



Epicor Success Story

SIDDCO Plastics Industries Ltd.

Leading UAE Plastics Manufacturer Selects Epicor ERP to Improve Operations

Company Facts

- ▶ Location: Sharjah, UAE
- ▶ Industry: Manufacturing
- ▶ Website: www.siddcoplastics.com



Success Highlights

Challenges

- ▶ Preferred a single ERP system that could eventually be implemented across all SIDDCO Group companies
- ▶ Aimed to eliminate development complexities and make ERP easier for stakeholders to use
- ▶ Wanted strong reporting and analytics capabilities with data extraction tools such as dashboards and reports for simpler analysis

Solution

- ▶ Epicor® ERP

Benefits

- ▶ Improved visibility, integration and transparency across all departments
- ▶ Better interconnectivity and communication between demand and supply chain
- ▶ Accurate and rapid tracking of products all the way from raw material procurement to manufacturing and eventually customer shipments of products from raw material procurement to manufacturing and eventually customer shipments

Established in 2008, SIDDCO Plastics (SPL), a subsidiary of SIDDCO Group, is one of the largest high-density polyethylene (HDPE) bottle manufacturing facilities in the UAE, with a production capacity of 80 million bottles per annum. Manufacturing blow-moulded bottles, injection-moulded products, and composite plastic moulds, SIDDCO Plastics has several well-reputed customers in the lube oil, dairy, and cosmetics markets.

Operating in an industry where the ability to offer high-quality customised solutions delivered on time are critical success factors, right from the outset, the SIDDCO Plastics management team knew that having an enterprise resource planning (ERP) system to serve as the backbone of their business would be a competitive advantage essential to business growth. However, finding an ERP system that worked not just for SIDDCO Plastics but for SIDDCO Group as a whole proved to be quite a challenge.

Saymaad Mansoor, head of IT for SIDDCO Group explains, "The Group's vision for IT is to create a corporate culture whereby business intelligence is driven through collaboration and standardisation of processes. When we decided to first invest in an ERP system, we tried two solutions. The first had very strong financial capabilities with powerful reporting as well as a user-friendly interface, but lacked the manufacturing capabilities we required. The second offered an extremely rich feature set and capabilities for manufacturing however lacked most of the functionality which our finance and accounting



teams needed. At that time we were essentially working on several disparate systems—we had one system for sales, one for manufacturing, another for accounting and finance, and yet another for quality. The lack of visibility and transparency across all departments posed several challenges for our team.”

The lack of an integrated ERP system that provided a holistic view of the business was a particularly acute problem for the finance team. Faisal Memon, finance manager for SIDDCO Group explains, “My job is not just to present the financial numbers to the management team at the end of each month—I need to understand why the numbers are what they are. For example, we had months where there was significant variance in our cost of sales (COS) and margins. Short of reporting the numbers to the management team, I couldn’t explain why we were seeing the variance. This meant that we couldn’t find the root cause of the problem, which ultimately had an adverse impact on our bottom line.”

Although the SIDDCO team had sufficient business justification to warrant a change in their ERP system, it was their commitment to sustainability that finally triggered the change. Zakee Siddiqi, chairman and chief executive officer for SIDDCO Group, elaborates, “I firmly believe that while the goal of the business might be to grow the bottom line, we need to do it in a socially responsible way. A couple of years ago, we took a decision to invest in state-of-the-art, fully automated, multi-layer, high-speed blow moulding machines that would allow us to manufacture environmentally responsible plastics. However, in addition to having the right machines for the job, for compliance purposes, we needed to ensure that on the back end, we had 100% traceability of every single component and material—from the minute it came in the door to the minute we shipped out a finished product. This would only be possible if we had a robust, unified ERP solution.”

Selecting the right ERP vendor

“Having gone through a couple of iterations, we were very familiar with all the ERP solutions available in the market,” comments Saymaad. “With a large customer base, Epicor has an extremely good reputation in the manufacturing sector. I would venture to say that Epicor is the #1 ERP vendor for the industry, so when it came to selecting a new ERP vendor, it wasn’t so much a selection process as it was a conversation with Epicor to understand the capabilities of the solution and make sure that the solution would meet the extremely specific requirements of our business.”

While the reputation of Epicor in the market gave them the inside track, it was the ability to customise the solution with relative ease that ultimately led SIDDCO Plastics to move forward with the Epicor ERP solution. Saymaad says, “For us, it wasn’t enough that the Epicor ERP solution was tailored for manufacturing, we wanted it to be customised specifically for plastics manufacturing. So, in addition to leveraging some of the out-of-the-box capabilities, we made more than 350 additional customisations to the software to suit our specific needs. These include a specialised configurator that now allows us to identify and track any product by a 26-digit unique number, 60+ dashboards ensuring timely and real-time availability of actionable information enabling decision-making as well the completion of feedback loop to promptly implement remediation actions, and over 100 business process management (BPM) directives validating and safeguarding data integrity and enabling role-based secure availability of information throughout the organisation.”

Change management was another big driver behind the decision to go with Epicor. Saymaad continues, “As per our business practice, we carry out a yearly 360-degree information

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Saymaad Mansoor, Head of IT | SIDDCO Group



systems assessment and review our ERP system performance in four key areas: 1) support functions and capabilities, 2) training needs analysis, 3) business processes, and 4) functionality. We believe that change management is fundamental to the successful adoption and implementation of new systems and technologies. After analysing the company-wide business processes focusing on individual areas of operations, we concluded that Epicor can enhance the adoption of change in employees more swiftly.”

