



Customer Profile

Herman Miller accelerates business growth with Infor SyteLine



Facts at a glance

Product: Infor SyteLine

Industry: Manufacturing

Country: Global

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—Kevin Hall, Head of International Business Systems Development, Herman Miller

About the company

With operations in more than 40 countries and based in the UK, Herman Miller is a leading global manufacturer of office and domestic working environment furniture. The company maintains manufacturing and distribution centers in North America, the UK, and Asia, and sales offices, dealers, and licensees in North America, Asia/Pacific, the Middle East, Africa, and Latin America. To learn more, visit www.hermanmiller.com.

Setting the strategy

The Herman Miller network of dealers, consultants, and financial partners offers customers an array of specialized services to plan, design, and manage their workplace. Every project and every company has its own pressures and criteria.

Consequently, Herman Miller seeks to address each project individually. To handle separate projects, Herman Miller relies on innovation as the cornerstone of its success.

Herman Miller also seeks to embody and promote strong environmental principles. The company applies these principles throughout design, production, supply, and commercial activities. For example, the designs in Herman Miller's portfolio are ecologically sound, and its catalogue includes many examples of "ecodesign" techniques. The design stage includes disassembly concerns, and production focuses on energy-efficient manufacturing using recycled and recyclable content.

A few years ago, Herman Miller achieved placement in the fourth annual Sustainable Asset Management (SAM) Sustainability Yearbook, published by the SAM Group, an independent asset management company based in Zurich, Switzerland. The yearbook recognized Herman Miller as SAM Sector Leader and Sector Mover for the Furnishing category.

Getting business specific

As Herman Miller's international business developed, it became evident that the company had outgrown its previous IT solutions—an in-house MRP system and a legacy ERP product from Symix (which later became part of Infor™). Several years ago, Herman Miller upgraded to Infor SyteLine, the precursor to Infor SyteLine, which supported the company well for the next 10 years.

Then, Herman Miller decided to implement the latest version of Infor SyteLine throughout the enterprise. "Our experience with in-house systems and Infor SyteLine showed us that we can make huge gains in deploying ERP," says Kevin Hall, head of international business systems development for Herman Miller. "We chose Infor SyteLine largely because of our positive experience with Symix and the Infor team. We had experienced real benefits, especially from improved product] configuration. We also knew that the graphical interface of Infor SyteLine could improve and accelerate the use of Infor SyteLine throughout the company, bringing results quicker."

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Infor SyteLine is the next-generation solution designed to meet the unique requirements of businesses within discrete manufacturing. Infor SyteLine supports design, sell, plan, source, make, deliver, service, and finance functionality, and provides a path to additional business-specific functionality, such as supplier relationship management and enterprise asset management, through an open architecture that makes integration easy.

With expanded multi-site capabilities and an application-wide event modeler, Infor SyteLine improves workflow and collaboration across the entire enterprise, allowing manufacturers to make real-time decisions to improve productivity, order accuracy, and inventory management.

The objectives of the Herman Miller ERP project were to improve the visibility of operations and increase productivity without compromising the established environmental credentials and customer services standards of Herman Miller.

"Time is everything in this industry," Hall says. "The time it takes to acknowledge and fulfill an order is critical to delivering superior customer service and achieving competitive advantage. We demand a lot from our ERP solution. We have several instances of local production across the world. We need to drill down to individual elements of orders that can contain millions of possible products. We must be able to do all of this quickly, and the solution has to be fully integrated with our existing systems."

As part of its "green" credentials, Herman Miller makes a conscious effort to manufacture products close to its markets. This cuts the costs and complexity of distribution within that market. Being closer to customers also lets Herman Miller provide faster delivery.

On certain products, the company promises that if the order is not fulfilled in 10 days, it is supplied free of charge. Infor SyteLine and supply chain excellence are both critical to ensure that the company reaches this level of service.

Seeing results

To drive integrated production and supply, Herman Miller has deployed Infor SyteLine throughout its international operations in the UK, Italy, France, Germany, Brazil, Mexico, Japan, Singapore, and China. Infor SyteLine is the backbone of the company's operations and provides a single platform for all transactions. Consequently, there have been several points of impact upon the business.

In the US, Infor SyteLine is integrated with e-procurement to keep inventory low and reduce the time to purchase components needed for manufacture. The company has reduced such inventory by \$1.2 million in two recent years.

Because its customers can customize their orders with their choice of colors, fabrics, and designs, Herman Miller currently carries a staggering 450 million stock-keeping units (SKUs). However, using Infor SyteLine, the company now makes each product to order, with no finished product stock held and only low inventory levels of the most needed components. Hall explains: "Our paperwork is the manifest, and it has all the information from Infor SyteLine printed on it. This gives us full identification throughout the process on the floor. After our products come off the line, the system automatically posts them to a location from which our logistics people can then ship them off to the customer."

Now that the process involves pulling electronic purchase orders through the system and automatically sending them to key suppliers without any manual intervention, Herman Miller's JIT (Just-In-Time) supply chain has been enhanced, as well.

Infor SyteLine is also fully integrated into the electronic sales ordering system, enabling the company to acknowledge and confirm an order online in less than one minute.

The speed of production and the delivery of finished goods have now improved with 100% of relevant products reaching customers within the 10-day limit.

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Doing business better

Maximizing the multi-lingual capabilities of Infor SyteLine, Herman Miller has perfected the processes for fast deployment in foreign territories. Nowhere is this expertise more evident than in the latest local implementation in China.

Setting up the system to support a brand new manufacturing/sales facility took less than three months. The implementation made use of the Infor SyteLine country pack and local support, accelerating not only implementation but also user adoption.

Hall elaborates: "Within manufacturing and distribution, we're now using barcoding to record our transactions. Before adopting Infor SyteLine, it would have been recorded manually, and production wouldn't know until the end of the shift exactly how much they made. Now, at any time during their shift, they can see how they're progressing against their target on a minute-by-minute basis."

A critical component to this global deployment is an upgrade to the latest version of Infor SyteLine, which includes Infor ION, the unifying fabric to make integration easy. The need to integrate and enhance inter-company, company-supplier, and company-customer communications is driving this upgrade, as well as the need to improve supply chain visibility.

Hall points out that the move to the latest version yields many potential benefits: "Infor SyteLine has already delivered speed and accuracy," he says. "The ION version will build on that, delivering electronic invoices, consistent pricing throughout the company, and single points of contact for any customer. The technology built into the application makes it much easier for us to do some of those small add-on capabilities without modifying the code. It means that we can take the next upgrade and bring all of our changes with us—a major change for us.

"Our strategy is to ensure that Herman Miller is capable of satisfying tight deadlines without compromising product quality and our green responsibilities,"

Hall says. "Infor SyteLine has undoubtedly helped us achieve the fast turnaround and product quality that we need to achieve to deliver superior customer service."



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