D&TS
Simplified Business Processes

Increase of business efficiency through classification and increased quality of master data

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Agenda

- Requirements for improved data quality and automatic classification
- Keeping classification current and expanding and synchronizing it
- A combination of PARTsolutions, PARTdataCenter, ClassCockpit and SAP

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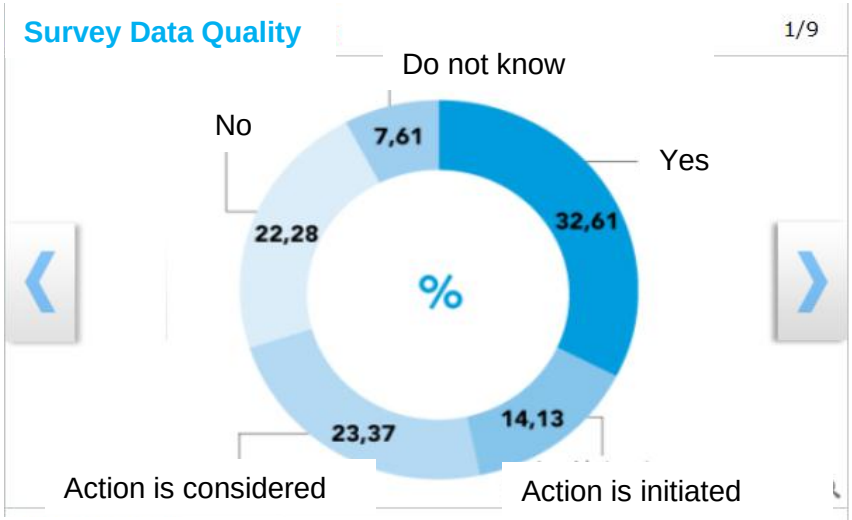
How important is good data quality?

In the U.S. alone poor data quality causes economic losses of around $ 600 billion each year, a study by the Data Warehousing Institute showed. "If one converts these numbers to Germany, this corresponds to a load of about 186 billion Euros," said Jochen Kokemüller, member of the Information Management Competence Team at the Fraunhofer Institute for Industrial Engineering (IAO).*

- Improving data quality is a highly topical issue and concerns many SMEs and large companies



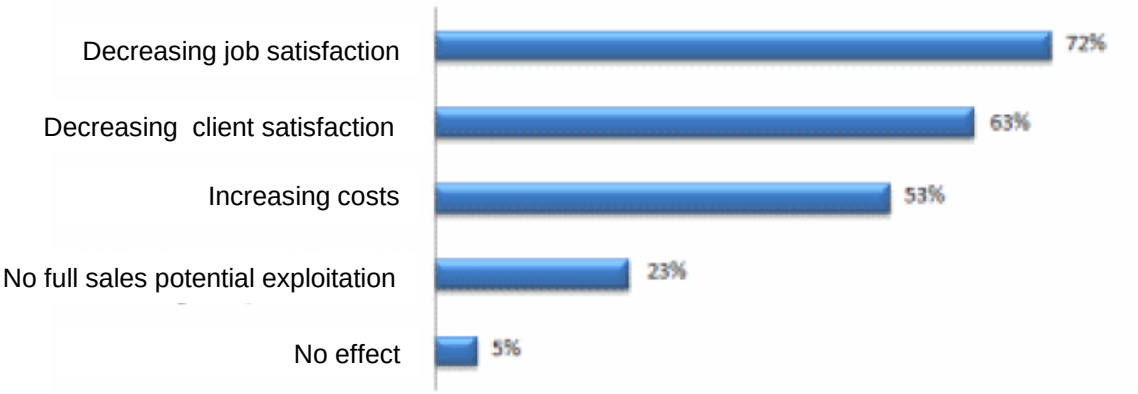
Data quality
Were or are there initiatives in your company to improve data quality

* Fraunhofer- Institut für Arbeitswirtschaft und Organisation (IAO)

How important is good data quality?

The BARC study shows that German companies attach growing importance to the issue of data quality - in SAP systems and beyond.

- 100 German companies in different industries and sizes using SAP systems were interviewed.
- Clear trend: The majority of respondents expresses its concern over the status quo of corporate data quality and is convinced that poor data quality is negatively affecting the value of the SAP systems (83%).
- In addition, respondents had already had a number of bad experiences due to poor data quality.



