MECALAC CASE STUDY
INDUSTRIAL MANUFACTURING

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March 14th 2018

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MECALAC INTRODUCTION & PROJECT OBJECTIVES

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- Mecalac Group is headquartered in France with production sites in France, Germany, Turkey and assembly site in the US

- Specialized in excavators, loaders, scrappers, dumpers…
- 600 employees and 150 dealers
- Terex Coventry UK became Mecalac UK in December 2016. Adding 250 employees, new products, new dealers

- Usual separation of business support is required by Terex before March 2018 and drives the whole integration in an high priority mode
- The new Mecalac Group is now 850 employees, 5 factories and 200 dealers.

- The new Group must have common infrastructure and processes

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CHART GROUPE MECALAC 14/11/2017

Industrial Company

Sales Company

Services Company

GROUPE MECALAC
Annecy
FRANCE

100 % **MECALAC FRANCE**
Annecy
FRANCE

100 % **MECALAC BAUMASCHINEN**
Büdelsdorf
GERMANY

100 % **MECALAC TURKEY**
Izmir
TURKEY

100 % **MECALAC CONSTRUCTION EQUIPEMENT UK**
Coventry
UNITED KINGDOM

100 % **MECALAC HYDROMO**
Albens
FRANCE

100 % **MECALAC AHLMANN SERVICE**
Büdelsdorf
GERMANY

MECALAC GROUP SERVICES
Annecy
FRANCE

100 % **MECALAC IDF**
Vaux-le-Penil / Beaurains
FRANCE

20,77 % **FRAMATEQ SUD EST**
Vitrolles/ Montpellier
FRANCE

31,25 % **MECAMANN MAQUINARIA**
Madrid
SPAIN

Local representation **MECALAC ITALIE**
Bergame
ITALY

100 % **MECALAC POLSKA**
Katowice/Wroclaw
POLAND

100 % **MECALAC AMERICAS LLC**
Delaware/Botson
USA

100 % **MECALAC NORTH AMERICA LLC**
Delaware/Botson
USA

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ERP AND SCM CLOUD WORKING TOGETHER

- **Project objectives**
  - Complete UK move to Cloud within 6 months
  - No customisation
  - UK to become the Gold standard for the Group
- Drive automation on the shopfloor
  - Remove paper KanBan cards
- Mecalac removed from Terex EBS instance March 2018
- Global deployment if UK successful

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HOW WE APPROACHED THE PROJECT

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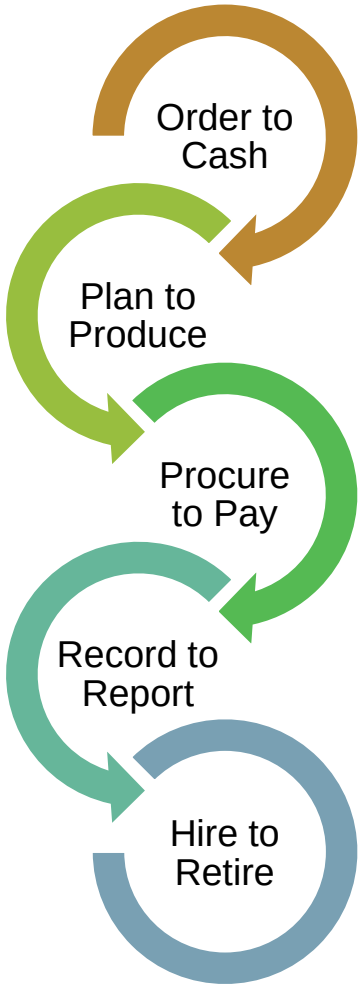
OVERALL SOLUTION



