

## SAP Customer Success Story

Every day, some 1.3 billion people – nearly a quarter of the planet’s population – trust **Kimberly-Clark** brands to enhance their health, hygiene and wellbeing. The company’s products are the number one or two best sellers in over 80 countries – and to maintain its leadership position, **Kimberly-Clark** in Europe has embarked on a massive change programme. Read how SAP is enabling this change by providing the technology backbone as the company strives to become a genuinely pan-European business.

 **Kimberly-Clark** Europe



## **KIMBERLY-CLARK SUCCESS STORY**

### HOW SAP IS HELPING KIMBERLY-CLARK MAINTAIN A HEALTHY MARKET SHARE

Kimberly-Clark was established in a Wisconsin village over 130 years ago, the brainchild of four entrepreneurial young businessmen. Today it is a global leader in health and hygiene and home to some of the world’s most recognised brands including Kleenex, Scott, Huggies, Pull-Ups and Kotex. Kimberly-Clark products are sold in over 150 countries and used every day by an astonishing 1.3 billion people – nearly a quarter of the planet’s population.

The company is strongly represented in Europe, with 10,000 employees and operations spanning the entire continent as well as the Gulf States, Israel and South Africa. As part of a drive to position the company for sustained growth in an evolving market-place, Kimberly-Clark has embarked on a major change programme – with SAP at its heart.

### CREATING A PAN-EUROPEAN BUSINESS

“By the end of the 90s we were aware that business was moving on; customer needs were changing, and we had to be able to move more effectively to meet those needs,” says Chris Scott, IT Director. “SAP R/3 was seen as the solution which would enable us to do that, with BW the answer from a consolidated sales reporting and analysis perspective.”

SAP R/3 was implemented as part of a broader programme across Kimberly-Clark Europe known as ‘Going for Growth’. “When we originally looked at SAP it really was the key player in the market that offered us the ideal solution for what we were trying to do,” says Alison Powell, MIS Director for Kimberly-Clark Europe. “This was to move from individual country operating units to a pan-European business.”



**SAP (UK) Limited**  
 Clockhouse Place  
 Bedford Road  
 Feltham  
 Middlesex, TW14 8HD  
 T 0870 608 4000  
 F 0870 608 4050  
[www.sap.com/uk](http://www.sap.com/uk)

A single instance of SAP R/3 was implemented across all Kimberly-Clark's European units within aggressive timescales, providing the technology layer as the key enabler in the whole business change programme. "We have around 4,500 users spread across our manufacturing sites, our offices and our sales forces across the twelve or so geographies where we've currently implemented the system," says Chris Scott. "Prior to the implementation of our SAP R/3 and BW system our R/2 environment touched a lot of people in the organisation but it didn't really touch everybody. The new system and the new processes now do that."

#### **SHARING SERVICES**

Central to the development of a pan-European business was the creation of a Shared Service Centre. "SAP has been an enabler to help us reconfiguring, re-engineering our business processes across Europe," says Pierre Leroy, Director of the Shared Service Centre. "That has been a great help, particularly as a support to a Shared Service Centre where we want to get simplification, standardisation, and common business processes."

These standard business processes include order to cash, requisition to cheques or purchasing requisitions, accounts payable, and accounting and reporting. "I would recommend an SAP ERP solution for any other Shared Service Centre," says Pierre. "The benefit is having a common single instance ERP tool which brings business commonality, simplification, better control, and ease of use."

Improving customer service was another important goal of the Shared Service Centre. "We implemented the Customer Interaction Centre – which is part of SAP CRM module – for the Shared Service Centre people so that they could take queries from customers, respond to any problems or issues that they have and record them centrally," says Alison Powell. "We've recently embarked on a whole programme of looking at other modules within the CRM suite so that we can build on that and really engage with our end customers."

#### **ENHANCED PLANNING AND PURCHASING**

As a major manufacturer of multiple brands, effective supply chain planning is essential for Kimberly-Clark. "As part of the project when we were implementing SAP R/3 and BW, in tandem with that a separate team was working on implementing SAP Advanced Planner & Optimiser (APO) across the whole of Europe as well," says Alison Powell. "It's used for a number of things such as demand planning which is related to forecasting from the businesses for what their requirements will be for the finished product. It's also used for what we call central inventory deployment, which is working out where should stock be located to be the most efficient and cost effective way of actually meeting a customer's needs."

Another important element was changing the way in which the company requisitioned and purchased materials. "Maybe the same item was being bought by different people at different places at different prices," says Chris Scott. "What the catalogue approach through EBP put in place was the ability to have a standard online catalogue which made purchasing very simple and straightforward. The business knows what we bought and how many we bought and what price we paid, and the actual purchaser or person requisitioning those items does it in a very easy online and quick way."

#### **A HEALTHY FUTURE**

The European roll-out of SAP R/3 and indeed SAP APO is virtually completed, and the next step for Kimberly-Clark is to make more use of SAP functionality. "Probably the key area moving forward would be now extending the functionality that we have within SAP CRM and also building on our Business Warehouse management reporting," says Alison Powell. "These are probably the two key areas over the next two to three years that we'll see a lot of energy going into there."

"I think the major thing is that we have now been able to position Kimberly-Clark as a pan-European business, as a global player, able to engage effectively with its customers, engage effectively in the market place," she concludes. "We have a very strong systems infrastructure supporting our organisation now and positioning us to be able to make the steps forward and the growth that we need to in the business."