

IVEX PACKAGING CORPORATION

IVEX Has It All Wrapped Up

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Bob Brunner, CHIEF INFORMATION OFFICER, IVEX PACKAGING CORPORATION

Whether it's used for protection purposes or to reinforce product identity, packaging plays a vital role in the distribution and sale of goods. One of the major players in this business is the Ivex Packaging Corporation, with 18 manufacturing plants in America and a further 11 across Europe, Canada and Malaysia.

Ivex supplies paper and plastic packaging materials principally to the food processing, medical and electronics industries, although it has customers wherever there's a need for thermo-formed plastic products or protective packaging. With about 3500 employees and an annual revenue of around \$700 million, Ivex is a large-scale international operation. Its customers include Nabisco, Baxter Laboratories, Seagate and Microsoft.

As a company, Ivex can trace its origins back to 1947 but today's core businesses were acquired between 1988 and 1991. This was a time when automation and MRP systems were transforming the face of manufacturing, and Ivex became one of the earliest customers of Glovia. Over the years they have updated and upgraded the system and they are now using the latest version of Glovia's ERP product, glovia.com.

Ivex uses glovia.com throughout its US operations - running on Hewlett Packard hardware and the HP Unix operating system - and it's planning to extend the system to its European and Malaysian plants during 2001. At present the system supports over 800 users, about 400 of whom will be using it concurrently throughout the working day.

Centralized operation and management

To minimize costs and simplify management, Ivex has a centralized IT facility at its corporate headquarters in Lincolnshire, Illinois. All the manufacturing plants communicate with HQ over an AT&T wide area network. Bob Brunner, Chief Information Officer for Ivex Packaging says, *“This is the most efficient model for our type of business. If we had IT staff in each of our facilities, the overheads in terms of personnel and equipment would be horrendous. It would also be difficult to consolidate information such as financial statements if these were all originated locally.”*

As an early adopter of glovia.com, Ivex understands the product probably as well as many of Glovia's own employees. *“In the early nineties, many of our plants had nothing more than a few PCs,”* adds Brunner.

“We've been through an exceptional period of change, moving slowly at first and then very quickly as we approached the millennium, to head off any possible Year 2000 problems. We've obviously gained a huge body of knowledge over the years, but I can honestly say that the implementation of glovia.com across multiple sites has not proved difficult.”

Tailored to the business

Over a period of 18 months, Ivex undertook 14 glovia.com implementations at its various US plants - and the success of these implementations says a great deal for their methodical approach. *“We worked to a template,”* says Brunner. *“We also prepared the local management and made sure we had their commitment. That's essential. The other key thing is to set up a test environment of your production data and actually model it. And Glovia makes it easy for you to do this.”*

One recurring criticism of ERP systems is that organizations frequently have to remodel their businesses to suit the application. Glovia's philosophy has always been to architect the product to reflect the customer's industry and to build in front-end flexibility, so that their product can be adapted to the business with minimal effort relative to most ERP products.

This is exactly what happened with the Ivex implementations. During the modeling phase, the technical team had regular feedback meetings with local users and changed the modules, where necessary, to suit their needs. With Glovia's technology and programming language it's a relatively simple matter to customize the modules. And this tailoring both improved the local implementations and increased the end-users' confidence in the product. *"No solution we chose would have fitted our business one hundred per cent,"* says Brunner. *But where we found differences we were able to work with Glovia and address those issues. There was no question of changing our business to fit the product. What we did have to do was to discipline ourselves in terms of procedures and logical flow. And this was good for the business as a whole."*

Incremental benefits

Over the years, the incremental implementation of glovia.com across its North American manufacturing plants has brought Ivex a number of significant benefits. For example it now has rapid access to its monthly financial results: vitally important for any publicly traded company.

It also has a centralized customer service. *"This will be crucial as we move into the Far East,"* stresses Brunner. *"There's a small window of time when we can check the Malaysian inventory from the US - and we have to know immediately if we can fulfill a specific order. glovia.com gives us that information, and it helps us to plan the production phase."*

From the end users' perspective, the reliability and response time of the system is excellent. There's also potential for future growth as Ivex expands in Europe and the Far East over the next few years. And Brunner is confident that they can increase the number of users without sacrificing performance.

E-business development

In common with much of the manufacturing sector, Ivex has found the e-business take off to be much slower than expected. This is largely because dot.com business failures have hit confidence. *"But that's a transitional phase,"* believes Brunner. *"It's essential for us not just to have an Internet site but to extract information from glovia.com in real time and present it to the customer. That's what people are demanding -and we've worked with Glovia's development people to provide Web-access to our customer service information.*

"The ability to track orders and check shipments at the click of a mouse is a really valuable customer facility - but you must have accurate, up-to-date information. So far we've just scratched the surface of the Internet, and I believe that the combination of glovia.com with Web-access is a strong competitive lever. It's going to make it easier for us to meet customer expectations."

International dimension

Ivex is an international business that has to be able to operate in any currency with technology that is sound, secure and fast. It has invested heavily in Glovia not just because it is happy with its present technical performance and support but because it has confidence in its stability, strength and future strategic development. *"Glovia's connection with Fujitsu makes us feel particularly comfortable,"* says Brunner. *"Knowing that it is operating in the Far East and in Europe. Knowing that the product is multi-lingual and multi-currency. Knowing that we can get worldwide support. These things give us a great deal of confidence. We look on it as a partnership and we expect the excellent relationship to continue."*

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