

# Shorter cycle times, increased productivity, high planning accuracy.

The automotive industry, with its farreaching and highly specialized networks of suppliers, forms an essential backbone of the economy and economic prosperity in Central Europe. It is a prime example of international collaboration and dynamic growth.

And the significance of the suppliers in the automotive industry is continuing to grow. The OEMs are concentrating more and more on their key competencies and are shifting entire system components to their upstream suppliers. In the development, production and service phases, this re-quires intensive collaboration between the OEM and system partners and their suppliers.

## **HIGHLIGHTS**

- Outline agreements
- Delivery schedules
- Just-in-time delivery schedules
- Transportation
- EDI processes
- Container management
- Consignment warehouse
- Expected credit notes





This collaboration places demands on all partners for high reliability and the ability to respond quickly in the event of problems. In order to master these critical processes reliably, a series of technical standards and best practices have been developed, some of which apply to the entire industry and some of which apply only to certain OEMs and their dedicated suppliers.

Optimum utilization and linking the resulting information streams is no longer conceivable without the qualified use of specialized IT systems. That makes the automotive industry an absolute pioneer in the implementation of IT-supported customer and supplier relationships as well as cross-company business processes [EDI, Collaborative Commerce].

The specific requirements automotive suppliers have for their IT systems are, however, not simply limited to correct transmission of delivery schedules, shipping orders and shipping notifications.

Beyond this, suppliers in the automotive industry also place very high demands on the planning accuracy and documentation of their production processes. The ability to respond to altered quantity and deadline requirements with flexibility is of primary importance. This is because the reported needs are constantly being subjected to broader fluctuation ranges with ever lower lead times.

Moreover, the traceability of delivered products is of great importance for certain product statuses or the raw materials in use. Compliance with defined quality assurance procedures and cycles as well as the documentation of their results also place high demands on suppliers. In addition, extremely high transparency in the cost structures is in high demand. That is the only way to ensure that, despite the constant price pressure, a profit is still made.

With a range of functions just right for mid-sized companies, APplus fully covers these demands based on state-of-the-art technologies. The special function modules for automotive suppliers enable appropriate handling for all specific processes for the automotive industry, whether the processes involve manufacturing individual parts or delivering complete system components.

The state-of-the-art software architecture of APplus (XML web services) pays off particularly where state-of-the-art EDI processes are to be implemented – an essential contribution to reducing costs.

APplus for automotive suppliers links widely varying company departments and functional areas, coordinates processes in a targeted manner and controls them even across companies. The result is integrated information processing. The benefit quickly becomes clear: Shorter cycle times, increased productivity and more speed thanks to the smooth exchange of information in the process chain. And not least of all, this efficiency contributes to improved supplier evaluations.

### **APplus AUTOMOTIVE**





#### **Outline agreements**

A framework agreement is concluded for each item from the product range. The validity period for the contract and the type of packaging required are specified here in addition to the cost and agreed-upon total number of parts. A forwarding agent and unloading point for the customer are clearly identified by assigning an EDI partner. The current delivery program as well as all finished or planned delivery schedules are visible in the outline agreement screen.

#### **Delivery schedules**

In delivery schedules, the customer keeps the supplier informed about the next deliveries planned for a certain article. The supplier determines its own production plans based on this information. Additional information assists with materials resource planning for the products to be delivered, the packaging materials to be used and the quantities delivered thus far (cumulative quantities). Difference analyses between the individual schedules provide support when adapting materials resource planning to fluctuating needs.

#### **Just-in-time delivery schedules**

In just-in-time delivery schedules, the OEM informs its suppliers about the final times and quantities for deliveries. The individual schedules are then quickly assembled for transport and prepared for shipping.

#### **Transportation**

Naturally, APplus Automotive also supports sophisticated transport logistics, which ensures timely delivery of the quantity needed by the customer. Forwarding agents or other shipping methods require specially prepared infor-

mation to enable seamless tracking of the logistics chain. In addition to the products to be delivered, the packaging materials or shipping containers used have to be precisely defined and kept in stock. Moreover, a special document (shipping order, dispatch note, material tag, etc.) has to be produced and sent both as a hard copy and in electronic form. The delivered products also have to be invoiced using special procedures.

#### **EDI processes**

All of these business processes between customer and supplier are implemented based on standardized Electronic Data Interchange (EDI) processes. Different manufacturers and countries, however, prefer different standards (such as VDA, ODETTE and EDIFACT), which are also frequently modified and supplemented for a particular manufacturer. In order to be able to reliably map all possible variants of electronic communication in the automotive industry, you need a lot of experience with the various EDI standards and the different communication processes. For this APplus relies on tried-and-tested XML-based communication to EDI partners.

As a market leader in this field, SEEBURGER implements reliable EDI relationships between all the companies involved. The XML structure of APplus guarantees optimal adaptation if standards are further developed or company-specific modifications are made to the EDI processes. APplus does not use its XML technology solely for the direct EDI traffic between OEM and supplier; APplus can also easily integrate the new procurement marketplaces into the EDI processes without any additional effort.



#### **Container management**

Container management in APplus includes packaging material management that covers all the requirements of container management in the automotive industry. This immediately leads to substantially lower personnel costs for tracking containers as well as a significant reduction in container costs, since container inventories that were previously needed can be reduced.

#### **Consignment warehouse**

For parts that are stocked in the customer's warehouse, consignment warehouses can be furnished and allocated to the pertinent location. Multiple consignment warehouses can be allocated to one item. These consignment inventories can be accounted for separately from the rest of the inventory and for different customers.

#### **Expected credit note**

APplus supports reading and processing electronically transmitted credit memos in accordance with VDA4908. The credit procedure intends for the consignee to appraise material deliveries at the agreed-upon costs and prepare credit memos for the supplier. For each delivery of goods, the consignee electronically receives transmitted delivery note data/transport data from the supplier in accordance with VDA4913 or EDIFACT/DES-ADV. This can be used to prepare credit notices using a largely automated process. The supplier reads in the credit memo data and compares it to the sent delivery note data. After the comparison, the credit memo data can be transferred to the financial accounting department.

#### Flexible adaptability

The ERP" solution APplus features easy adaptability to customer-specific requirements. An extremely convenient client design allows use in complex company corporate structures. APplus utilizes the scalability of Windows Server 2012 to encompass a wide range of enterprises, from a small business to corporations with multiple locations. Dynamic adjustment to various language environments and the optimal ASP capability ease use beyond country borders. The completely browserbased user interface allows the use of APplus with any access system.

#### **Leaders in technology**

APplus is an Internet-based enterprise solution (user-centric ERP system) that was developed entirely using state-of-the-art web technologies (HTML, XML, Web Services, SOAP) based on Microsoft .NET.

#### An award-winning solution

ERP made easy. This philosophy has earned us many awards for APplus in recent years. From the .NET Solution Award for the best application solution worldwide on the Microsoft platform up to the title "ERP System of the Year" from the University of Potsdam. We also regularly receive the best grades in all categories in user surveys.

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