What experiences did you have, related to bad data quality?
(n=111, Source: BARC)

How important is good data quality?

- Companies are often helpless against data quality problems. The business environment is changing so rapidly, for instance as a result of mergers, start-ups, globalization and growth, that without the introduction of a management process data cannot be integrated properly.

- "eCommerce starts and ends with information" -> An internet presence does not constitute good e-commerce, because customers and suppliers expect structured data.

- But eBusiness and eProcurement not only require structured data, internationally established standards have to be necessarily used to ensure long-term success.

Data quality in businesses is only successful if the appropriate processes are controlled uniformly, centrally and transparently.

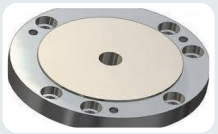
Good data quality and classification affects all

- Better data quality can fundamentally improve decision making in companies
- Relevant initiatives regarding data quality must come from the top management
- Data quality contributes significantly to the design of business processes and serves as a basis for well-founded business decisions
- Also for the improvement in revenues and costs - and thus for corporate profitability – a good data quality and a classification of master data is a fundamental priority
- Classification reduces the volume of data across the entire enterprise and upgrades the existing data
- Data quality plays a key role in many applications in the most important business sectors

Good data quality and classification affects all

The basis is a classified material master consisting of proprietary, purchased and standard parts





This results in several benefits for the individual divisions

Engineering	Reuse of components
Documentation, Standards	Standardization
Production, Warehousing	Optimisation of storage -> reduction of inventory costs
Purchase	Demand pooling Supplier consolidation
External service provider	Supplier Portal
IT	Process Optimization
Controlling Management	Cost reduction and improve-ment of business efficiency

The database

Part groups

Standard Parts

DIN/ISO

Standard parts are supplier independent and follow standards like DIN/ISO or other standards.

Purchased Parts

Purchased parts are parts that are usually obtained through a manufacturer or supplier catalog.

Own Parts

Own parts are either structurally modified standard parts or completely self-developed parts.

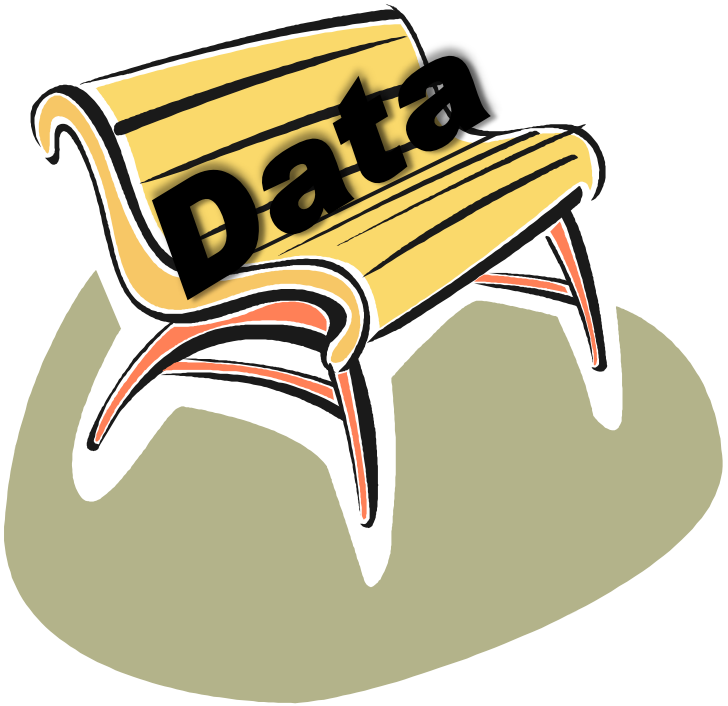
Modules

Modules

A group of individual parts, which is installed as a unit in the final product.

The database

For an improved data quality a secure database must be accessible!



The database

To improve the data quality in an enterprise users need to have access to a secure database.

Precondition for a secure database are good and complete data that can roughly be split up as follows:

- Standard and supplier parts -> here, the suppliers must provide good data in the form of catalogs
- Proprietary parts -> company-made parts must be easily retrievable in the database in order to guarantee reuse

A new creation from a secured database increases data quality.

Requirements for improved data quality and automatic classification

Database for standard and purchased parts

Supplier catalogs in PARTsolutions...

