

PLUS ORTHOPEDICS



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MARKUS BARMETTLER, IT PROJECT MANAGER, PLUS ORTHOPEDICS

QUICKER PLANNING AND CONSOLIDATION FOR PLUS ORTHOPEDICS

The use of artificial joints (or ‘endoprosthetics’) has been standard medical practice for many years. Even so, doctors still face particular challenges in dealing with the individual anatomy of each patient and the constant pressures to which these artificial joints are subjected. To ensure that their products meet these challenging requirements, Plus Orthopedics has developed durable implants designed to work with the specific features of the individual patient’s anatomy, and also produces easy-to-use instruments that enable doctors to position the artificial joints precisely. The international certifications awarded to the company’s products and processes are testament to their excellent quality.

Plus Orthopedics AG was founded in Switzerland in 1991 and specialises in the development of artificial hips, knees, shoulder and smaller joints, as well as instruments and systems for their deployment. The parent company, Plus Orthopedics Holding AG, incorporates a global network of subsidiaries, sales and marketing organisations, and production plants in Switzerland and China. Approximately 300 of the group’s 800 or so employees are based in Switzerland, and sales have now grown to more than €193 million with the majority of revenues derived from Europe.

The endoprosthetics market is currently growing at just over 10% annually – a rate that is unlikely to change in the near future, according to the company’s own estimates. As

the global number six, Plus Orthopedics is the largest purely European supplier in the sector, and in some markets and product areas the company is market leader.

URGENT REPLACEMENT REQUIRED FOR INEFFICIENT SPREADSHEET SOLUTIONS

The group’s Supply Chain division, which is responsible for demand planning in production, previously gathered the latest material requirements from the various locally-based companies every quarter. This was done using spreadsheet templates, which had to be prepared, distributed, and gathered back in before the results could be combined and evaluated. The figures would then be fed into the materials planning application of the Movex (Intentia) ERP solution used by the division. This whole process was extremely inefficient and often led to inaccuracies as a result of the time and effort required for preparing the spreadsheets, the large volume of data involved, and the high risk of errors that could arise in the subsequent processing of the data because of the way that the spreadsheets were formatted. Similarly, the group’s Finance division also relied on spreadsheet solutions for all of its reporting processes. As well as the problems outlined above, this also involved inputting all of the data manually into the consolidation application.

Now, however, Plus Orthopedics uses a central data warehouse where data is captured from the group’s different bases around the world. Managers can then access this data using the Cognos analysis and reporting tools. In addition, Cognos Planning helps ensure that the



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data can be used for environmental and budgetary planning, right down to the level of specific product groups. At the final stage, Cognos software is used to consolidate the data.

“Sales and inventory data was imported into our data warehouse (Movex BPW) from the ERP systems (Movex, Scala, PRMS, BMS Handel, Navision, Sage, Axapta, etc.) used by all of our different country operations and from certain Access and SQL Server databases,” says Markus Barmettler. This data within the data warehouse, together with information from the Finance division, was used as the basis for setting up the new system environment. All the middle managers at Plus Orthopedics now rely on Cognos products, including the extended general management team and the team leaders within the Supply Chain, Finance, Sales and Marketing divisions.

“For our Supply Chain division, Cognos now enables us to analyse large volumes of data while still keeping our eye on the detail,” Markus continues. “And for our Finance team, the Cognos consolidation software has provided us with a rapid way of gathering financial information and presenting it in an aggregated, consolidated format.”

A RAPID AND SUCCESSFUL PROJECT

With a total duration of just over five months from its start in May 2005, the project was implemented extremely rapidly. A crucial aspect was the installation of the Web clients, as in certain cases head office had little idea about the local IT infrastructure in use at the various subsidiaries. However, this whole issue was successfully dealt with over the course of a week via a number of e-mails and telephone calls. The user-friendliness of the Web client user interface and the fact that the solution could make use of the existing spreadsheets also meant that little retraining was required for users of the new system.

The project was highly successful, achieving 95% of the ambitious targets set at the outset. Replacing the earlier spreadsheet-based system has reduced the length of the planning cycle by at least half, while quality has improved significantly. What's more, the true potential of the solution and the functionalities it provides have also become more apparent to the company, enabling managers to identify other important requirements. These projects will be handled as the next priority, and will include, for example, the creation of a modelling environment in which various scenarios and 'what if?' analyses can be run. This will enable the central finance department to carry out a proactive programme of 'targeting' without always being dependent on long-winded 'bottom-up' planning.

ABOUT COGNOS

Cognos, the world leader in business intelligence and performance management solutions, provides world-class enterprise planning and BI software and services to help companies plan, understand and manage financial and operational performance.

Cognos brings together technology, analytical applications, best practices, and a broad network of partners to give customers a complete performance system. The Cognos performance system is an open and adaptive solution that leverages an organization's ERP, packaged applications, and database investments. It gives customers the ability to answer the questions — How are we doing? Why are we on or off track? What should we do about it? — and enables them to understand and monitor current performance while planning future business strategies.

Cognos serves more than 23,000 customers in more than 135 countries, and its top 100 enterprise customers consistently outperform market indexes. Cognos performance management solutions and services are also available from more than 3,000 worldwide partners and resellers. For more information, visit the Cognos Web site at <http://www.cognos.com>.



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