



RONDO

SAP® SOFTWARE HELPS PACKAGING PRINTER ACHIEVE END-TO-END INTEGRATION

QUICK FACTS

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Franziska Geiser-Bedon

Head of Project Management and IT
Rondo AG

Company

- Name: Rondo AG
- Location: Allschwil, Switzerland
- Industry: Mill products
- Products and services: Made-to-order packaging for leading pharmaceutical companies
- Revenue: €35 million
- Employees: 230
- Web site: www.rondodruck.ch
- Partner: Dr. Lauterbach & Partner GmbH

Challenges and Opportunities

- Outdated legacy system
- Lack of integration with customers, suppliers, and parent company
- No centralized master data

Objectives

- Implement SAP® software and industry-specific partner solution
- Introduce enterprise resource planning (ERP) functionality
- Achieve tight integration across the supply chain
- Enable fast and efficient transfer of data to printing presses and post-press machines

SAP and Partner Solutions and Services

SAP for Mill Products solution portfolio, along with the LP.Packaging partner solution from Dr. Lauterbach & Partner

Implementation Highlights

- Outstanding teamwork and close collaboration with partner
- Extremely quick rollout at second site in the Czech Republic
- First project worldwide to integrate job definition format printing standard with SAP software

Why SAP

- 80% of Rondo customers operate SAP software.
- Rondo's parent company runs SAP applications.
- Partner solution provides industry-specific functionality as well as support for ERP.

Benefits

- Tight integration of customers and suppliers
- Significant cost savings
- End-to-end automation of processes
- More straightforward compliance with industry-specific regulations
- Faster, more efficient order processing
- Reliable reporting and analysis on printing machine output
- Increased productivity

Existing Environment

Industry-specific legacy software

Third-Party Integration

- Database: Oracle
- Hardware: Hewlett-Packard
- Operating system: SuSE Linux Enterprise Server

Rondo

Druck und Verpack

Information on pharmaceutical product packaging must be complete and accurate. Even the smallest error can have disastrous consequences. Recently Rondo AG, one of Europe's most innovative packaging printers, decided to replace its legacy software with a state-of-the-art solution. The goal? To improve accuracy and regulatory compliance and to achieve end-to-end integration throughout the entire supply chain. Software from the SAP for Mill Products solution portfolio, along with the LP.Packaging partner solution from SAP partner Dr. Lauterbach & Partner GmbH, helped Rondo master these challenges, boost productivity, and cut costs.

Small Company – Big Customers

Rondo is part of the Körber Medipack Group – comprising over 30 independent companies that specialize in the development and production of precision machines and packaging systems. Rondo is a midsize company employing 230 people at its headquarters in Allschwil, Switzerland. And further staff is based at recently established plants in the Czech Republic and the United States. In fiscal 2006 the company posted revenues of €35 million.

The printing and packaging player serves major international pharmaceutical companies. In fact, nine of the ten largest companies in the sector are Rondo customers. "We mainly focus on made-to-order packaging rather than standard designs," explains Franziska Geiser-Bedon, head of project management and IT at Rondo. "And one of our key strengths is providing small quantities of cartons for medicines that are not mass-produced. This means accuracy, speed, and flexibility are very important to us."

End of the Line for Legacy Solution

Rondo's industry-specific legacy software – used to handle printing of packaging – was 18 years old. It had served the company well but was simply not up to the challenges of an increasingly fast-paced marketplace. "The main problem was lack of integration," says Geiser-Bedon. "We had to enter job data multiple times, and there was always a risk of human error."

At the time, Rondo had no functionality for enterprise resource planning (ERP) or electronic data interchange in place. "We needed to ensure data from customers and suppliers was processed automatically – integrating it into our supply chain," says Geiser-Bedon. In addition, the company was looking to introduce functionality for financial accounting, human capital management, and logistics that would dovetail neatly with industry-specific software.