- supplement their database to view detailed parts information
- ensure a reliable and tidy data state with correct manufacturer names and part numbers -> improved data quality
- in the optimal case are classified according to one standard -> prerequisite for automatic classification

Part of supplier catalogues

And many more…

Requirements for automatic classification

An intersectoral product data standard

- A prerequisite for effective trading is a common language between trading partners.
- The user wants a unified terminology and a consistent structure across all the product groups of the supplier data or catalogs used.
- To comply with this, several classification systems have been developed.
- Common feature of these systems is that products with similar properties can be combined into a particular product class.
- The classification system defines the name of the product category, including a list of synonyms and related properties, and arranges them in a hierarchical scheme of parent product classes.

Prerequisite for an automatic classification are supplier data that are already classified according to a standard.

Overview of (inter)national classification systems

	eCl@ss	UNSPSC	eOTD/E CCMA	GPC	SWK	ETIM	profi-cl@ss	GPI	PI-Standard
Across all industries	x	x	x	x	x	-	-	-	-
Standard-ized structure and content	x	-	Under construction	-	-	-	-	-	-
Consistent product description through attributes	x	-	x	-	-	x	x	-	x
Language versions	7	12	1	1	1	2	1	1	12

Classifying with eCl@ss

eCl@ss...

- is a standard for classification and material groups (including services)
- characterized by a hierarchical data structure at 4 levels: subjects matter areas, major groups, groups and subgroups
- a classification that supports the user with keywords, synonyms, attributes and characteristics
- Standards-based and investment-secure
- General master data structures across corporate boundaries
- eCl@ss - the standard that has prevailed
- 38,000 product categories and 16,000 features
- Suppliers rely on eCl@ss
- Standard and purchased parts can be assigned directly for almost 100%

eCl@ss Office BENELUX

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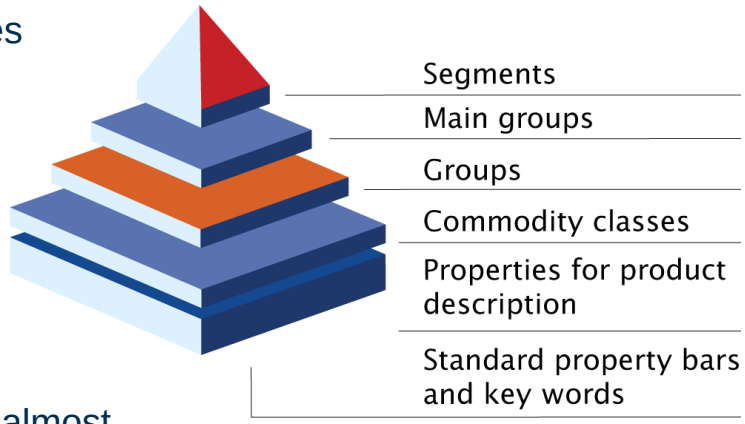
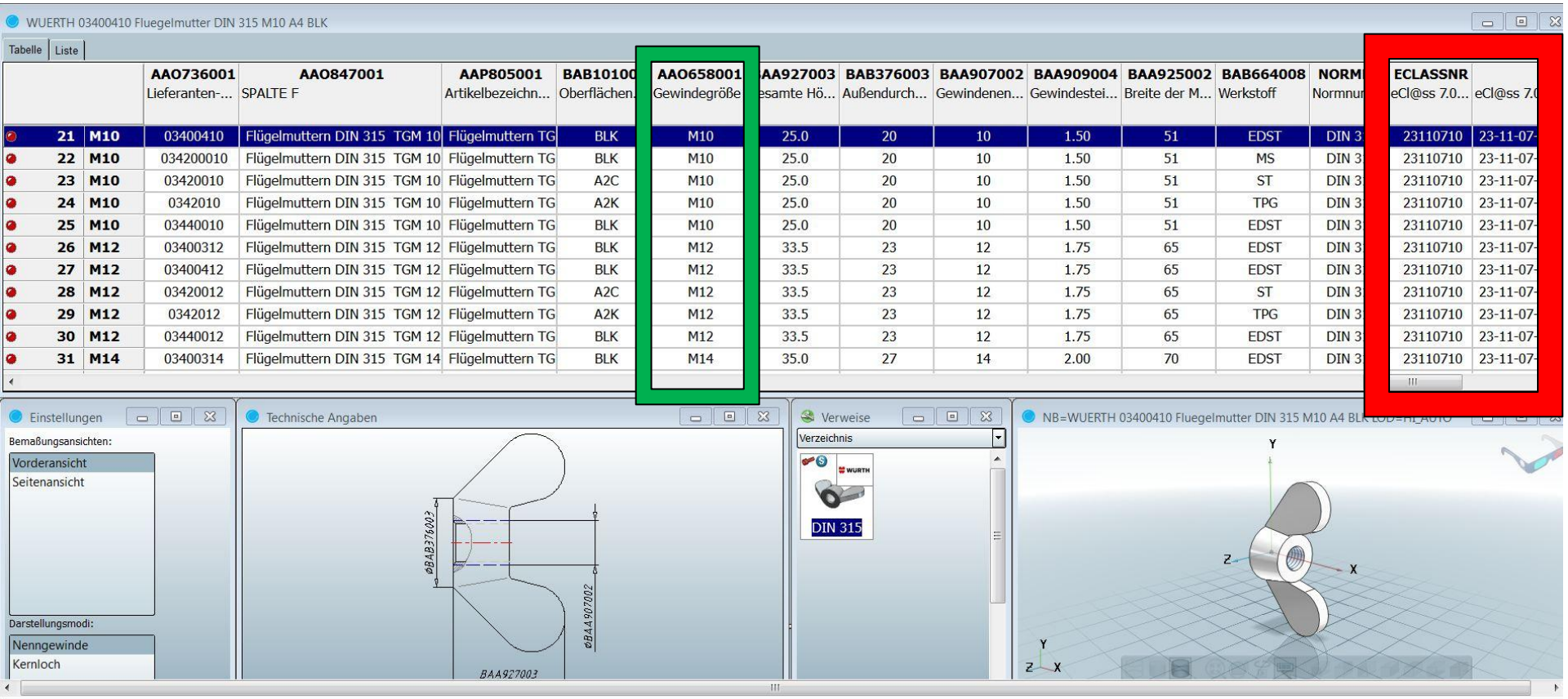


