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#### TIETO'S LEAN SYSTEM®

→ Lean System® is an ERP system product developed by Tieto. It is designed for environments where flexibility and speed are required.

→ Lean System is used daily by over 100 companies around the world, mostly from the networking industry, service industry and project management fields. Lean System has topped impartial ERP customer satisfaction polls for several consecutive years.

# International growth – how is it for enterprise resource planning?

**Confidex Oy** is a rapidly growing company located in Tampere, Finland with **unique know-how in designing and manufacturing RFID technology**. The company has offices in Europe, North America and China and retailers in over 30 countries.

Text: **Mari Karjalainen** Photos: **Confidex**

Confidex is the global market leader in manufacturing radio frequency identification tags (RFID) for tickets and returnable transit items. It specialises in industrial RFID applications for demanding environments. Compared to traditional barcode markings, one of the benefits of RFID is that no visual connection between the reader and the tag is needed. Many tags can be read immediately from up to tens of metres away. RFID tags

have become more common in public transport tickets and in returnable transit items in retail, postal and automotive industry.

"There are infinite possibilities for applications. RFID can be used to mark, for example, property or the origin of brand products," explains CEO of Confidex **Timo Lindström**.

#### Challenges of a global operational environment

Confidex operates on a global level. The company's head office and product development are in Tampere, Finland, manufacturing is in China whereas a global network of distributors takes care of sales.

"An operational environment like this sets great demands on our enterprise resource planning and reporting," says Lindström.

The broad geographical distribution of Confidex and the resulting communication between different operations in the company, as well as the need to enhance production management were the impetus →→→

# There are infinite possibilities for RFID applications.

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→→→ for seeking a new enterprise planning system (ERP). Previously, the production management was done solely in China because the former system could not be used remotely from Finland. Effective tools in production planning and management could solve these bottlenecks in production.

“There was room for improvement in reporting as well. That is why we began looking for a system that would solve these challenges posed by production planning and having multiple offices,” Director of Finance at Confidex **Rainer Antila** describes the project’s background.

The solution was found in Tieto’s Lean System® ERP together with Process Balancer, a visual tool for production planning.

“With the help of Lean System we can now do everything in material and production flows, such as sales, deliveries, billing, production planning, warehouse management and material management,” Antila sums up.

According to Senior Sales Manager **Kristo Turunen** from Tieto, Lean System really is a flexible solution.

“The system’s benefits are seen particularly when the customer’s operational environment is challenging, for example when manufacturing tailored products for customers, having to operate in a rapidly changing environment based on forecasts or having to optimize machinery utilization rates or other such bottlenecks. Lean System is a well scalable system that is suitable for both start-up companies and big international operators alike.”

## **Reliable and transparent information**

In implementing the ERP, the goals were set in improving efficiency of operations by mak-

ing it easier to collect work data and storage events, and by enhancing production planning, material management and the load on production resources. More transparency was also needed between operations in Finland and China.

“We can already now see clear benefits. We have a system that can be used in two places simultaneously and we can see the situation in real time. This makes everybody’s life easier. A common system enables us to enter data only once. This reduces the number of errors significantly,” Antila says.

“From the point of view of management, it is essential that we get reliable data from all processes in the operation,” Lindström states.

## **Rapid implementation**

The implementation of Confidex’s Lean System ERP took only six months.

“The implementation was really sharp, the project manager did a great job. Some of our staff had previous experience with Lean System, which helped in the process. Another positive thing was that every application in the system works according to the same logic and is therefore easy to learn. This made the implementation easier, as we could do the user training in China ourselves,” Antila explains.

“We have made long-term investments in developing the project implementation model. We have striven to make the implementation of a new ERP system as easy for the customer as possible. The project model is a ready-made package with carefully planned stages. We deliver the system itself to the customer as highly pre-parametered as possible. That saves both time and money for the customer,” says Turunen. ■



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