

# Axis sustains its competitive advantage with business process improvements using IFS



Operating in a highly competitive global market, Axis Communications uses its complex supply network—product development in Sweden, global manufacturing, worldwide market presence—and IFS create sustainable competitive advantage.

IFS has been part of Axis' growth success story since Axis first started using IFS solutions in 1994 to help manage its business processes.

Innovation in developing products to excite market demand that started with a network camera in 1996—Axis was the first company to launch such a device, beginning the shift from analog to digital technology—has helped propel Axis into the leading position it enjoys today.

Axis network video products are installed in public places and areas such as retail chains, airports, trains, motorways, universities, prisons, casinos and banks. "We offer our solutions primarily to the professional market," says Dan Jensen, ERP Manager at Axis.

## Focus on customer service and fast time to market

In the highly competitive global marketplace in which Axis does business, directly and through a network of distributors in 70 countries, the end-to-end supply chain is key to its competitive position.

## About Axis Communications

Axis offers the market's broadest and most consistent range of high-quality network cameras. Based on open IP standards, Axis network cameras connect to any kind of IP network, including the Internet, and enable remote viewing and recording from anywhere in the world. They also provide advanced video analytics features, such as motion detection, audio detection and tampering alarm.

Axis has more than 1,600 dedicated employees in more than 40 countries around the world, supported by a network of over 60,000 partners across 179 countries. Founded in 1984, Axis is a Sweden-based company listed on NASDAQ OMX Stockholm under the ticker AXIS.

For more information about Axis, please visit [www.axis.com](http://www.axis.com).

“Axis has high ambitions when it comes to developing our products,” Jensen says. “We are the market leader, and the quality of our products is something we take very seriously. Axis strives for the same quality when it comes to our business processes, our fulfilment processes and our supply chain. Axis’ goal is to have our customers and distributors feel that doing business with Axis is simple, easy and professional.”

Jensen sees his company’s focus on customer service and fast time to market as primary competitive differentiators.

“Our competitive advantage includes things like short lead time, good customer service, accurate delivery promises—Axis delivers when we say we will—and being able to develop products according to the customer’s specification,” he says. “If we want to maintain our competitive advantage, we need an ERP backbone that can help us do that.”

## Improving key business processes

That ERP backbone today is IFS, used by OEMs, EMS, suppliers and distributors in the electronics and semiconductor industries seeking superior supply-chain efficiency in increasingly real-time environments, including order-driven and mixed-mode production. It offers companies like Axis flexible, component-based business solutions that manage the entire lifecycle of products, assets and services, fully integrated with financials and human resources.

Axis brings an innovative dimension to its ERP backbone through its participation in an IFS early adopter program that gives Axis an early-mover advantage to use new functionality—and offers Axis highly attractive features to help it maintain its competitive advantage through:

- Better integrating its multi-site supply chain.
- Becoming more efficient in its warehousing and outbound logistics flows.

“Axis has six production sites globally, and ships a high volume of products to our customers around the world,” Jensen explains. “When IFS asked if Axis was interested in being involved in the early adopter program, they showed us the functionality they had developed. We saw that IFS had solved some of the critical parts we thought were missing from the existing shipment process. So Axis decided to be involved.”

Jensen illustrates how IFS has made a positive impact on a key business process at Axis—outbound logistics management—with a simple example.