The Perfect Package

For Rondo, SAP® software was an interesting option from the outset. Fully 80% of the company's revenues are generated by customers running SAP software. And enterprise applications at Rondo's German parent company are also SAP based. "We initially thought SAP was too big for a company like ours. And we had our doubts as to whether SAP could provide Rondo with a cost-effective solution with enough industry focus," admits Geiser-Bedon. "But then Dr. Lauterbach & Partner showed us its partner solution, LP.Packaging, based on SAP for Mill Products."

SAP for Mill Products is a comprehensive set of industry-specific solutions complementary to broad ERP functionality, and LP.Packaging is a template solution specially developed for the packaging industry. "[LP.Packaging] provides us with the additional industry-specific support we need to keep up with demand and stay ahead of our competitors," explains Geiser-Bedon. "The combination of SAP for Mill Products and LP.Packaging was just what we were looking for."

Outstanding Teamwork

The project kicked off at Rondo headquarters in mid-January 2004. From the get-go, Dr. Lauterbach & Partner technicians and a small team of key users worked hand in hand to ensure smooth implementation. "The project came at a very busy time for us. And because we have limited in-house IT resources, we were glad to have experts from



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Dr. Lauterbach & Partner on board,” remarks Geiser-Bedon. The SAP partner not only handled configuration of Rondo’s new environment in line with the company’s requirements but also provided extensive user training and essential documentation. Once the new software was up and running in Switzerland, it was introduced at the company’s smaller site in the Czech Republic. The rollout for this second project was completed in a record time of just over three months.

Faster, More Efficient Order Processing – and More

Since go-live, Rondo has been reaping the benefits of its new-look IT landscape. All order data is now stored

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centrally and no longer has to be entered manually. Employees now have quick and easy access to all the facts and figures they need. They can provide customers with up-to-the-minute status reports or call up information for analysis – with point-and-click simplicity.

In addition, Rondo now has the functionality it needs to seamlessly integrate with customers and suppliers. By eliminating activities that do not add value, the company can process sales orders, product specifications, and material requirements faster and more efficiently.

Software from the SAP for Mill Products portfolio also comes with built-in functionality to enable compliance with Good Manufacturing Practices – an important measure of quality in the pharmaceutical industry. In addition, the reliable recording and documentation of all product design, manufacturing, and logistics transactions, as well as logging of employee attendance and facility access control, is integrated with the SAP software. So Rondo can rest assured that all operations are traceable – in line with legal requirements.

While it is still too early to determine the overall impact on Rondo’s bottom line, the company expects to see significant cost savings across the entire enterprise – thanks to more efficient busi-

ness processes. What’s more, Rondo has been able to streamline employee self-services. “Believe it or not, we’ve even got a new coffee vending machine equipped with an SAP interface,” explains Geiser-Bedon. “In the future, staff will no longer have to rummage about for the right change. They’ll pay for their coffee directly from their wages.”

A World First – Job Definition Format and SAP

The implementation at Rondo was the first time the job definition format (JDF) printing standard had been integrated into an SAP landscape. JDF is an important component of LP.Packaging. It enables swift and reliable data transfer from the software to printing and post-press machines and enables automatic machine presetting, as well as reporting on machine status and performance. “Thanks to the JDF integration, we were able to reduce our make-ready time for an order by 10 minutes,” explains Geiser-Bedon. “And with over 20,000 orders each year, that’s a huge time savings.”

What’s more, effective sequence planning ensures all similar jobs, such as products requiring similar plates, colors, or cutting dies are processed in series. This means adjustments to machine settings are kept to a minimum – boosting productivity.

Going forward, Rondo plans to provide field staff with access to its new software. In the near future, employees will be able to call up information from SAP applications even when they’re on the move. And they will be able to send data on orders back to colleagues at headquarters – quickly and easily.

“Our ongoing goal is even tighter integration of our customers, suppliers, and employees into the supply chain – and further automation of processes,” explains Geiser-Bedon. SAP software plus Dr. Lauterbach & Partner’s solution and expert advice will support Rondo every step of the way.



Dr. Lauterbach & Partner

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