Standardized supplier data according to eCl@ss

- For each part is specified to which product category of the classification system it belongs -> eCl@ss class=23-11-07-10
- In addition, all attributes/characteristics are associated with the classification system -> Example eCl@ss Feature: AA068001 thread size



		AAO736001 Lieferanten-...	AAO847001 SPALTE F	AAP805001 Artikelbezeichn...	BAB10100 Oberflächen...	AAO658001 Gewindegröße	AA927003 esamte Hö...	BAB376003 Außendurch...	BAA907002 Gewindenen...	BAA909004 Gewindestei...	BAA925002 Breite der M...	BAB664008 Werkstoff	NORM Normnur	ECLASSNR eCl@ss 7.0...	eCl@ss 7.0
21	M10	03400410	Flügelmuttern DIN 315 TGM 10	Flügelmuttern TG	BLK	M10	25.0	20	10	1.50	51	EDST	DIN 3	23110710	23-11-07-
22	M10	034200010	Flügelmuttern DIN 315 TGM 10	Flügelmuttern TG	BLK	M10	25.0	20	10	1.50	51	MS	DIN 3	23110710	23-11-07-
23	M10	03420010	Flügelmuttern DIN 315 TGM 10	Flügelmuttern TG	A2C	M10	25.0	20	10	1.50	51	ST	DIN 3	23110710	23-11-07-
24	M10	0342010	Flügelmuttern DIN 315 TGM 10	Flügelmuttern TG	A2K	M10	25.0	20	10	1.50	51	TPG	DIN 3	23110710	23-11-07-
25	M10	03440010	Flügelmuttern DIN 315 TGM 10	Flügelmuttern TG	BLK	M10	25.0	20	10	1.50	51	EDST	DIN 3	23110710	23-11-07-
26	M12	03400312	Flügelmuttern DIN 315 TGM 12	Flügelmuttern TG	BLK	M12	33.5	23	12	1.75	65	EDST	DIN 3	23110710	23-11-07-
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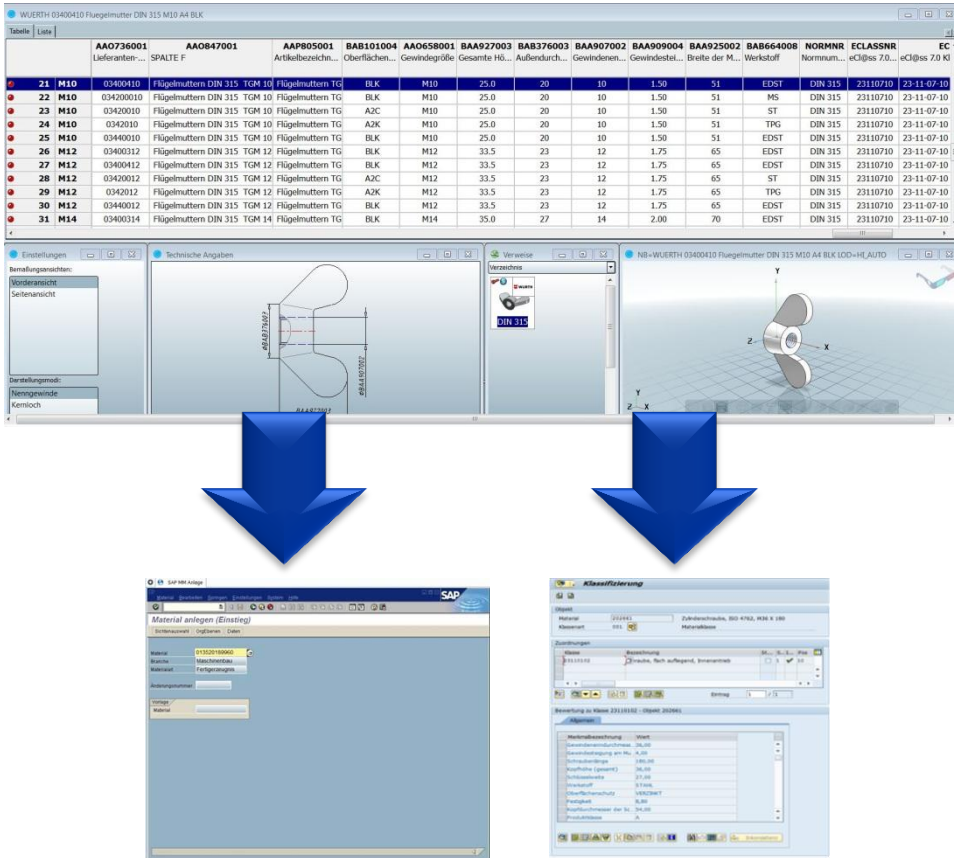
31	M14	03400314	Flügelmuttern DIN 315 TGM 14	Flügelmuttern TG	BLK	M14	35.0	27	14	2.00	70	EDST	DIN 3	23110710	23-11-07-

Automated material creation

Automatic creation of the material master data from one source

By integrating PARTsolutions with an ERP system material master data fields are automatically filled with features from PARTsolutions and can be classified automatically*.