Master Data Management

Supply Chain Planning

Procurement

Manufacturing & Costing

Order Management

Inventory Management

Financials/Accounting

Employee Management

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OVERALL SOLUTION

	Record to Report	Procure to Pay	Order to Cash	Demand to Build	Inventory Management
Processes	• Supplier Invoice to Payment • Customer Invoice to Receipt • Asset Acquisition to Retirement • Bank Transaction to Cash Position • Period Close to Financial Reports	• Requisition to Receipt • Supplier Registration to Supplier Performance • Supplier Return to Settlement	• Order to Shipment • Customer Return to Settlement	• Demand to Plan • Plan to Replenish • Plan to Produce • Production Order to Cost Update	• Internal Requisition to Deliver • Inventory Count to Reconciliation • Product Costing to Inventory valuation
Key Drivers	• Improve Days Sales Outstanding with streamlined customer billing • Streamline payments process • Maximize your Assets • Redefine reconciliation to minimize cash leakages • Close financial statements in days, instead of weeks	• Control spends with a strategic, efficient, and data-driven procurement process • Reduce return cycle time • Turn your suppliers in to strategic partners	• Reduce cash to cash cycle time • Monitor entire ordering and fulfillment process across channels • Seamlessly drop ship • Improve customer experience with efficient returns and settlements	• Respond faster to market changes • Maximize revenue and minimize supply disruption • Streamline manufacturing operations	• Inventory visibility • Improve cashflow with better inventory control • Monitor Inventory cost to drive profitability
Modules	• **Oracle Financials Cloud**	• **Oracle Procurement Cloud**	• **Oracle Order Management Cloud** • **Oracle Global Order Promising Cloud**	• **Oracle Manufacturing Cloud** • **Oracle Planning Central Cloud**	• **Oracle Inventory & Cost Management Cloud**

Inspirage-led implementation

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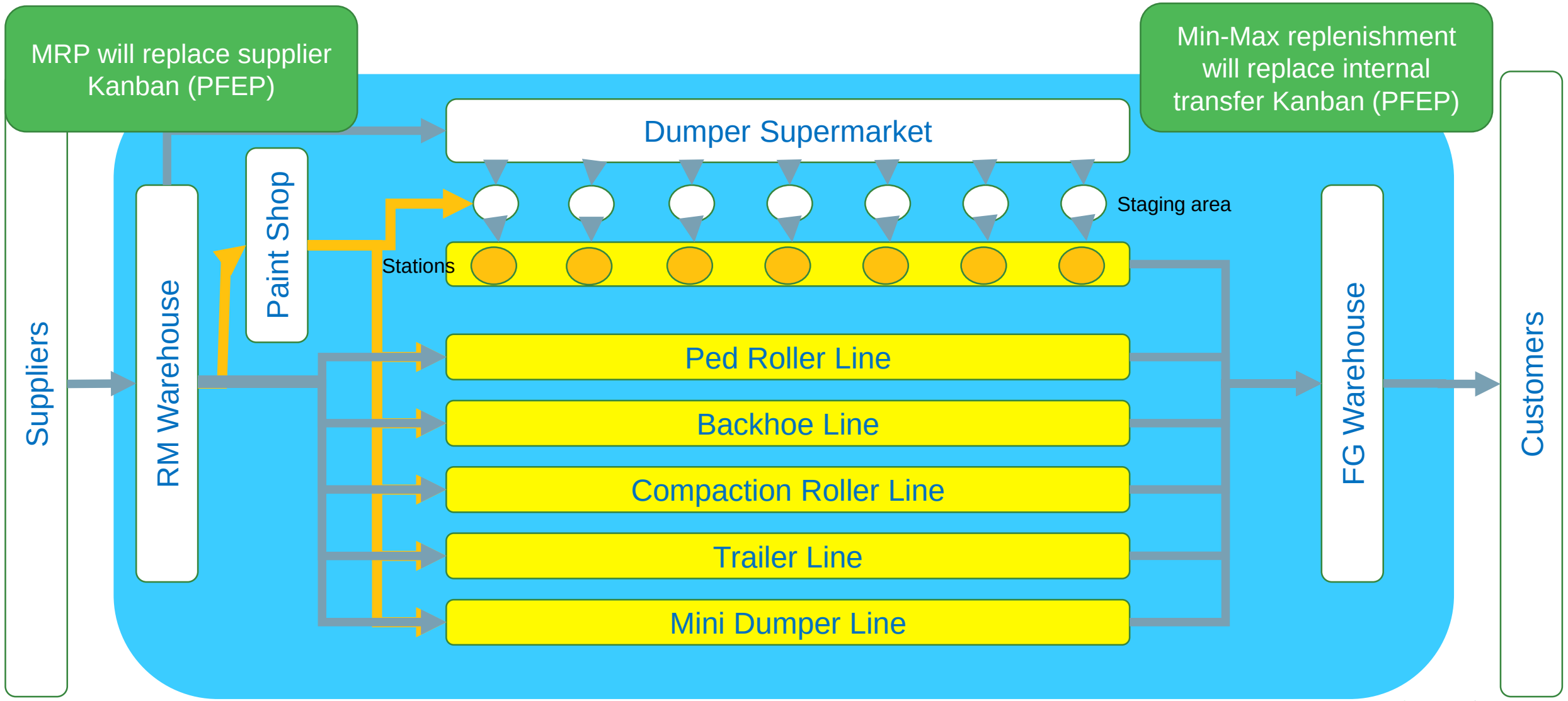
MATERIALS MANAGEMENT SOLUTION



