Suzuki Garphyttan embraces a single, evergreen ERP platform with IFS Cloud

Following a challenging go-live in April 2022, manufacturer Suzuki Garphyttan has begun an IFS ERP solution roll out that will eventually span six countries and factories in Europe, North America, and Asia. Three hundred users in the company's Swedish facility in Garphyttan and sales office in Germany now have access to full IFS functionality, with a further 350-400 users following over the next 12-24 months.

Suzuki Garphyttan processes, adapts and designs spring wire products for a wide range of applications across the medical equipment, bedding & seating, food & beverage, construction and automotive sectors. The company's portfolio includes profiled wires, stainless wires, and oil tempered wires, plus, for the automotive sector, valve springs, transmission springs, piston rings and springs for fuel injection systems. Suzuki Garphyttan have a long-term goal to protect and strengthen the company's leading position within the automotive industry and broaden its product portfolio and grow outside the automotive industry.
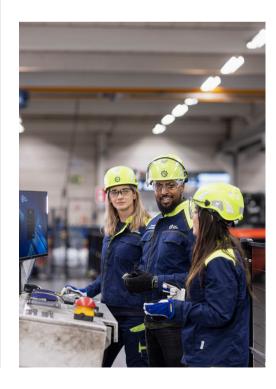
Changing markets

The company's decision to look at a new ERP solution was driven by the realization that it would be impossible to adapt its legacy systems for new markets and customer demands. Explains Anders Jonsson, IT manager for Suzuki Garphyttan, "Some systems had been in use for 30 years, so inaction really wasn't an option. We looked at the market and compared offers from IFS, Microsoft and SAP. We concluded that IFS Cloud combined the strong manufacturing pedigree with global capabilities that we needed for purchasing, procurement and logistics, especially since our customers are often operating in multiple territories."

About Suzuki Garphyttan

Founded in 1906, Suzuki Garphyttan is a leading supplier of advanced spring wire products. Part of the Japanese Steel Corporation, the company has operations in Sweden, Germany, England, the USA, Mexico and China, employing over 600 staff. Global sales in 2021 were 2.3bn SEK.

As the automotive sector moves away from fossil-fueled to electric driven cars, the market requirements and technical specifications for Suzuki Garphyttan's wire products are rapidly changing. "Strategically, the business needs the agility to be able to adapt and develop new business effectively," says Jonsson. "We knew that a cloud-based ERP solution was the way forward. IFS Cloud was the only platform that could truly underpin 'OneShare' – the name of our ERP implementation – our far-reaching global business transformation and engagement initiative," he adds.

Traceable, quality-assured materials

Most of Suzuki Garphyttan's product applications are subject to exacting regulatory, performance and quality standards. IFS Cloud will allow the organization to monitor and certify production standards across different sites. It will also help to streamline efficiencies in the supply chain. Explains Jonsson, "Wire rod or wire is heavy and so costly to distribute around the globe. Much of our material is brought from Japan to Europe, North America, or Mexico. IFS Cloud will ensure we can achieve the most efficient, optimized materials-handling for our supplies and manage lead times – both important to controlling and reducing our costs to remain competitive. As part of this, the ability for our own sites to be able sell and buy materials between each other is also critical."

Many steel products require certification of the metal composition, melting date and source of origin to guarantee prescribed characteristics and performance. This traceability is complex, and the company has tailored IFS Cloud to support it. Tailoring is also under way to reflect that, whilst wire rod is purchased and sold by weight, in kilos or pounds, it is processed and manufactured as a single contiguous coil roll unit. In both cases the goal is to deliver custom business functionality whilst keeping the IFS Cloud core standard by using non-invasive configurations.

Evergreen ERP

One of the most important features for Suzuki Garphyttan when selecting IFS Cloud was the ability to automatically keep the software version always up to date, or 'evergreen' with twice-yearly release and monthly service updates. By allowing customers to control and schedule the regular adoption of updates, IFS Cloud provides rapid access to continuous software innovations and improved experiences. "We were able to start our implementation with version 21R1, then go live on version 21R2 in April 2022. In January 2023, as part of the IFS pioneer customer program, we became the first organization to go live with version 22R2," says Jonsson.

Benefits expected with IFS Cloud

- Multi-site, multi-country information held in a single system

- Agility to enter new product markets

- Unified global system for the 'OneShare' business transformation initiative

- Supply chain control with material traceability

- Evergreen software with a standard core

- Digitalization for mobile devices and Industry 4.0

- Ability to connect to existing tools and solutions

Pioneer customer support

The IFS Pioneer Program is an initiative for selected IFS customers that, through enhanced technical support and consulting, offers an accelerated go-live on a new IFS Cloud version ahead of release to the wider market. For Jonsson the program delivered some valuable benefits. "One of the big advantages for us was having direct access to the IFS R&D team to tailor the system for the way we wanted to handle our coil. I also think the ability to quickly escalate and discuss any issues or bugs has also been useful, for both ourselves and IFS," he says. The company also pioneered a new IFS proactive performance monitoring dashboard that, by detecting any processes running slowly, ensures they are automatically fixed in the next service update.

Industry 4.0 digitalization

When it comes to enabling digitalization of the business, Jonsson is clear about the key role IFS will play. "The ability to introduce mobile and tablet-based working across the business, especially in the factory environments, will change the way we are able to work. Alongside our Industry 4.0 initiative, the IFS open API approach means we will be able to connect to all our tools on the shop floor, updating and exchanging information on the system in real-time," he says.

Implementing IFS

What advice would Jonsson offer to those considering implementing IFS? "The most important advice is to work with the change management, with a new ERP system there will be a lot of change management with new way of working, new responsibilities and data management. Secondly, look closely at the process maps to ensure that they describe the processes accurately. For instance, what financial transactions will result from different processes as they run through the system? Finally, try and choose, on balance, the best moment to go live. There will always be some minor issues to address, but providing the system is stable they can be overcome."

In terms of user adoption and training, Jonsson believes that carefully monitoring user education is key. "Don't just rely on managers to check their teams are completing learning modules. Independently track all training, at an employee level, to check progress and completion of assigned on-demand tutorials across the workforce," he suggests.

Moment of Service™

Jonsson sees increased control of the supply chain and closer integration between sites as the biggest benefits his customers will see from the transformation enabled by IFS Cloud. "On the sites that are already live, the system means that we can provide full traceability and provenance for all the materials we use in production. Once we are fully implemented, we'll have this capability globally," he says.

"IFS Cloud was the only platform that could truly underpin 'OneShare' – the name of our ERP implementation – our far-reaching global business transformation and engagement initiative."

Anders Jonsson
IT Manager for Suzuki Garphyttan

Find out more

For further information, contact your local IFS office or visit our website, ifs.com