* Catalogs must be in the appropriate quality -> Classified according to eCl@ss

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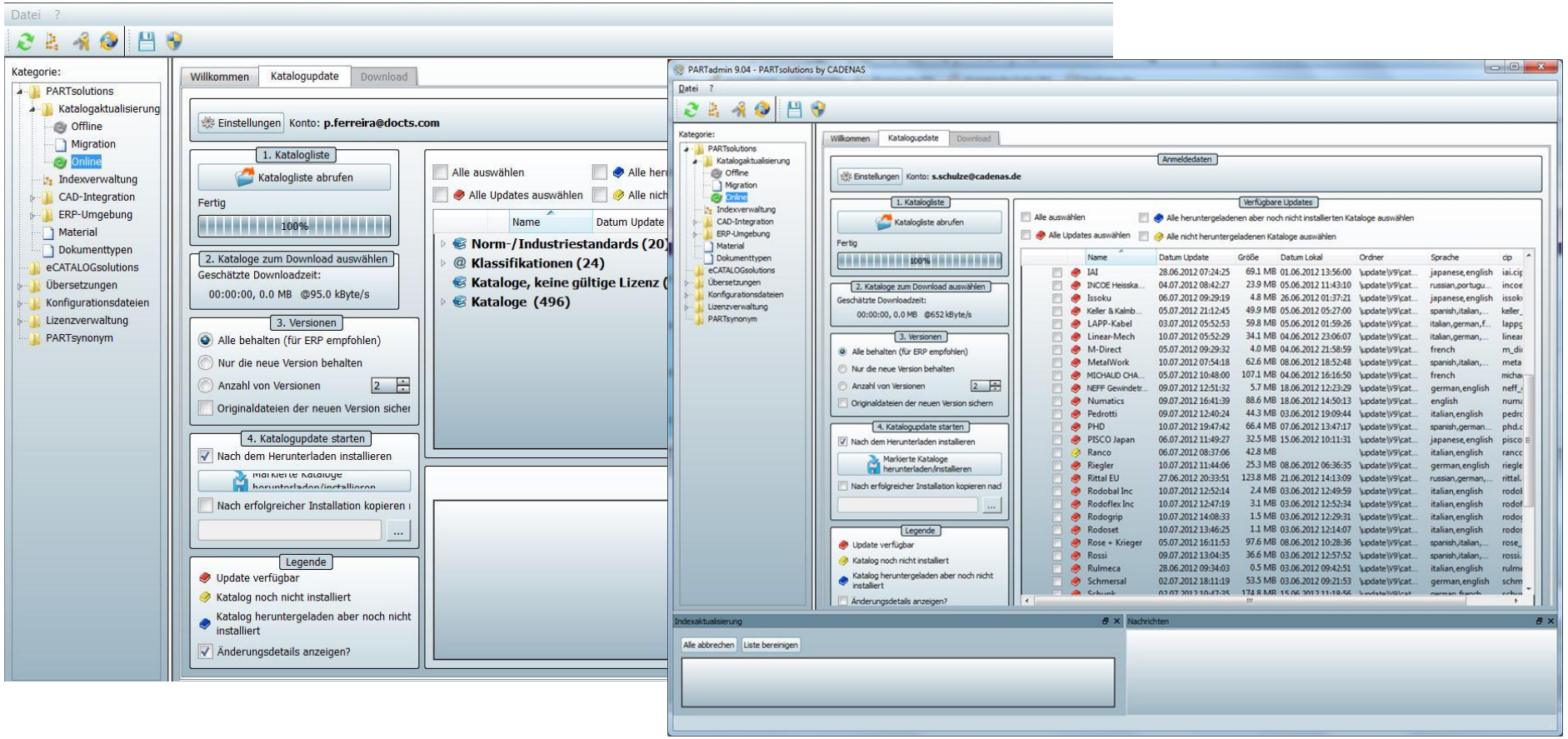
Keeping catalogs and classification current

Updating catalogs

Manufacturer catalogs can be always added and updated through the CADENAS BMEcat Importer



Synchronizing and expanding classification

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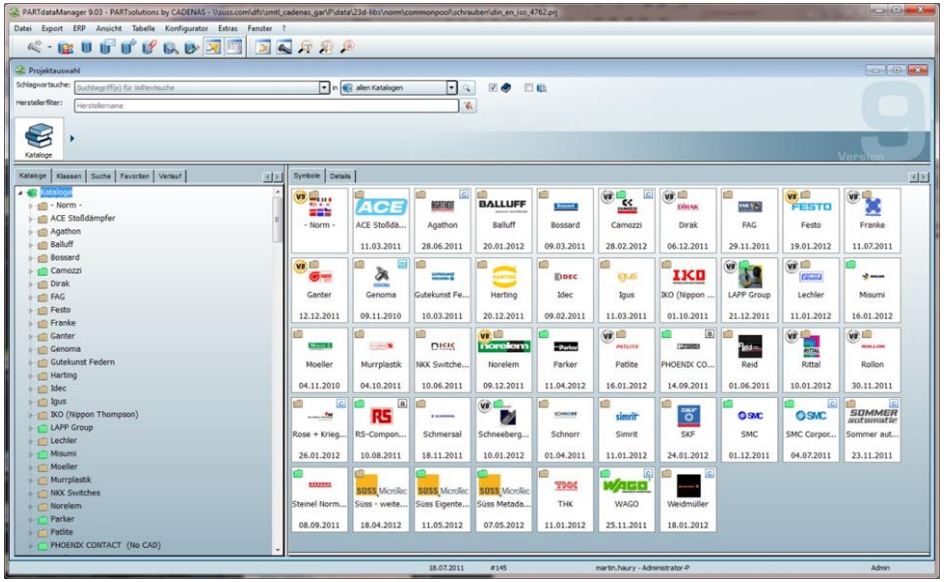
PARTsolutions, PARTdataCenter, ClassCockpit and SAP

PARTsolutions

- In many companies PARTsolutions functions as the main software system for engineers and buyers for managing and finding proprietary, purchased, and standard parts.
- As a basis for the creation and adjustment of master data the numerous manufacturers' catalogs of the strategic parts management system PARTsolutions are available.
- Regardless of which CAD, PLM, or ERP systems are already in use in your organization, CADENAS PARTsolutions is open to all systems.