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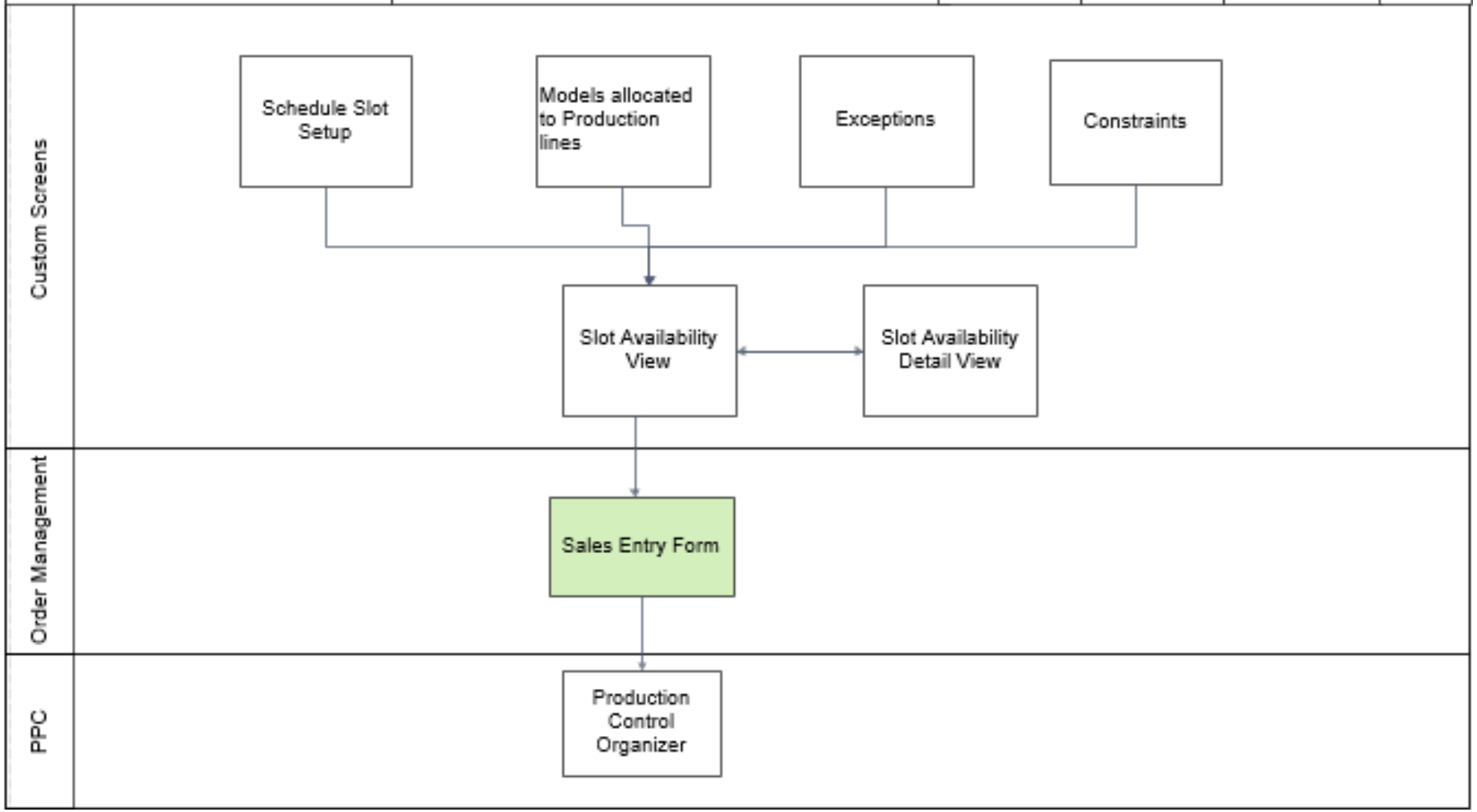
CLOUD EXTENSION - SLOTTING

Business Flow (L1): Slotting Process Flow	Description: Slotting Process to describe data flows	Created By: Pradeep K	Updated By:	Last Updated Dt: 31 – Jul – 17	Revision: 1.0



