



# Partner Power International Oerlikon Balzers Case Study



## ***Oerlikon Balzers implements Microsoft Dynamics NAV with Partner Power and cuts customer waiting time by 24 hours***

### ***Oerlikon Balzers experienced:***

- ***Improved working practices***
- ***Timely access to management information***
- ***Greater visibility of business performance***
- ***Reduced standard process time***
- ***Significant cost saving***

### **Customer Profile**

Oerlikon Balzers is a pioneer in plasma-based coatings for tools and precision components

### **Functional Scope**

G/L, Sales & Receivables, Purchase & Payables, Inventory, Warehouse Management, Fixed Assets.

### **Countries in scope**

26 countries

### **Number of users**

2100 named users, 1150 concurrent users

### **Partner Power Added Value**

- Core strategy to align businesses and secure low implementation cost
- Full cost control from start to end
- Know how and broad experience of international implementations

### **Situation**

Oerlikon Balzers Coating Services, based in Liechtenstein, is a pioneer in plasma-based coatings for tools and precision components. The coatings protect tools and equipment from wear and tear while increasing their performance and service life. The company services an array of industries-including automotive, machinery, technology, and tools-and operates a global network of more than 70 production centers across Europe, America, and Asia.

In the highly competitive market of industrial coatings, success depends on IT systems that drive internal efficiencies. At Oerlikon Balzers Coating Services, for example, the management information systems (MIS) at the heart of production lines are crucial to the company's performance.

Over time, the company found that the existing MIS failed to provide timely information while handling growing volumes of information. In

addition, it lacked the operational insight needed to maximize efficiencies. Harry Gerhauser, IT Leader, Oerlikon Balzers Coating Services, says: "We needed to achieve greater transparency across our operations."

The company decided to replace its MIS to address these issues, but no out-of-the-box solution could meet its specific requirements. As a result, IT professionals had to decide whether to create an expensive custom-built solution or find an existing product that could be customized quickly and cost effectively.

Gerhauser says: "We have a unique business, and unique production processes. There was no product on the market that could meet our exact requirements. It was therefore necessary to find and purchase a solution that could be tailored to our needs quickly and without disrupting our normal processes."

## **Solution**

The company investigated MIS tools, including SAP, JD Edwards, and Microsoft® Dynamics™ NAV. After careful evaluation, it realized that the solution that adapted best to its business requirements was Microsoft Dynamics NAV. Gerhauser says: "Microsoft guaranteed that its system could be tailored to our needs, which was imperative for us. No other companies offered this, and some even suggested that we would have to adapt our processes to match theirs."

The organization embarked on a project to create a solution based on Microsoft Dynamics NAV. The first iteration of the resulting tool, called Weasy, was installed in just a few countries. In conjunction with Partner Power International (PPI), the technology was deployed across all group companies globally in just two years. PPI has extensive knowledge of Microsoft Dynamics NAV, and provided Oerlikon Balzers Coating Services with invaluable advice that helped accelerate the implementation cycle and reduce costs. Partner Power also has significant experience working with multinational companies, helping it deploy the new technology effectively at numerous global locations.

Working together, PPI and Oerlikon Balzers Coating Services identified the exact requirements of the solution and rationalized the implementation process to help ensure a seamless transition. The company took a phased approach to its upgrade, rolling out the solution systematically across international locations in turn.

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At some centers, Microsoft Dynamics replaced earlier versions of Microsoft technologies. At others, it was used to replace existing systems from a range of other technology suppliers. As Microsoft has released updates for Microsoft Dynamics NAV, Oerlikon Balzers Coating Services has deployed them across all group companies.

## **Benefits**

Having implemented the Weasy solution across its 28 global locations, Oerlikon Balzers Coating Services has seen its working practices improve across the board. The system delivers timely management information, despite increasing data volumes, and provides greater visibility of business performance. In addition, the new solution is delivering significant cost savings and helping to ensure the quality of all manufactured goods delivered to customers.

### **Reduced Standard Process Time**

The success of Oerlikon Balzers Coating Services depends on the satisfaction of its customers. By deploying Microsoft Dynamics NAV, the company has reduced the process time for customer products, down from 72 to 48 hours. "This has a substantial impact on our customers' operations and demonstrates our commitment to constantly improving our customer service," says Gerhauser. "Some customers have even stopped keeping tools or moulds in stock because our process time for making new products is so short. They can now rely on us to deliver tools that are ready to use in just one day."

### **Significant Cost Savings**

A key requisite for the implementation was the ability to implement a global solution that would not prove excessively expensive. Using Microsoft Dynamics NAV, Oerlikon Balzers Coating Services has achieved this goal in a manner that would be impossible using an

alternative solution.

Gerhauser says: "We have estimated a return on our technology investment of approximately €600,000 (U.S.\$761,100) for each international deployment of Microsoft Dynamics NAV. The technology has given us a highly cost effective and useful way to achieve a centralized decision making process. "

"Theoretically it would be possible to run our system on SAP but the expense of customizing the solution would have exceeded €10 million (U.S.\$12.7 million), Gerhauser says. "By taking the Microsoft Dynamics NAV route, we saved considerably on this figure-both in terms of time and costs."

#### Fast Time-to-Market for New Services

The ease of use and flexibility of Microsoft Dynamics NAV helps Oerlikon Balzers Coating Services develop new initiatives rapidly and maintain a leading market position. "This business changes very quickly," says Gerhauser. "A key reason for implementing Microsoft Dynamics NAV is that we can now implement new projects quickly and keep up with the latest market trends."

#### Superior Technology Lets Employees Concentrate on Value-Added Tasks

The Weasy solution automates many of the tasks that were previously handled manually. Consequently, Oerlikon Balzers Coating Services has redeployed employees in areas where they can contribute more effectively to customer service and bring more value to the company. Gerhauser says: "We have been able to reduce the effort needed in our management processes by 20 per cent. This time saving has been used to redeploy employees to areas of the business where their expertise helps to improve customer-facing functions."

#### Support for Continued Growth

The organization can use the new system to support plans for future growth. Gerhauser says: "Microsoft Dynamics NAV will continue to play a central role in the development of our production and sales departments until 2009 and beyond. Our plans for growth will help us retain our position as market leader and stay one step ahead of the competition."

For more information about Oerlikon Balzers Coating Services products and services, visit the web site at: <http://www.oerlikon.com/>

#### About Partner Power

**Partner Power** is specialized in implementing Microsoft ERP solutions to international customers operating in multiple locations worldwide. Our organization currently covers 45 countries, operating from 131 regional offices and employing more than 3000 highly skilled professionals. Our services are provided globally through certified professionals locally. We believe that the right solution is based upon industry knowledge, customer focus and a proven global roll-out methodology.

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Want to learn more?

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