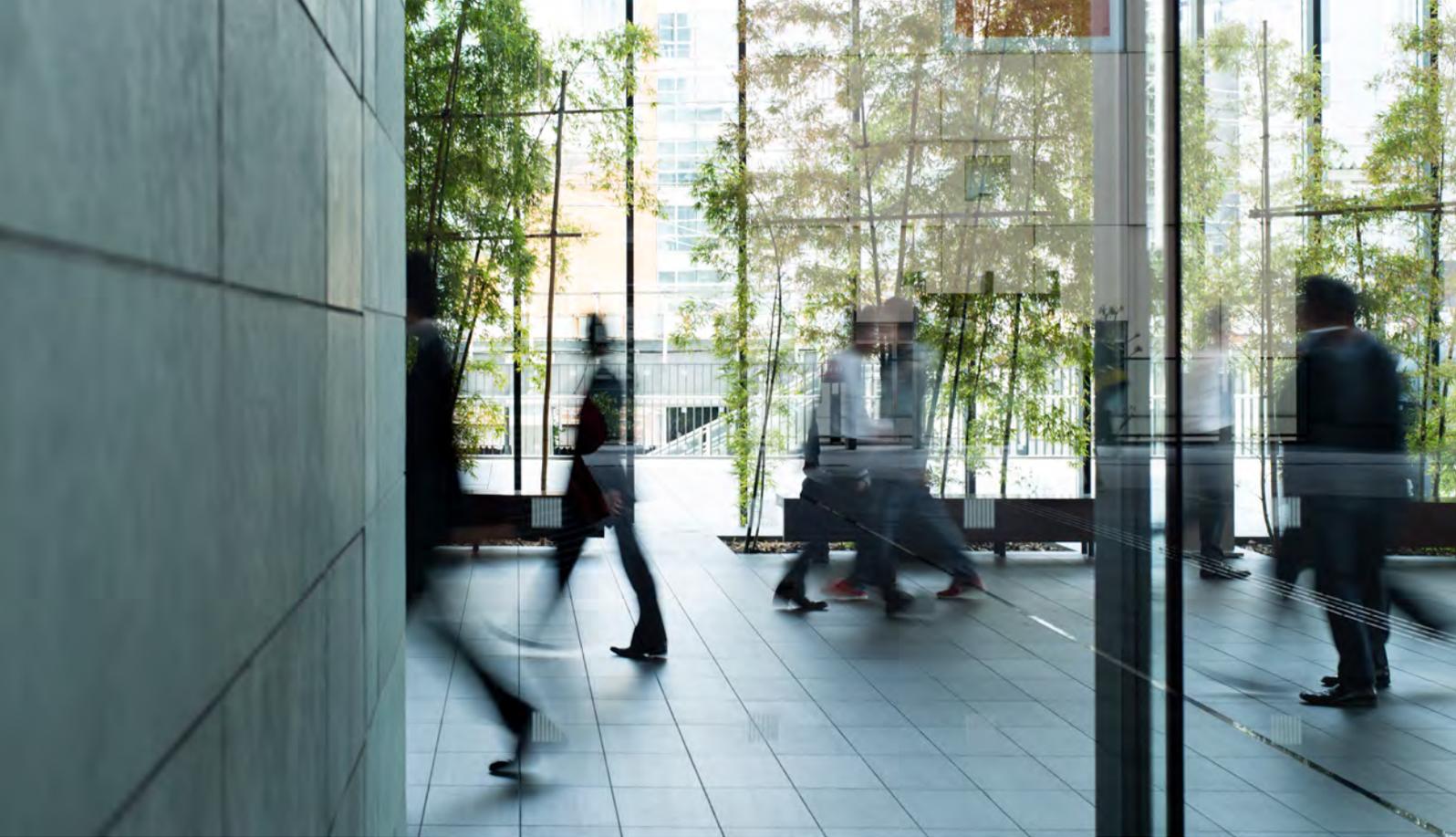
“Let’s say we ship 20 pallets of product to the U.S.A.,” he says. “The shipment goes through, say, Frankfurt or Amsterdam. And they call our logistics manager from the airport and say, ‘There has been a mistake, we can only send 15 pallets on this flight. Which ones do you want us to send?’

## Benefits

- More efficient warehousing and outbound logistics flows
- Faster, better decision-making
- Lower logistics costs
- More accurate delivery
- Enhanced customer satisfaction
- Integrated multi-site supply chain

## Software

- IFS Trade & Logistics™



“Before, her answer was, ‘It doesn’t matter because I have no idea what we have in the different pallets, so just pick 15 of them.’ “But with the IFS solution, she can easily go into the IFS system and say, ‘Pick this one with this ID and that one with that ID, because we have customers with critical projects waiting to receive the products on those pallets.”

Jensen notes that such improvements mean managers can make better and quicker decisions. “Then we will eliminate some costs,” he states.

He points to other cost-saving potential from using functionality that IFS provides.

“We can now package our products far more cost efficiently,” Jensen says. “For example, instead of shipping three different sales parts to a customer that we had to pack in three different packages—which increased our packaging material costs—we now pack products to make the best use of space in a box, so we don’t use more cartons than we need to.”

Jensen says that the efficiencies and business process improvements derived from IFS broadly follow a path to enhancing customer satisfaction, and are some of the means by which he expects to see an increase in overall customer satisfaction.

Jensen also sees a bright future for further developing the collaborative partnership between IFS and Axis.



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Dan Jensen, ERP Manager, Axis

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## The future is collaborative working

Part of the reason why Axis decided to become an early adopter was because it really wanted the new functionality IFS offered, Jensen says.

But there was more. “We saw an opportunity to have closer collaboration with IFS,” he says. “Axis wanted to come into contact with IFS thought leaders, to be able to tell them how we would like some functionality to be developed and to give them our ideas, not only for this project but also others in the future.”

He notes how successful the relationship has been with an IFS consultant working closely, on-site, with Axis since mid-2013. “He’s been very open, and it has been very easy for him to think as us, as a customer and not as a consultant,” Jensen says. “He has not been pushing for solutions that require system use but understanding that in this case it’s better to do it in another way. Also very open to listening to us as a customer.”

Jensen sees mutual advantage in such close collaboration. “We can give our feedback to IFS, for them to listen, and perhaps improve the software based on those ideas,” he says. “In turn, time between upgrades will be shorter so we can utilize new functionality in the new versions of the IFS system in the future.”

### Find out more

Further information, e-mail [info@ifs.com](mailto:info@ifs.com), contact your local IFS office or visit our web site, [ifs.com](http://ifs.com)

