Case Study

Boon Edam Takes MVP Approach to Kickstart its S&OP Process

About Boon Edam
Royal Boon Edam is a global market leader in entry solutions. Headquartered in the Netherlands, with over 140 years of experience in engineering quality, the company has extensive expertise in managing the movement of people through office buildings, airports, healthcare facilities, hotels and many other types of buildings. Boon Edam has manufacturing facilities in the Netherlands, China and the United States of America. It has a network of over 20 subsidiary companies in Europe, Asia and the Americas and distributors in over 55 other countries.
Problem

Boon Edam was looking to shift towards a combined business model of “made to stock” and “assembly to order” - where modules which could be placed into a configuration requested by the customer would be ready for production. This meant the company needed a different logistics approach to fulfill these orders.

At the same time, Boon Edam’s supply chain team was trying to optimize the workload between factories to boost manufacturing efficiency. They had a financial reporting tool and based on the financial forecasting of their different sales subsidiaries, an employee would make a forecast for products and services which was translated into a monthly demand plan and a capacity plan. This process was based on a lot of assumptions. The forecast would be based on gut feel, posing great risks for the company. They decided to embrace S&OP and build an AIMMS-based support system to enable this process. The company realized it did not have perfect data quality, but was looking to start building a solution they could improve in incremental steps, following a Minimum Viable Product (MVP) approach.

Solution

Boon Edam worked with ORTEC, an AIMMS implementation partner, to develop an AIMMS-based S&OP support App. They have a planning horizon of 3 months which involves 10 people across different regions. Every month, supply chain managers from different distribution support centers submit an Excel template completed for uploading into the AIMMS application. Forecasts are then reviewed by the management team in a single view that incorporates demand, capacity and inventory. This allows the team to make crucial decisions based on data. For instance, they use statistical forecasting in AIMMS to determine how much demand they should approve based on the calculations done within the tool.

The company is now working to improve data quality and consistency by connecting AIMMS with their SAP ERP.

Results

Boon Edam’s team now has better insight into the data provided by their different sales subsidiaries and continues to improve forecast accuracy. Boon Edam’s Aron Waas, Global Supply Chain Director, stated: “We now have a much more objective way of interpreting the demand data. This opens up discussions and gives us much more clarity about our processes. We chose AIMMS over SAP’s S&OP tool because AIMMS enables us to build different scenarios and meet our unique needs. With AIMMS, we could also learn during the development of the tool. We took ownership of it. That’s a big advantage from a change management and stakeholder management perspective.”

Benefits include:

- Efficiency improvements
- Successful business model transition
- Forecast accuracy gains

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About AIMMS

The AIMMS Prescriptive Analytics Platform helps you evaluate and identify the best options to tackle your most pressing challenges with sophisticated analytics that leverage mathematical modeling and scenarios while pulling from multiple data sources. You can immediately gauge, not just what is likely to happen, but what you should do about it for the best possible outcome. Whether you seek to improve your strategy, planning, operations or transform your entire supply chain, AIMMS software is the ideal combination of being tailored to your unique situation paired with speed to value (ROI). That’s why teams at Shell, Johnson & Johnson, GE and Heineken and many more fire up AIMMS every day.

www.aimms.com info@aimms.com

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