



Challenges:

- Company growth and increasing supply chain complexity
- Previous planning method was not sustainable with the resources at hand
- A planning system that would not meet the future requirements

Solutions:

Compass

Results:

- Faster and smoother planning process
- Time freed up for exception analysis
- Increased sense of 100% control
- Happier production planners with more versatile work days

Orthex Group's Moves Towards a More Robust Planning Process and Happier Planners

Orthex Group, a leading manufacturer of household products in the Nordic, operates in a sector where the customers have high demands on short lead times and on-time delivery. When unexpected large orders are common and the company growth increases supply chain complexity, it puts pressure on the production planning process and the planners involved.

The Challenge

For Orthex, unexpected large orders are very common and usually have a short delivery time between 48 hours and a week. Such short lead times require a production flexibility and an ability for quick adaption. To ensure customer satisfaction and product availability, a streamlined production is of most importance. As Orthex has grown, also the production and factory planning has become more complex and time-consuming.

Prior to using Compass, Orthex had been using another production planning application. Since the previous software was implemented, the demand for a modern planning application had increased. Orthex now needed more functionality, a higher level of automation and the ability to plan the production for a multisite network on an operational, as well as a tactical level. To secure a sustainable growth while keeping the same number of employees in the planning and purchasing department, Orthex took the decision to start looking for a more modern planning application. This would bring the ability to plan ahead instead of catching up on orders, and to find a partner and solution to grow together with rather than grow apart from.

The Journey

Orthex and Optilon have a long relationship that has consisted of several previous application implementations. When Orthex started looking for a new planning application, Optilon was a natural partner and advisor. This gave Optilon the opportunity to demonstrate the competitive advantage a modern planning tool as Compass could give. Orthex evaluated other applications as well, but in the end, the decision to choose Optilon and Compass was made based on two main aspects. Partially the fit Compass had to Orthex needs but also the trust Orthex has towards Optilon from previous projects.

About Orthex

Orthex Group is the leading Nordic producer of household products that make everyday life easier for the consumer. Today, Orthex Group has customers in 40 countries and on four continents. It has three factories of its own and launches a variety of functional products every year. Orthex Group has been presented with the prestigious international Red Dot design award for its harmonious Nordic product design. The Group's brands include SmartStore (storage boxes), GastroMax (kitchen products) and Orthex (variety of products for home and garden).

About Optilon

Optilon creates business value for companies in manufacturing, e-commerce, wholesale, and retail through independent application-based solutions for planning and optimization of supply chains. The consultants are specialists in their field and work within three main areas: Supply Chain Design, Service Optimization, and Supply Chain Planning.

About Plannet & Compass

PLANNET is a leading software provider of advanced software solutions to the manufacturing industry. Thanks to the technological excellence and versatility of its software suite COMPASS, Plannet is able to offer a full service for the development and implementation of advanced purchasing and production planning, scheduling and execution systems.

The project consists of the software implementation, training of end users, and validation and refining of the master data. These steps have been taken in two of Orthex's three factories, in Tingsryd and Gnosjö. The implementation in Orthex's third factory in Lohja will begin in Q1 2019.

The project has so far been running smoothly, which is mostly thanks to a successful cooperation between Orthex and Optilon. "It is fantastic to work with consultants that are competent and committed to the project. The consultants of Optilon have shown a clear will to ensure that the project outcome will reach or exceed the expectations. The consultants at Optilon understand how we operate our daily business and they have not been afraid to question weaknesses in our production planning process" says Peter Ottosson, Chief Operations Officer at Orthex Group.

Peter Ottosson also sees the value in Optilon's role as a holistic supply chain advisor, "In my experience, consultants tend to focus solely on assuring that the application is properly implemented and that it runs smoothly. They are, for instance, forgetting about keeping the end-user involved in the process so that the user understands why the system is implemented and how it will affect their work. This has not been the case with Optilon. This is important considering the total "switching cost". It determines how long it will take until the end users have gained a sufficient level of skill and feel comfortable using the system".

The Results

Although the project is still running, Orthex have already identified many positive outcomes from the project. Working in Compass is faster and smoother. It also gives the planner more flexibility and new functionality that makes the planning easier.

"Using Compass has given me an increased sense of control, which is important for a person in my role. I also feel like I use less time for planning than before. Now I can put more time on analyzing exceptional cases like delayed orders and backlogs" says Therese Dahl, Production Planner, Orthex Group. The planner's freed up time has also led to a more versatile workday. They can now take part in smaller projects on top of their daily jobs, which has proven to be a real contribution for the planner's job satisfaction.

Before implementing Compass, Orthex used an application that was slower to use and that was more dependent on manual control. Since Orthex receives many unexpected large orders, it was next to impossible to plan successfully. The planning process with Compass today is not depending as much on manual control and it is a lot more robust. With Compass, Orthex has been able to take a big step towards 100% planning control.

"After a week of using Compass, the users have been convinced of the smoothness and efficiency of the system. Compared to many other systems, the process to make the planners feels comfortable with a change like this takes longer. A great demonstration that Compass is intuitive to use and has the right functionality."

Peter Ottosson, Chief Operations Officer, Orthex

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