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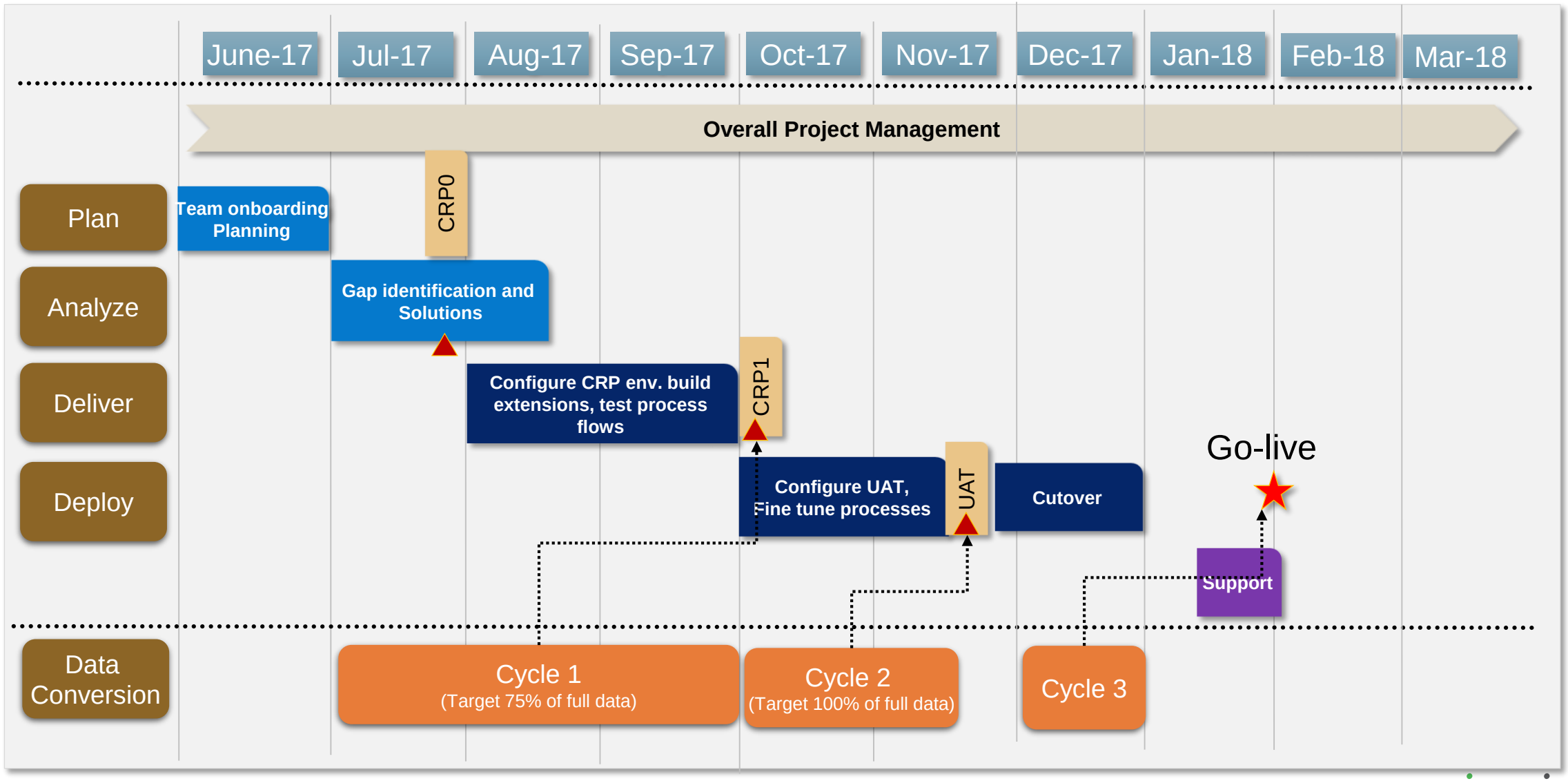
HIGH LEVEL PROJECT PLAN



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WHERE ARE WE TODAY ?

- **Go-live happening now!!**
  - Roughly five weeks delay
  - EBS disconnected by end March 2018

- Project is already considered as successful, so we are now moving to the Global Project
  - Common processes / Common solutions
  - Deploy in all countries

- Now preparing next steps, likely to be:
  - April 2018: US — no legacy
  - May 2018: Turkey — Infor
  - Nov 2018: Germany — replacing legacy
  - 2019: France — replacing Infor

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CONCLUSION

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PROCESS IMPROVEMENTS CLOUD VS EBS

- **User productivity** is enhanced in all areas – dashboards relevant to the user role, simple navigation, graphs, forward looking, preventative actions (as opposed to reactive)
- **Materials usage** in production will be closer aligned with the system for better material control
- **Supplier collaboration** is expected to streamline and improve collaboration with key suppliers. Sending orders, getting ASN, communicating changes
- **Warehouses** will be location controlled, replacing the need for separate system. Same item can reside in more than one location
- Better materials **planning and inventory** management tools
- Latest and updated **system capabilities** and interfaces regularly updated by Oracle
- **Continuity of business and reduced risk** with a global solution

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