



Case study

Global purchasing automation at Syntegon - how the Netfira Platform is used for all existing ERP systems



Syntegon Technology, the global player for modern packaging and process technology in the pharmaceutical & food sector, was faced with the challenge of automating and harmonising its global operational purchasing processes in a multi-ERP environment. Syntegon uses SAP® and other ERP systems, and needed a software solution that could work in all environments. The Netfira Platform was chosen to meet these diverse, global needs. With a global roll-out of the Netfira Platform, Syntegon aims to automate operational purchasing at all locations worldwide. In a complex system landscape consisting of multiple ERP systems, the Netfira Platform is used as the only automation solution for all existing ERP systems. This enables Syntegon to standardise its purchasing processes worldwide and make them more efficient.

Syntegon Technology - Global Player for Packaging and Process Technology

Founded in 1969 as Robert Bosch Apparatebau GmbH, part of the Bosch Group, the supplier of process and packaging technology has operated as an independent company since 2020 as Syntegon Technology. Syntegon, headquartered in Waiblingen, Germany, employs over 6000 people at 30 locations in 15 countries and has an annual turnover of 1.3 billion euros. Syntegon's pharmaceutical portfolio includes a Covid-19 vaccine, process technology, secondary packaging and inspection technology, while its food portfolio includes paper packaging, process technology for confectionery production and filling technology for liquid foods.

New purchasing at Syntegon

Up until 2020, Syntegon was part of the Bosch Group and purchasing was subject to centralised purchasing and logistics governance by the Bosch Central Division. Central purchasing and logistics solutions of the Bosch Group were in use for the complex multi-ERP environment consisting of different SAP and non-SAP systems.

As a stand-alone company with 280 employees in purchasing worldwide, Syntegon has focused on setting up and expanding its own purchasing organisation, establishing its own customised IT governance while designing and rolling out new IT solutions. Syntegon understands that the purchasing department can add significant value to its business. To achieve this, Syntegon focuses on implementing a future-proof IT landscape to ensure data transparency and process automation. This focus on implementing best-in-class solutions has generated value for Syntegon, and has been recognised by industry experts, including the BME which awarded the Innovation Award to Syntegon in 2021 for its transformation of purchasing processes.

The challenge: complex ERP ecosystem

Although several software solutions from different providers were already being used in operational purchasing, it was not possible to fully automate the purchasing processes due to the heterogeneous IT landscape. Oliver Merle, Director Supply Chain Digitalization and Automation at Syntegon Group, realised that Syntegon needed a software solution that could be used profitably, especially in a complex ERP environment. For this reason, Syntegon decided to implement the Netfira Platform. "If you really want to get rid of manual work in operational purchasing, you can't look past Netfira," Merle sums up.

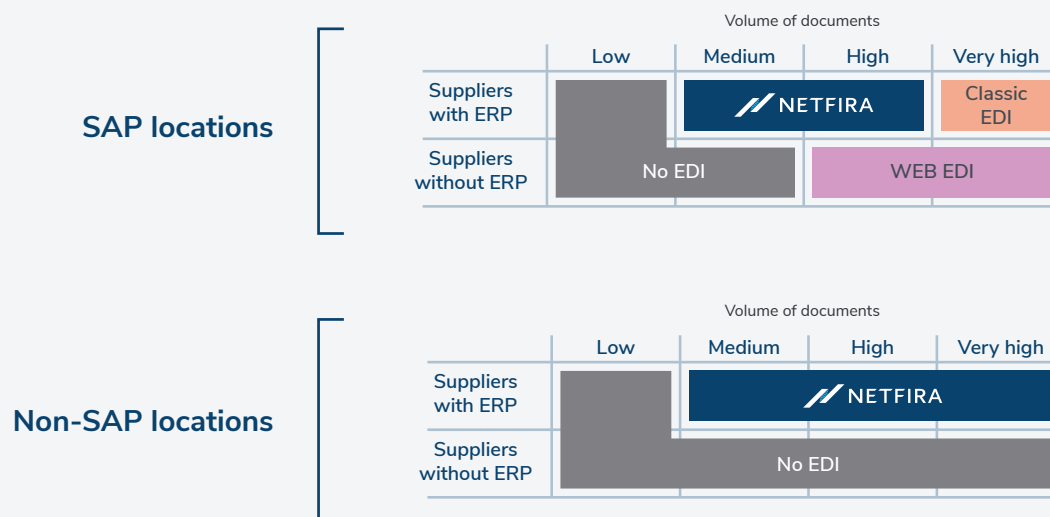
			
	8 Plants		304 Suppliers
37 400 Orders p.a.		117 000 Order items p.a.	

Automated document processing with the Netfira Platform

The Netfira Platform is a SaaS solution that automates the bidirectional exchange of data and documents between purchasing and business partners. By automatically processing B2B documents such as order confirmations, purchase orders, shipping notices, invoices and other documents, the software solution can reduce time-consuming and error-prone manual activities to a minimum. Suppliers can be easily connected

