



Cheminova, Denmark
Global collaboration between
Cheminova and itelligence

»We have a business partner with extensive knowledge of SAP and with a highly flexible and open approach to the task. We solve the problems together as they occur.«

Henning Kjer Christensen, IT Director at Cheminova

Cheminova is the group's IT backbone to a total of 26 countries

Nordic partner implements global SAP solution

Cheminova is bringing together its global business with a SAP solution, in collaboration with the intelligence company, 2C change. The extension of the group's IT backbone is well on the way in the 26 countries in which Cheminova has its own companies and sales offices. Cheminova's expansion is continuing and soon SAP is live in the USA, Canada, Australia, and Taiwan as well.

Is it possible to implement a global SAP solution with a Nordic partner as the only strategic SAP business partner? The answer is "yes" according to Henning Kjer Christensen, IT director at Cheminova. Since 2009 the intelligence company 2C change has been his group's business partner in SAP deployment, launching SAP in 26 locations across the globe. And more deployments are planned.

"We get the results we want. That is the most important thing. We see a business partner with an extensive knowledge of SAP and a very flexible and open-minded approach to the task. We solve problems together, as and when they occur," says Christensen, IT director at Cheminova, a company that develops, manufactures and sells chemical products for crop protection, whilst, taking into account, the increasing environmental requirements and sustainability. Today, Cheminova is a global group with a turnover of more than DKK 5.6 billion, which markets its products globally using its own companies or distributors. "Specifically, we determine whether the SAP deployment can be carried out from head offices on a country by country basis, or whether intelligence needs to find a local partner. The last solution is used used for complex implementations in particular, such as in Colombia, Argentina and Brazil. So far, the deployment for the USA, Canada, Australia and Taiwan has run on schedule and on budget."

Small and alert

In the past there has been a change of supplier, as Cheminova issued an invitation to tender for its global SAP implementation and originally opted for a large, global SAP partner in 2008. The group quickly lost faith in its chosen partner's expertise for the project and decided to collaborate with 2C change instead.

"We have chosen a small, dynamic supplier, and we have no regrets. The change of supplier only cost us a few months and since then we have been able to maintain the desired speed of deployment," says Christensen.

In January 2010 SAP went live with all the processes at the head office in Denmark and at the regional office in Spain. Initial problems were corrected whilst the solution was in operation. Cheminova was now in possession of a template that would act as a model for future deployments.



Cheminova

Cheminova manufactures chemical products, particularly for crop protection. Cheminova has developed a wide range of products and markets these products globally via its own companies in 20 major countries as well as through distributing agents in most other countries throughout the world. The group has a turnover of DKK 5.6 billion and employs 800 people in Denmark and 1200 outside of Denmark.



The Polish sales company and the British sales and production company went live one year later, and the solution area was subsequently expanded to HR and payroll. The operations went from mainframe to Windows servers supplied by IBM and Cheminova's SAP solution is now live in five countries, with the USA, Canada, Australia and Taiwan next on the list. Cheminova's SAP solution includes Finance & Controlling (FI/CO), Production (PP-PI), Sales & Distribution (SD), Material Management (MM), Warehouse Management (WM), Quality Management (QM), Environment, Health & Safety Management (EH&S), Supply Chain Management (SCM), Business Warehouse (BW/BI), Budget, Planning and Consolidation (BPC), Human Resources (HR), Plant Maintenance (PM), Project System (PS) and Document Management System (DMS).

Outdated IT platform

"Our mainframe solution that was developed in-house had been in operation for over 25 years. We had an outdated IT platform, inhibiting our global growth. As we bought up and acquired oth-

er companies with different ERP solutions, it became clear that we needed a more powerful IT backbone," explains Christensen.

A larger strategy process provided Cheminova with a requirement specification. This formed the basis for a tendering process in which 20 potential suppliers were quickly reduced to five. Cheminova selected SAP over Microsoft, Baan, Oracle and Lawson. As for SAP partner, it was a choice between Accenture, IBM and itelligence.

"We were looking for a strong, global partner. In the end, attitude and expertise turned out to be the deciding factors and we gained a partner with a strong Nordic profile," says the IT director. Since then, 2C change has become a part of itelligence and Cheminova's IT director recalls his suggestion to the management in 2C change that they should team up with itelligence.

"You are the strongest SAP company in Scandinavia and itelligence is strong elsewhere in the world," I told them back then. "I now have exactly that combination, which I am very pleased about," says Christensen, commenting on itelligence's acquisition of 2C change.



Name:
Cheminova A/S

Industry:
Chemical industry

Products:
Cheminova develops and manufactures chemical products, particularly for crop protection

Company size:
2000 employees – of which 800 are based in Denmark

Turnover:
DKK 5 billion

Location:
Thyborønvej 78
DK-7673 Harboøre

Subsidiaries:
in 25 countries

Global deployment

In general, Cheminova has chosen to focus more on global deployment of the SAP solution than on expanding its functionality. The group's companies are, however, of varying sizes and strengths across the globe. Taiwan and Poland, for instance, have fewer resources, and this is an actor in a global deployment.

"We could run a small company into the ground if we were to demand the same resources from them as we do from a large company. Therefore we are now considering using an approach with lead country and shared service. This means that the countries can work together and they do not have to be strong across the entire range of modules and functions. In practice, this means that we can focus on the larger countries and go live with them first. Later on, we will decide how the deployment in the smaller European countries will work," says the IT director.

itelligence and Cheminova's own IT department of 25 employees work together very closely on the deployment. The internal SAP organization at Cheminova consists of approximately 15 people, whilst itelligence has 10 consultants with a good knowledge of Cheminova all working on the global SAP deployment.

"The group is constantly growing. The latest purchases have given us a presence in Germany, Austria, Switzerland, as well as France and Italy, and these countries will also be using SAP. We are expecting the expansion to continue, and using SAP as the backbone it becomes easier to integrate our business in line with the expansion," concludes the IT director of Cheminova.

Facts & Figures

Solution: SAP Best Practice for Chemicals

Project period: 9 months, including establishing the template and going live in Denmark and Spain. Deployment to subsidiaries is underway.

SAP modules: Cheminova's SAP solution includes Finance & Controlling (FI/CO), Production (PP-PI), Sales & Distribution (SD), Material Management (MM), Warehouse Management (WM), Quality Management (QM), Environment, Health & Safety Management (EH&S), Supply Chain Management (SCM), Business Warehouse (BW/BI), Budget, Planning and Consolidation (BPC), Human Resources (HR), Plant Maintenance (PM), Project System (PS) and Document Management System (DMS)

Outcome:

- An outdated mainframe system developed in-house has been replaced by a standard ERP system
- The new joint ERP system can be used by the entire group

