



CUSTOMER CASE STUDY

ARAYMOND

“With QAD DynaSys, we now have a consistent and agile forecasting and planning system. We are improving our collaborative method and optimizing our global S&OP approach.”

Odile Daragon,
Project Manager ARaymond





ARAYMOND

ARAYMOND IS STRUCTURING,
STRENGTHENING AND
OPTIMIZING ITS SUPPLY
CHAIN GLOBALLY WITH
QAD DYNASYS

HIGHLIGHTS

Company	ARaymond
Headquarters	Grenoble, France
Industry	Automotive
Products	Clipping, Connecting, bonding
Solutions Utilized	QAD DynaSys Demand Planning, Distribution Planning, Production Planning, DDMRP



THE COMPANY: ARAYMOND

On the ARaymond website it is clearly stated: “Five generations of entrepreneurs focused on the future,” encapsulating 150 years of history by this fastening and assembly solution specialist. Since the invention of the snap fastener in 1865 through to its current areas of expertise in fastening by clipping, fluid connecting solutions and bonding assembly solutions, this family venture is constantly innovating their products.

ARaymond, headquartered in France, is one of the leaders in the automotive market and has gradually transferred its expertise and skills to new markets, such as industrial (household appliances, lighting, electronics etc.), energy, agriculture and life science. The company is located on four continents with 26 production facilities employing 6,800 people that manufacture approximately 25,000 items, and include 1,600 active patents that were designed in their 11 design departments.

ARaymond’s supply chain is decentralized as each country has its own organization but all share one information system, SAP. Therefore, ARaymond saw a need to launch a demand management project aimed at improving sales forecasts and production planning in hopes of bolstering their reliability to anticipate and strengthen decision-making, and assist production throughout the group entities.

THE CHALLENGE: REDEFINING BUSINESS
PROCESSES FOR THE SUPPLY CHAIN

“Prior to selecting any market solution, we wanted to define and structure our processes. It’s an essential step because technology has to adjust to our processes and not the other way around” says Odile Daragon, ARaymond Project Manager.

Each group entity manages its supply chain independently, and each of them has set up a sales and operations planning (S&OP) process addressing



IMMEDIATE BENEFITS

GREATER RELIABILITY IN FORECASTS
WITH INCREASE FROM 50% TO 80%

COST SAVINGS

IMPROVED COLLABORATION

REDUCTION IN THE NUMBER OF
EXPEDITED SHIPMENTS

its requirements in terms of market, products, customer demand, production capacity, etc. An initial investigation revealed a weak link in the digital chain for production capacity management caused by a lack of visibility. This weak link made it impossible to anticipate investments in machinery or molds requiring up to 18 months from design to customer acceptance. A better analysis of customer requirements and sales forecasts over two years would enable ARaymond to anticipate these needs, be more predictive and less responsive regarding investments.

Organizational changes are also on the move; ARaymond has created the forecaster position among their entities. Their S&OP processes have become strategic and collaborative as the supply chain, operations, sales and finance teams now attend monthly meetings. Forecasts will no longer only be considered customer demand, but will be based on in-house consolidation, and production will run more smoothly thanks to robust planning. While this conversion is underway, ARaymond needed to find a demand and supply chain planning (DSCP) solution to support and accompany this transformation.

THE SOLUTION: QAD DYNASYS DSCP SOLUTIONS SUPPORT A GLOBAL COMPANY FIRMLY FOCUSED ON THE FUTURE

Following a market survey, conducted by a project group including representatives throughout the company, QAD DynaSys Demand planning and production planning solutions were selected.

“The process of conducting a market survey is a good way of taking into consideration from the very start what everybody wants. Even if we share some of the same needs because we work in the same fields in France, Germany or in the United States, India and China etc., it helps to ensure we are in agreement”. Adds Daragon

Why did ARaymond choose QAD DynaSys?

- Ergonomics
- Ease of use
- Flexibility and technological robustness of the software
- Scalability
- Guaranteed sustainability
- Seamless integration into SAP combined with the global presence of the editor, and especially, the professional expertise of the QAD DynaSys teams

THE BENEFITS: AN END-TO-END SUPPLY CHAIN PROVIDES ARAYMOND WITH GREATER RELIABILITY IN FORECASTS, COST SAVINGS AND IMPROVED COLLABORATION WITHIN THE ORGANIZATION.

Organizational and functional considerations merge enabling ARaymond to make the most of its supply chain while the deployment of DSCP solutions takes place country by country. After a pilot project in France and Germany, DSCP was implemented in China, the USA, India and Turkey or the Czech Republic. Eventually, it will be used in Spain, Italy, and the rest of the world.

Daragon specifies, “We are beginning to have a consistent and agile forecasting and planning system, even if it is not yet centralized. We are improving our collaborative method and in this way, optimizing our global S&OP approach. We have already made significant gains, in particular in the reliability of our forecasts. As it now stands, our forecast plan is built using Demand Planning and is 80% reliable instead of the 50% we obtained when we allowed customer to provide forecasts. In addition, this information is transparent to all the departments attending our monthly meetings, helping us align and improve our decision-making processes.”



Another benefit is the reduction in the number of expedited shipments. ARaymond has a 98% customer service level. This fits in perfectly with the group values; respect for commitments and people, but at what cost? In some cases, to meet deadlines, the company was obliged to use taxi, or even air shipment. “Just-in-time” has become easier without the need for expensive last-minute solutions resulting in substantial cost cuts. Finally, production planning is more refined and reliable, helping team members to plan time out of the office with total peace of mind.

ARAYMOND IS BUILDING ITS SUPPLY CHAIN FOR TOMORROW

Flow management has become one of ARaymond's priorities. Having demand-driven, not production-driven, flows is the basis of any demand driven material requirement planning (DDMRP) approach.

Araymond team members are now able to employ three decision-making layers: Demand Planning, Production Planning and the DDMRP solution, which is in the pilot stage in France. These processes complete and strengthen one another by adjusting and adapting to each entity, allowing for a fast consolidation of results.

The DDMRP solution is ready for deployment at the various production sites depending on their requirements. Daragon notes, “We are still in the test phase, but there is no doubt that having a reliable and realistic vision of quantities to be put into production represents a key asset, especially when considering our varied and complex product portfolio with heterogeneous manufacturing lead times.”

The initial building blocks of the demand management project are in place and ARaymond looks forward to further enhancements to the solution. QAD DynaSys' end-to-end solutions have become accepted standards within the various entities of the ARaymond group.

“This project is a backbone and all the teams are aware of the immediate benefits these new processes bring in, supported by business software programs. Indeed, everybody wants them.”

Odile Daragon, Project Manager ARaymond

