

The Laminex Group

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Chris Thomas, IT Data Analyst, The Laminex Group

Delivering benefits throughout the supply chain

The Laminex Group is the leading marketer, distributor and manufacturer of premium decorative surfaces and wood panels in Australia and New Zealand. Key products include raw medium density fibreboard (MDF), particleboard, decorated board and high-pressure laminate (HPL).

The Group has an extensive national distribution network in Australia and New Zealand, with a mix of dedicated distribution centres and marketing and information display centres in independent outlets. It has 12 manufacturing facilities in Australia and New Zealand, over 2,000 employees and turnover in excess of \$1 billion.

Until recently, daily sales and manufacturing reports were consolidated manually and presented in spreadsheet format. Extracting the required information from several source systems – including the sales/distribution system and the enterprise resource planning (ERP) platform — was a lengthy process, and once an issue was identified, The Laminex Group also lacked the ability to easily conduct further analysis of the data. For example, it took senior sales people two days to collect data for a single monthly customer report.

In addition, gap analysis of sales and manufacturing operations was difficult. Both executive and middle management across the Group wanted a solution that would provide insight on the sales performance of each product down to colour, size and thickness to enable accurate forecasting of stock and inventory levels.

Streamlining usability for developers and end users

After completing a product evaluation, The Laminex Group standardised on Cognos for analysis and reporting. It also established a data warehouse to consolidate information from three systems into a single source. The warehouse includes over seven million sales records, over five million manufacturing records and two-and-a-half million purchase orders.

Type of business:

- Manufacturing

Requirements:

- Increase visibility over the business with sales and manufacturing gap analysis
- Reduce time taken to produce daily and monthly reports
- Ease-of-use for end users

Benefits:

- Automatic extraction of data into ‘cube’ format overnight
- Accurate trend analysis and forecasting
- Ability to scale into other areas of the business

Solution:

- Cognos PowerPlay and ReportNet

The Group commenced a four-month pilot project in May 2005 by engaging Cognos consultants to install and configure the software. The Laminex Group then developed the data ‘cubes’ for sales analysis, sales planning and manufacturing output. Successful completion led to a full rollout with ongoing improvements according to the changing needs of the business. Currently there are 195 users across the Group.

“Our strategy from day one was to let the user base own and drive the project forward rather than IT — we don’t try and tell the users what to do. We’ve evolved the data to a point where the business can then work out what they want to do next. ‘Quick wins’ were critical to get broader business buy-in, and we’ve achieved that [with the data warehouse and Cognos],” explained Chris Thomas, IT Data Analyst at The Laminex Group.

Cognos was selected due to its easy-to-use interface, zero-footprint web-based interface and pre-sales consultancy support. Ease-of-development and existing in-house knowledge of the solution also contributed to the choice. *“We’ve brought all the separate systems*

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together into one data warehouse, and Cognos works beautifully in that situation. If the data is in the warehouse then we can roll an analysis 'cube' or report out in Cognos in next to no time at all," added Thomas.

Cognos is "a must-have" for business visibility

Even before the manual spreadsheet-based solution was killed, users at The Laminex Group embraced the new Cognos solution in large numbers. "People were already using the Cognos system way before we phased out the spreadsheets because they could see the benefits of not having to wait half a day to extract their month-end numbers from the source data. With Cognos it takes less than 30 seconds," explained Thomas.

Now, manufacturing, sales, purchasing and inventory data is extracted from all the relevant source systems overnight and Cognos automatically builds it into the relevant data 'cubes' between 4.00am and 7.00am each morning. The result is not only easier reporting – gap analysis has also been critical in improving transparency and visibility over the Group's expansive operations.

"We can now look and compare product types to see which are up and down in terms of sales. Because the 'cubes' house historical data back to '02/'03, we can also establish trends, for example, on the best and worst selling colours, sizes and thicknesses for high-pressure laminates. This tells us what to manufacture and market, or perhaps what we need to discount to reduce inventory or stop manufacturing altogether," said Thomas.

This has greatly assisted with daily executive management reports, providing a scorecard for the Group to accurately track its performance. It has also made the Cognos solution indispensable in the business. "It's a must-have tool," Thomas concurs.

Delivering benefits throughout the supply chain

With the success of the solution in the sales and manufacturing business units, The Laminex Group is embarking on the integration of supply chain source systems into the data warehouse for analysis and reporting in Cognos.

"We now have inventory and procurement information feeding into Cognos, which will enable us to track purchases and stock movements between sites throughout our supply chain," said Thomas.

Requirements:

- **Increase visibility over the business with sales and manufacturing gap analysis:** to identify and commercially exploit trends in the consumer and trade markets.
- **Reduce time taken to produce daily and monthly reports:** from days to seconds.
- **Ease-of-use for end users:** to assist take-up and enable users to drive the project.

Benefits:

- **Automatic extraction of data into 'cube' format overnight:** to ensure information is ready for analysis and reporting at the start of each day.
- **Accurate trend analysis and forecasting:** down to product type, colour, size and thickness.
- **Ability to scale into other areas of the business:** to leverage existing investment throughout the Group's supply chain.
- **Ability to review all performance areas of the business through a single reporting framework:** reducing reliance on source system 'experts' to enable business and data analysis.

The keys to success:

- **Intuitive, easy-to-use interface:** enables both developers and end users to quickly design and deploy new reporting templates and achieve benefits quickly.
- **Zero footprint, web-based solution:** offering the industry's best business intelligence breadth and depth in a web-based environment.
- **Business buy-in and a well-designed adaptable data warehouse**

About Cognos

Cognos is the world leader in business intelligence and enterprise planning software. Our solutions for corporate performance management let organisations drive performance with planning, budgeting, and consolidation, monitor it with scorecarding, and understand it with business intelligence reporting and analysis. Cognos is the only vendor to support all of these key management activities in a complete, integrated solution. Founded in 1969, Cognos now serves more than 23,000 customers in over 135 countries.