applications are limited. At SAP locations, classic EDI can only be used for suppliers with an ERP system and a very high volume of orders. Web EDI is used when suppliers do not have an ERP system and receive a medium or very large number of orders. Netfira is used for suppliers with an ERP system and a low-high number of orders. Until now, it has not been possible to cover non-SAP with classic EDI - with the Netfira Platform this is possible. "The Netfira Platform is the only solution that can be used with both non-SAP and SAP,"

Breakdown of document processing methods at Syntegon



with the AI-enabled Netfira Platform - with no effort and no costs for suppliers. Purchasing thus becomes more efficient and agile.

The Netfira Platform as the only available solution for non-SAP locations

Today, the Netfira Platform is already being used successfully at almost all large Syntegon locations worldwide. Hundreds of suppliers are connected via the Netfira Platform and more than 117,000 order items are processed per year. For Syntegon, the Netfira Platform is the perfect solution because the smart software solution runs effectively within a complex system environment. Syntegon has both EDI and Web EDI solutions in use, but their

Merle confirms.

The Netfira Platform is used where EDI cannot be used

Both EDI solutions and the Netfira Platform are used at Syntegon. The Netfira Platform proves to be a useful alternative to classic EDI and web EDI where EDI technology cannot be used at all or cannot be used profitably: in non-SAP environments and with a low or medium number of orders. The platform's data accuracy is comparable to EDI, but without the costly implementation on the supplier side, the technical complexity, general high costs and restrictions, but with a high degree of flexibility. In addition, the Netfira Platform can

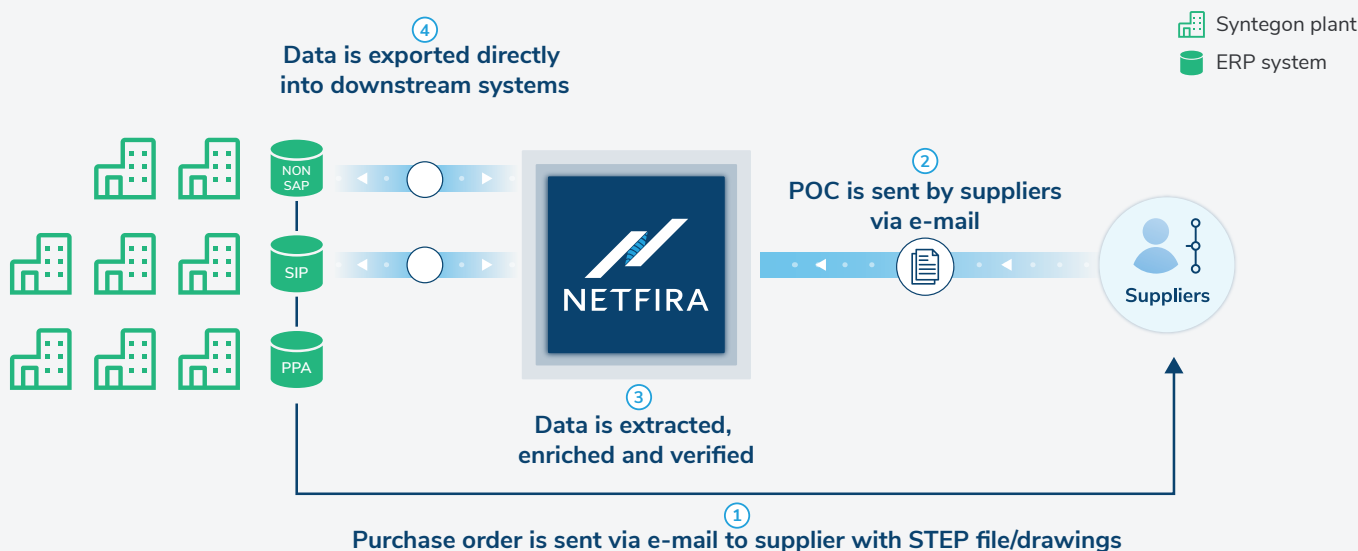
transfer original documents. Web EDI, which runs via a web portal, cannot send files. Netfira, on the other hand, automatically extracts data from documents and can send documents with them. The transport of data and documents is more flexible and Syntegon's purchasing department has more information at its disposal.