In total, the SIDDCO Plastics team spent six months customising the Epicor solution and then another eight months on testing the new system before going live.

Entire company now “speaks the same language”

With the entire company now operating on one uniform ERP system, 40 users across sales, purchasing, manufacturing, quality, logistics, finance, and management have access to the information they need with just a few clicks. Coupled with the feature-rich, easily customisable and configurable reports and dashboards, SIDDCO Plastics associates now have the ability to make better, faster, real-time decisions that have a positive impact on the business.

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report templates that are accessible to the entire organisation, but we’ve trained certain power users to set up their own customised report or dashboard without any assistance from the central IT team. As of today, we have over 50 reports and a 60+ key dashboards that we use daily to make critical business decisions,” says Saymaad.

For sales, visibility of production schedules and inventory levels means that associates can now manage customer expectations better. With the ability to analyse customer sales data as well as costs of every single component and raw material, the management team recently rolled out a refined analytical benchmark called “conversion margin on resin” with which they can identify certain customer-product combinations that have low margins and then decide how to maximize profitability.

Implementing Epicor ERP has allowed SIDDCO Plastics to significantly reduce the element of human error in manufacturing. With over 4,000 stock-keeping units (SKUs), prior to Epicor ERP the onus was on the associates on the shop floor to make sure that they didn’t mix up jobs or manufacture the wrong product for the wrong customers. With Epicor ERP, the entire manufacturing process is automated with just a scan of the 26-digit barcode. Moreover, the system has been configured to flag a process and require a manual override if it believes there might be an issue.

Citing a couple of examples of how Epicor ERP has helped improve quality, Saymaad says, “Prior to Epicor, when we received a complaint about a product defect, it was very hard for our quality team to determine what exactly the problem was because there are so many variables that can affect the final product—everything from the batch of resin used to the temperature and humidity levels of the plant. With the rich reporting capabilities of Epicor ERP, our quality engineers can now analyse vast amounts of data on just about any parameter.

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The improved visibility and transparency has also given the finance department the ability to truly understand what is driving the numbers. “Epicor ERP allows me to translate non-financial parameters into financial parameters. With the integrated ERP system in place, I can dig in to the manufacturing numbers to understand the manufacturing cycle, our wastages, etc. This gives me a true understanding of why the numbers are what they are, which can then trigger a feedback loop to initiate remediation measures that will positively affect our bottom line,” explains Faisal.

With the unparalleled levels of access to data comes the need for improved security—another feature of Epicor ERP. With the Epicor ERP system in place, Saymaad and his team have the ability to implement extremely granular user-based access controls. “For forms, we can not only restrict who has access

to view the forms, but we can set controls on what they see in the forms and what they can modify in the forms. As an example, if we look at costs, our team in finance can see true costs of materials but if a sales associate looks at these same costs, they will see a slightly padded number...as we don’t want them knowing our true costs. The same goes for our reports—I mentioned earlier that we have some centralised reports available across departments. However, depending on which department the associate is in, they will see information that is only relevant to them. So, if we take a sales report for example, the sales team will see customer names, quantities, and sales price. However, if someone in logistics looks at the same report, they will not see customer names or price.”

“With every associate in the company, right from the security guard to the CEO, using Epicor ERP software, we now all speak the same language. Serving as the backbone of our business, the Epicor EPR solution has given us real-time process control, data integrity, traceability, security, and agility which has allowed us to take better decisions, improve our operations, and ultimately grow our business,” concludes Zakee.

About Epicor

Epicor Software Corporation drives business growth. We provide flexible, industry-specific software that is designed around the needs of our manufacturing, distribution, retail, and service industry customers. More than 40 years of experience with our customers’ unique business processes and operational requirements is built into every solution—in the cloud or on premises. With a deep understanding of your industry, Epicor solutions spur growth while managing complexity. The result is powerful solutions that free your resources so you can grow your business. For more information, [connect with Epicor](#) or visit www.epicor.com.



Contact us for more information on Epicor Products and Services

+44 1344 468468 info.uk@epicor.com www.epicor.com/uk

Corporate Office
804 Las Cimas Parkway
Austin, TX 78746
USA
Toll Free: +1 888 448 2636
Direct: +1 512 328 2300
Fax: +1 512 278 5590

Latin America and Caribbean
Blvd. Antonio L. Rodriguez #1882 Int. 104
Plaza Central, Col. Santa Maria
Monterrey, Nuevo Leon, CP 64650
Mexico
Phone: +52 81 1551 7100
Fax: +52 81 1551 7117

Europe, Middle East and Africa
No. 1 The Arena
Downshire Way
Bracknell, Berkshire RG12 1PU
United Kingdom
Phone: +44 1344 468468
Fax: +44 1344 468010

Asia
238A Thomson Road #23-06
Novena Square Tower A
Singapore 307684
Singapore
Phone: +65 6333 8121
Fax: +65 6333 8131

Australia and New Zealand
Suite 2 Level 8,
100 Pacific Highway
North Sydney, NSW 2060
Australia
Phone: +61 2 9927 6200
Fax: +61 2 9927 6298

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