



CPM Braxis implements SAP ECC 6.0, BW 7.0 and wireless automation solutions in a production leader sugar-alcohol plant

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### 1 - Presentation

The constant search for alternative energy sources promotes the valuation of sugar-alcohol plants and, consequently, the increase of competition among the main companies operating in such an industry.

The adoption of technologies integrating planning, budget and activity follow-up processes into a single and centralized vision, is a differential emphatically pursued as it potentializes the outstanding of the plants in the world market and, thus, attracts international investments, the listing in the main stock exchanges, etc.

By implementing SAP ERP solutions, CPM Braxis ensured to plant the integration and standardization of information and processes.

## 2 - Customer

With almost 30 years of existence, the customer has been operating in the alcohol, sugar and electric power production as a world pioneer in the procurement of the ISO 9001:2000 certificate in the segment of sugar-alcohol plants.

At every crop, the plant employs approximately 4 thousand professionals from 7 municipalities and produces 6.5 million tons, which ensures it the first rank in the national production of carbureting alcohol and processed cane.

## 3 - Need

The plant wanted to integrate and standardize its processes, obtain a single and strategic vision of its activities, simulate business scenarios and automate even more its production. Hence, it would be prepared to:

- 1. Go Public (IPO)
- 2. Conquer excellence and transparency in the management
- 3. Participate successfully in an increasingly competitive marketplace
- 4. Absorb new assets more easier



# 4. Challenges and Solutions

**Core Business:** The particularities of the sugar-alcohol industry, especially in the aspect of commercial operation, have demanded critical adjustments, as the transactions with sugar, which is a commodity, imply purchases at the spot market or in the futures market.

**Logistics:** Another huge challenge that has been overcome was the access of the consulting team to the plant. The commitment to results has pushed CPM Braxis to take the state-of-art management solution to a customer whose location demanded the combination of air, water and sea transportations.

#### 5. Scenario

The plants had 68 non-standardized central, specialists and local systems. Such data pulverizing generated loss, slowness and difficulty in decision making.

The lack of standardization in the processes and systems compromised the company's growth. While the lack of integration brought about costs, slowness, excessive activities and practically annulled the interface among the areas.

## 6 - Implementation

The implementation of SAP ERP involved the Financial, Commercial, Logistics and Supply, Quality and Production areas. Some customer's legacy systems, such as RM (Human Resources) and PIMS (Mechanized Agricultural System) were integrated.

In addition to SAP ECC 6.0, the project included the improvement of the entrepreneurial intelligence, by way of the implementation of Business Intelligence (BI) tools of SAP BW 7.0. The use of Intermec and Cisco technologies allowed the automation of warehouse administration with access points, printers and wireless collectors. Everything integrated to SAP ERP's WMS component.

The exclusive experience of CPM Braxis in agricultural-forest businesses was critical to the project being successful. The knowledge of the business processes, from planning to the performance of the planting activities, passing through the cultural processing, harvest, production management and quality were important differentials in the operation of CPM Braxis at the plant.



CPM Braxis has also demonstrated, throughout the entire project deployment, the valuation of knowledge and flexibility with the application of the following tools:

**ARIS:** An ideal modeling tool (design) of processes, which allows for the users to better understand the processes in their areas of actuation and in the company as a whole. By means of simple filters and graphs, ARIS allows for the user to obtain an effective and quick knowledge structuring and documentation method.

**Solution Manager:** A centralized service platform comprised of workflows and mechanisms that help to implement, manage, monitor and give support to SAP solutions.

**InfoPak:** With aims at withholding the knowledge generated by the project team and allowing its transfer to end users, InfoPak guarantees to provide a simple solution for production, maintenance and distribution of documentation and performance of simulations at a significant speed and much lower cost.

The 20 consultants of CPM Braxis have faced in nine months critical aspects such as the selection of the implementation partner, team formation, training, scope drawing and many other matters which have determined the success of the project and have promoted advantages to the Plant.

Issues such as the engagement by the top management, availability of the operating environment, location and budget have also been settled with maximum dedication.

In the first phase, which took approximately 15 days, the project was carefully prepared. In the second phase, a blueprint modeled business and functional processes. This stage took two months and a half.

The performance phase involved functional and development fronts to configure, document, perform unit tests and functional specifications, in addition to converting data and performing the technical specification. In this phase, the profiles were defined and the training courses were held for end users and multipliers.

In the fourth phase, the data charge was made; and in the fifth phase, the go live and support were made.



## 8 - Results

The implementation promoted the withholding of knowledge and the standardization of processes, which allowed for SAP users the performance of unified procedures. The complete elimination of rework was ensured by the unification of approximately seventy systems into only three systems: SAP, RM and PIMS. The use of the plant's resources was rationalized and the decision-making gained agility.

The actuation of CPM Braxis ensured a sturdy basis for the compliance with the plant's strategic objectives, such as:

Scalability: Growth, best practices, flexibility and automation.

Integration: Evolution, productivity, agility and traceability.

**Operational Efficiency:** Lower cost, standardization, optimization and discipline.

**Adherence to going public (IPO):** Greater reliability, greater control, easier audit and monitoring.

# 9 - Considerations

The performance of the project at the plant consolidated CPM Braxis as the main provider of information technology solutions for agribusinesses. With almost 10 years of experience in projects for the forest area, CPM Braxis has developed a template for the sugar-alcohol market which serves the entire productive chain of sugar and alcohol plants of varied sizes.

Within the next six years, the Brazilian market will gain, at average, a new alcohol plant a month, i.e., from the 336 units existing currently in Brazil we will reach 409 plants by the end of the crop of 2013 and, in this growing segment, CPM Braxis proves to be the holder of the main solutions.

To the plant, the use of the world most renowned and reliable management system has opened up the possibility for, in the medium run, the company may become the most competitive sugar-alcohol company of Brazil, by practicing the state of the art and the most valued in the sugar, alcohol and energy market.