Conventional data extraction solutions (e.g. OCR) were judged to be not good enough. "With OCR, the effort of manual post-processing is so high

Automated workflow with Netfira: order confirmations

The Netfira Platform helps Syntegon achieve an automated workflow for order confirmation processing. Syntegon's purchasing department sends the order to the Netfira Platform. The order is automatically made available to the supplier at the same time. The supplier then creates the order confirmation and sends the document to Syntegon via e-mail. This e-mail address is directly linked to the Netfira Platform.

Overview of automated purchase order confirmation workflow with Netfira



"With OCR, the effort of manual post-processing is so high because of the limited reading accuracy."

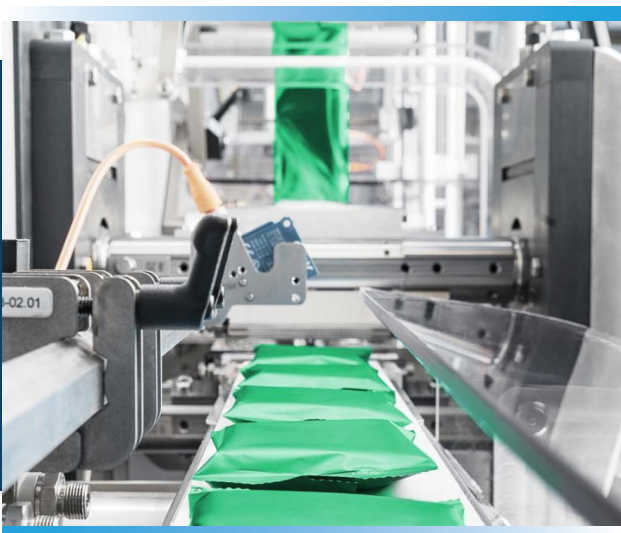
Oliver Merle, Director Supply Chain Digitalization and Automation

because of the limited reading accuracy. OCR is not worthwhile for our goals," says Merle. Digital supplier connection is also no longer a problem with Netfira: the suppliers bear no costs, do not have to change any processes and often hardly notice that Syntegon connects them with the Netfira Platform.

The platform automatically extracts data from the order confirmation and compares it with the order. If the confirmation matches the order, the information is automatically entered into the purchasing ERP system. The confirmation is then archived in the system. With the Netfira Platform, Syntegon achieves almost 100 per cent automatic processing of order confirmations where there is no discrepancy. Netfira enables practical and accurate processes through conversions (e.g. quantity), tolerances (per supplier and attribute) and data enrichment.

Deviations can be identified quickly and easily in the familiar ERP environment. The platform guides purchasing directly to the parameters that need to

be checked. The structured and standardised process for handling deviations saves the purchasing department time and reduces stress in the approval process. A variety of processing options are available to purchasing directly in the system to review and clarify the deviations.



"If you really want to get rid of manual work in operational purchasing, you can't get around Netfira."

Oliver Merle, Director Supply Chain Digitalization and Automation

Standardisation of global purchasing processes with the Netfira Platform

Syntegon benefits from the fact that the Netfira Platform can be easily integrated into its multi-ERP environment. The software solution harmonises Syntegon's processes: already today, the automatic order confirmation process follows one standard worldwide. Local specifics can be configured - if needed. Since the Netfira Platform is operated as a SaaS solution in the cloud, Syntegon's internal IT is sustainably relieved. Moreover, the cloud-based platform solution can be scaled quickly and easily. Projects can be rolled out efficiently to locations worldwide.

Success factors for the Netfira implementation

Merle mentions the structured process of the project as one of the success factors of the implementation. The target-oriented planning and predictable implementation enable a high project speed. A new location can be set up on an existing ERP system within four to six weeks.

Outlook: Syntegon's plans with the Netfira Platform

In 2022, Syntegon is planning a further roll-out with Netfira regarding order confirmations. Six more locations are to be connected before the end of the year - this will make 14 connected locations worldwide. The automation of further process steps is also being planned. This includes, among other things, the automated processing of deadline assurance lists, the enrichment of material master data and the automatic transfer of, for example, item extensions. Merle is convinced of the necessity of process optimisation through automated document processing for future-proofing purchasing at Syntegon. Therefore, the automation of shipping notices with the Netfira Platform is also planned for the future.