

# Customer case Vrumona

*“An investment that more than pays for itself!”*

## About Vrumona

Vrumona B.V. is a leading supplier of soft drinks in the Netherlands. The company was created in the middle of the previous century when thirty small soft drinks manufacturers joined forces. Eventually, the name became Vrumona B.V., a contraction of VRUchtenliMONAde (FRUit leMONAde). In 1968, the famous brewery Heineken N.V. bought up Vrumona completely.

Vrumona has many own brands (Crystal Clear, Sisi, Royal Club, JOY, Climax, Sourcy Vitaminwater and Sourcy) and in addition to this, it has licence agreements with a number of world famous soft drink manufacturers (Pepsi, 7UP, Rivella and Gatorade).

The organization is divided into the Supply and Commerce departments as well as a number of supporting departments such as Finance and IT. Supply covers the production, including the syrups hall, packaging lines and logistics. Commerce consists of the Out of Home & Export, Food and Marketing departments. Vrumona's annual turnover is more

than 350 million Euro. The company employs some 400 people, of whom around 250 work in production.

## Answers to management questions

The issues that management wanted to look into using Every Angle were mainly to do with data reliability and stock management of raw materials, finished products, machine parts and spare parts. Moreover, the financial administration department felt the need for fast and flexible reporting & analysis functionality, such as searching for the logistical objects behind the entries in ledgers and an analysis of these per product, customer, supplier and packaging line.

## Deployment of Every Angle at Vrumona

Following a pilot project, Vrumona decided in the summer of 2006 to implement Every Angle permanently. Already during the pilot, Vrumona's need to retrieve financial data from SAP in Every Angle was discussed with Every Angle consultants and subsequently addressed. By now, all SAP users are working

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with Every Angle as viewing users on a daily basis and there are over 10 power users. Vrumona uses Every Angle for standard analyses and ad-hoc reports from the financial administration department. Apart from that, Vrumona uses Every Angle to streamline the maintenance processes for the machinery, to manage master data and monitor the stocks of technical parts. Vrumona also relies on the software in the bottling plant's planning to have a timely and better insight into the availability of packaging materials in the event of a change in production planning.

## Examples

- **Determining the obsolete stock spare parts upon dismantling of the installation**

When a column (bottling line) was removed, we needed to check which technical items were not used by other columns. If we had used the "where used" feature in SAP, this would have taken us a month. Vrumona used 3 angles to conclude within an hour that 754 parts were used in other machines as well and that 1,175 parts could be discarded.

- **Process improvement for advertising and promotional items**

Every Angle enabled Vrumona to improve greatly the processes involving acquisition and (stock) management of advertising and promotional items. This resulted in a considerable stock reduction, a better insight into order processes but also in article portfolio (unsalable articles, slow movers and dead stocks).

- **Implementation TPM Label tool for machine maintenance**

In TPM, there is a strong emphasis on an active role on the operators' part in machine maintenance. Using labels (M1), operators in SAP now record which machine parts require maintenance or modification. Every Angle provides a quick overview of the status and processing of these labels by the technical staff among other people. Without Every Angle, these labels would still be scattered across several Excel spreadsheets and no-one would have thought of collecting them all in SAP.

- **Overview of suppliers' performance**

Vrumona is working with Every Angle on a so-called "Suppliers Cockpit" to gain a quick understanding of the portfolio and the supply and payment patterns of suppliers. This information is used in the discussions with suppliers to arrive at clear agreements and to bring focus to attempts to improve performance.

## Results

- Reduction of stocks for technical spare parts by 15% and advertising and promotional items by 25%;
- Determined the number of obsolete stock technical materials and returned these - under the terms of the agreements - to suppliers;
- Reduction of the number of errors in the logistical processes and the incoming and outgoing invoices, which results in a cost saving of a few hundreds of thousands per year;
- Improvement of the forecast of the use of packaging and raw materials, which leads to a better controlled and more predictable acquisition process, resulting in higher purchase discounts;
- Savings on the cost of hiring consultants (SAP/ABAP) amounting to approximately 50k per year;
- As a result of increased data reliability in SAP and transparency in the chain, there was an increase in user satisfaction about the SAP system and consequently a better utilization and actual use of it;
- Easier to generate reports per area of interest for the people on the workflow;
- Faster updates of reports through one angle instead of various SAP lists and downloads.



↑ **Ruud van der Burg, Maintenance Engineer at Vrumona:**

*"A tool with which you can generate usable reports relatively easily and quickly. We save a lot of money and time in building reports, without first having to go through endless discussions about what should be included and what not."*

➤ **Norbert Steenbrink, IT manager at Vrumona:**

*"At long last, a project that is genuinely completed in time and within budget and sees very happy users to boot! That is a scene you seldom see in IT!"*