



ELECTRONICS MANUFACTURER REDUCES COSTLY LABELING ERRORS

ENTERPRISE LABELING INTEGRATES WITH ORACLE TO ACHIEVE ACCURACY AND CONSISTENCY

A US-based electronics manufacturer was experiencing significant growth but having difficulty quickly scaling business processes, including labeling, to meet their global needs. The company, which has 2,000 global customers and maintains 12 sites across the US, Europe and Asia Pacific, serves multiple end-markets including automotive, aerospace and defense, as well as other industrial markets, and was growing aggressively.

Since the company is growing at an exceedingly fast pace, they require smarter, automated processes and solutions that could meet these new demands. Therefore, they replaced their existing ERP system with a phased implementation of Oracle's eBusiness Suite. The modules implemented in a first phase included Oracle Order Management, Purchasing, iProcurement, Discrete Manufacturing, Demantra Demand Management and Oracle Shop Floor Management.

The Oracle WMS and MSCA implementation supported the company's rapid growth, however it soon became apparent that the company's "home-grown" labeling system was no longer adequate to handle the growing volume and complexity, as well as the increasing amount of customer specific requirements for shipping and labeling. Most importantly, the existing system relied on manual labeling processes, which resulted in costly mislabeling and growing customer dissatisfaction.

Industry: Electronics (Semiconductors)

The Challenge:

- Meet evolving customer requirements
- Reduce errors resulting in mislabeling
- Enable global scaling

The Solution:

- Integration with Oracle business processes
- Centralized application for single source of truth
- Configurable business rules
- Automated print process

The Results:

- Saved millions by eliminating costly mislabeling
- Ensured compliance for mandates such as RoHS
- Replaced time consuming manual processes
- Capability for business users to make label updates
- Met unique requirements to keep customer happy

Additionally, the company maintained multiple solutions, which meant a lack of labeling consistency which presented a challenge for meeting evolving regulatory requirements including The Restriction of Hazardous Substances (RoHS) Directive. With all of these pending risks and requirements, they realized a need for a comprehensive Enterprise Labeling Solution, which would integrate directly with Oracle to provide a single source of truth for label data to offer consistency and efficiency across a global supply chain. Loftware offered a solution which helped scale labeling to keep pace with the company growth.

CHALLENGES

Meet Customer Requirements

As the electronics company grew, their customer requirements also increased. There were a variety of regional and language requirements, as well as different barcode code requirements, which over time dramatically increased labeling complexity. Additionally, many of their larger customers maintained different divisions with unique labeling requirements. Customers also had to consider regulatory requirements including RoHS. However, their homegrown labeling system didn't allow for flexibility in labeling to quickly and seamlessly meet customer's variable requirements. This meant they were faced with dissatisfied customers, which ultimately threatened business opportunities.

Reduce Errors Resulting in Mislabeling

Considering the existing system required manual processes, the company was faced with a critical quality issue. Labeling errors and customer returns were increasing with the company's expansion. With so much focus on manual labeling processes the company was reporting an average of six labeling errors per month, causing great expense and substantial increase in customer complaints. Therefore, they wanted to simplify the labeling approach so business users could trigger labeling from business processes without needing to do any manual entry, which would greatly reduce the occurrence of mislabeling.

Enable Global Scaling

As a growing international company, they were expanding their global network and working with an increasing number of overseas distribution sites. This meant they needed a labeling system that could grow with the company, so that all of their sites could access their system and seamlessly print labels while easily managing country requirements and export compliance issues. However, each drop ship facility had its own way of generating labels and documents. This system hindered the company's supply chain efficiency and also did not offer access to a centralized source of data, impacting the supplier's ability to print labels with the correct required data.

SOLUTION

After realizing that their existing labeling systems could not meet the needs of their growing business, the company found that Loftware's Enterprise Labeling Solution could address all of their existing challenges, including meeting a

wide range of customer and regulatory requirements. As a global leader and a certified solution provider with Oracle, Loftware provided them with an Enterprise Labeling Solution to meet their entire complex labeling needs.

Integration with Oracle Business Processes

Loftware's certified integration capabilities with Oracle allowed them to trigger labeling directly from Oracle, offering greater control, flexibility and responsiveness. Integrating the company's labeling with their enterprise applications and existing business processes allowed the company to maintain their existing systems and user interactions, while automating their labeling processes and improving overall supply chain efficiency.

Centralized Application for Single Source of Truth

As a growing company, they were expanding their distribution network. Loftware's streamlined, centralized approach to labeling offered greater control, allowed the company to leverage transactions from within Oracle to initiate labeling and serve as the source of label data. By relying on Oracle as the source of truth, they were able to avoid the need to replicate data, which reduced errors and offers improved labeling consistency across a global supply chain. Now, this electronics company can avoid the need to replicate data in remote locations, reducing errors and enabling label printing from all required locations. This single repository ultimately simplified trouble-shooting and streamlined processes, providing a new level of consistency, offering the opportunity to scale globally.

Configurable Business Rules

Loftware Business Rules enable the company to define logic to streamline and remove risks from label printing in order to address mislabeling issues, while providing a platform to address unique and changing requirements including RoHS regulations. This business logic functionality helps to eliminate failure points, enabling users to easily process transactions in Oracle while label templates and printers are dynamically selected, label data is populated, and conditional formatting applied.

Automated Print Process

The new automated process offers a streamlined interface, allowing business users to initiate labeling from Oracle WMS and MSCA and eliminate the need to manually input data. The implementation included a complete roll out of scanners to local offices and provided full scanning capability for shipping processes at all 12 sites internationally. With Loftware Enterprise Labeling Solutions, the company is now able to initiate print jobs in an easily supportable way and greatly reduce the occurrence of mislabeling.

RESULTS

A Loftware Enterprise Solution, which was easily integrated with Oracle, to enable improved time to print for all markets, increase labeling consistency and flexibility and improve customer responsiveness. The new solution, which enabled global scaling, and streamlined manual process to reduce mislabeling, ultimately reduced waste of

labels and eliminated printing copies of duplicates, to increase overall efficiency and save money for the quickly growing electronics manufacturer.

Improved Customer Responsiveness

Addressing variability in labeling and providing business user access to label design, while offering limitless flexibility from dynamic, data-driven labeling resulted in immediate response for customer requirements, while extending labeling to distributors and suppliers.

Saved Millions By Eliminating Costly Mislabeling

Offering reliability and increasing efficiency and productivity with the new simplified, automated process enabled the company to avoid fines and product returns, while improving brand credibility and customer responsiveness.

Replaced Manual Processes

Resulting in added flexibility, convenience, and superior usability with greatly reduced human error, while improving overall supply chain efficiency.

Ensured Compliance

Working to address variability to meet specific export requirements and compliance for regulatory mandates such as RoHS requirements with dynamic functionality so the company can continue to move products through the supply chain without disruption to their global distribution network while ensuring compliance.

