP Education to give us the documentation and on-line support we needed to be successful."

In addition to the core team, select Toray users also participated in integration tests, which ensured system quality and improved user understanding and adoption. While the Toray team conducted the tests, SAP consultants were on hand to provide support every step of the way. Two weeks before going live, a just-in-time training push brought the remainder of Toray's 120 users up to speed, ready to be productive on the new enterprise system. In the end, the implementation took just five months.

## **BENEFITS OF SAP**

Ultimately, the effectiveness of any system is tightly tied to end-user acceptance. To better determine the corporate-wide value of its SAP implementation, Toray collected feedback from most of its 120 users. Here are just some of the benefits articulated by users on the ground – many realized immediately, others to be realized shortly:

- Shipping integrated with customer service
- Faster, more accurate daily production reports
- Standard costs integrated in financial reports
- Requisitions entered and tracked electronically
- Multiple approval levels available
- System-generated forms minimize paper-based processes
- Real-time inventory visibility
- Need for general ledger suspense analysis eliminated
- Powerful drill downs expedite account research
- Faster month-end closings, fewer reconciliations
- Fewer offline tables, spreadsheets, and databases
- Number of general ledger accounts reduced
- Number of part codes reduced, less maintenance
- Easier check generation
- Faster, easier invoice creation and manipulation
- Automatic breakdown of pallets
- Rebate information maintained in system, rather than externally
- Automatic batch determination of consignment returns saves hours for customer service department
- Automatic overnight invoicing leads to accurate, up-to-date sales numbers next morning
- Faster shipping using delivery due list
- Single platform consolidation eliminates UNIX system and the need for UNIX skills for historical reporting

“I’d have to say we’re extremely pleased with what we now have in place,” says Cormier. “We were able to reform many of our business processes and streamline our corporate structure. That means that in the near future we will reap greater productivity, improved decision making through timely access to information – even enhanced customer satisfaction because we’re now more able to ensure on-time deliveries.”

## **MOVING FORWARD BASED ON SOLID RESULTS**

Does Toray have any plans to build off the success of its SAP implementation? According to Cormier, the company is already moving forward with plans to replace its legacy MES system with SAP. This will increase system integration, reduce costs, and give Toray the flexibility to more easily modify manufacturing processes and adapt to market place changes.

“Based on our experience thus far with SAP, we’re eager to move forward,” says Cormier. “We went from a system with 500 custom modifications to a system with none. We’re more productive now and we’re a better company. And as always, we’re looking to improve even more. SAP can help get us there.”

**“SAP consultants supported us 100% throughout the implementation: expert technical support, end-user training, industry knowledge, and a best-practices approach that ensured rapid implementation.”**

Don Cormier, Director of Information and Quality Systems, Toray Plastics (America) Inc.

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