



ASHLAND

CREATING A GLOBAL VIEW OF PRODUCT RECIPES

QUICK FACTS

Industry

Chemicals

Revenue

US\$7.8 billion

Employees

12,000

Headquarters

Covington, Kentucky

Web Site

www.ashland.com

SAP® Solutions and Services

SAP® Recipe Management application

Implementation Partner

SI PRO Consulting

Key Challenges

- Manage nearly 40,000 recipes and formulas
- Automate labor-intensive processes
- Implement single, globally consistent methodology for managing recipe information
- Improve recipe data quality and searchability
- Eliminate redundant data entry
- Improve compliance capability
- Introduce scalable IT to support expansion
- Integrate new acquisitions more smoothly

Why SAP Was Selected

- Integration with the SAP® Supply Chain Management application and the SAP Environment, Health, and Safety Management application
- Availability of corporate resources for SAP software implementations
- Strength of functionality

Implementation Best Practices

- Engaged system integrator with strong product knowledge and skills
- Created base of power users to perform training and provide first-level support
- Enhanced software to accommodate local manufacturing requirements
- Performed implementation on a region-by-region basis

Low Total Cost of Ownership

- Met schedule and budget goals
- Eliminated need for physical document storage and associated databases
- Centralized IT support at headquarters
- Held IT staff constant despite increase in responsibilities
- Minimized customizations

Financial and Strategic Benefits

- Enabled easy access to quality recipe data company-wide
- Enhanced communication between R & D and manufacturing
- Made compliance easier
- Automated lookup processes, saving time and effort
- Enhanced recipe data security
- Improved ability to accommodate local and regional manufacturing requirements
- Improved ability to integrate new acquisitions

Operational Benefits

Key Performance Indicator	Impact
Recipes stored in a common, searchable database	From 0 to 95%
Repositories of recipe data	From dozens to 1
Methods for managing recipe data	From dozens to 1
Number of recipes and independent formulas in SAP Recipe Management	Nearly 40,000

Chemicals industry giant Ashland Inc. used to employ paper-based methods for managing recipes for the 40,000 products it manufactures around the world. Now the firm relies on the SAP® Recipe Management application for streamlined processes – saving manual effort, improving compliance, and greatly increasing recipe data visibility, usability, accuracy, and security.



“For the first time, we have a truly global view of the products we make.”

www.sap.com/contactsap

Jasper DeChristopher, Implementation Team Member, Ashland Inc.

Ashland Inc. – a FORTUNE 500 diversified chemical company – provides well-known brands like the Valvoline line to customers around the world. With approximately 40,000 products and operations on four continents, Ashland faces massive challenges in managing recipe information – data that describes the contents of products and the procedures for creating them.

These challenges were compounded in the past by the company's paper-based, labor-intensive methods for storing and retrieving recipes and formulas. Each plant had its own system for managing recipes, greatly hindering data sharing. With no electronic search capability, information lookup was especially tedious. And, with no automated controls, it was altogether too easy for unauthorized personnel to gain access.

The plants frequently modified recipes without informing R & D, often resulting in inconsistent, inaccurate information. This made it difficult for Ashland to meet the many compliance requirements imposed by the U.S. Environmental Protection Agency; the EU's Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regulation; and others.

Tight Integration with SAP® Software

To address these challenges, Ashland resolved to implement a single recipe

management application throughout its global enterprise and began evaluating alternatives. At the time, the company was in the midst of a project to unify and standardize its supply chain processes with the SAP® Supply Chain Management application as the basis. Ashland was also beginning another project to improve product labeling and other compliance-related processes using the SAP Environment, Health, and Safety Management (SAP EHS Management) application.

Although recipe management began as a separate project, Ashland quickly realized the benefits of combining it with these other efforts – a decision that made the SAP Recipe Management application the obvious choice. “The SAP applications are integrated tightly together, which allows us to easily generate recipe data for safety and compliance reporting using SAP EHS Management,” says Jim Friedman, group project manager at Ashland. “With any other vendor, we'd have had to invest considerable resources in developing interfaces. Besides, SAP Recipe Management has the functionality we needed.”

Streamlined Recipe Management

Ashland implemented the software region by region starting in Canada, where its own IT team met all goals. Then the firm engaged SI PRO Consulting to assist with the remaining implementations in the United States, Mexico, Europe, and finally China. According to Friedman, SI PRO

did an outstanding job of implementing the application. It also did an excellent job of enhancing the software – so, for example, users could flexibly modify master recipes to accommodate local manufacturing requirements.

Currently, 95% of Ashland's recipes reside in the SAP Recipe Management database. Under a multitiered authorization system, employees anywhere can look up and modify recipes using a common set of processes. And, in addition to saving vast amounts of time with automated search tools, Ashland has experienced a night and day difference in recipe data visibility – including 100% transparency across regional operations. Now R & D and manufacturing are finally on the same page, new acquisitions can be assimilated more smoothly, and compliance is easier.

But Ashland is far from finished. The firm plans to take further advantage of its first-ever, company-wide repository of recipe data and introduce more efficiencies.

Implementation Partner

SI PRO Consulting, based in Mannheim, Germany, and Boston, is a leading SAP consultancy with dedicated expertise in environmental health and safety, product life-cycle management, business intelligence, and logistics integration.



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