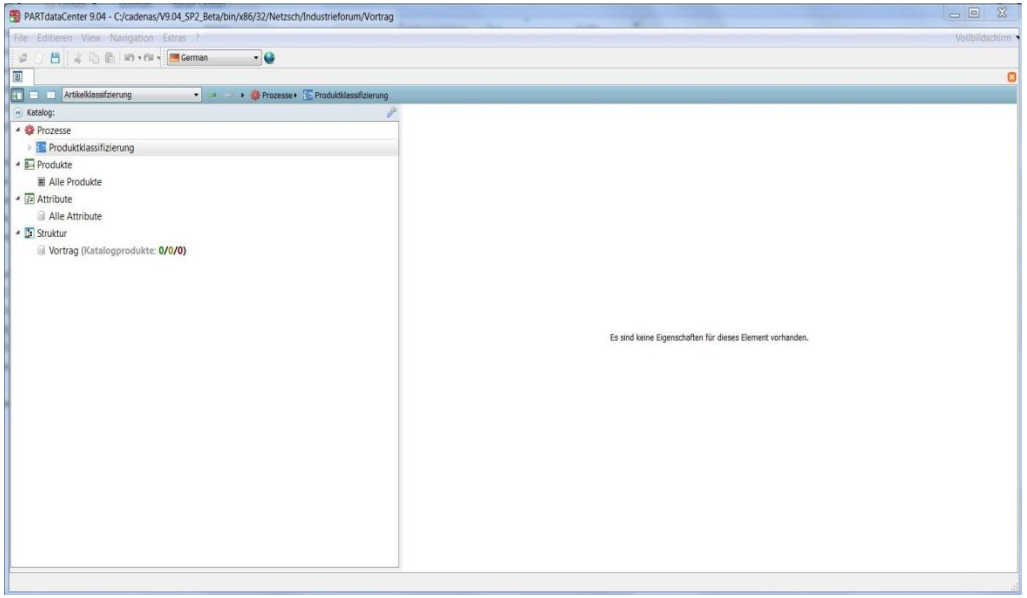


PARTsolutions, PARTdataCenter, ClassCockpit and SAP

PARTdataCenter/PARTwarehouse

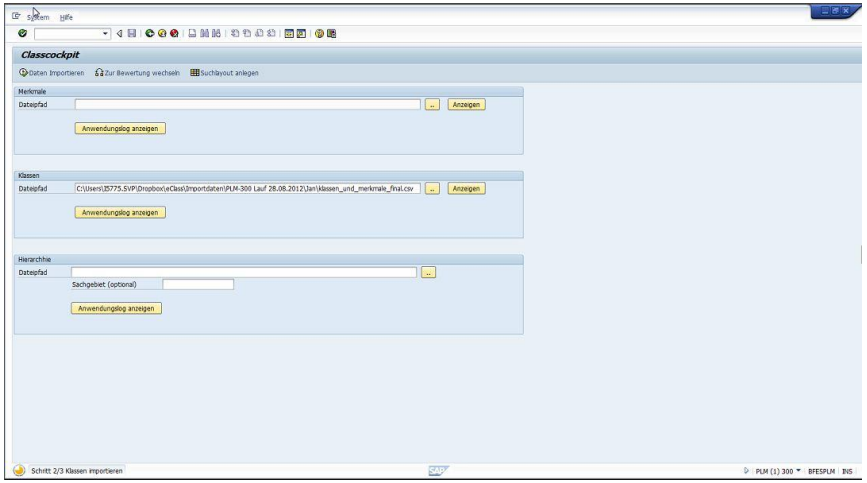
Using PARTwarehouse, parts master data can be classified semi-automatically.

Here we recommend the following workshop:
Structure your parts master data with the help of PARTwarehouse!

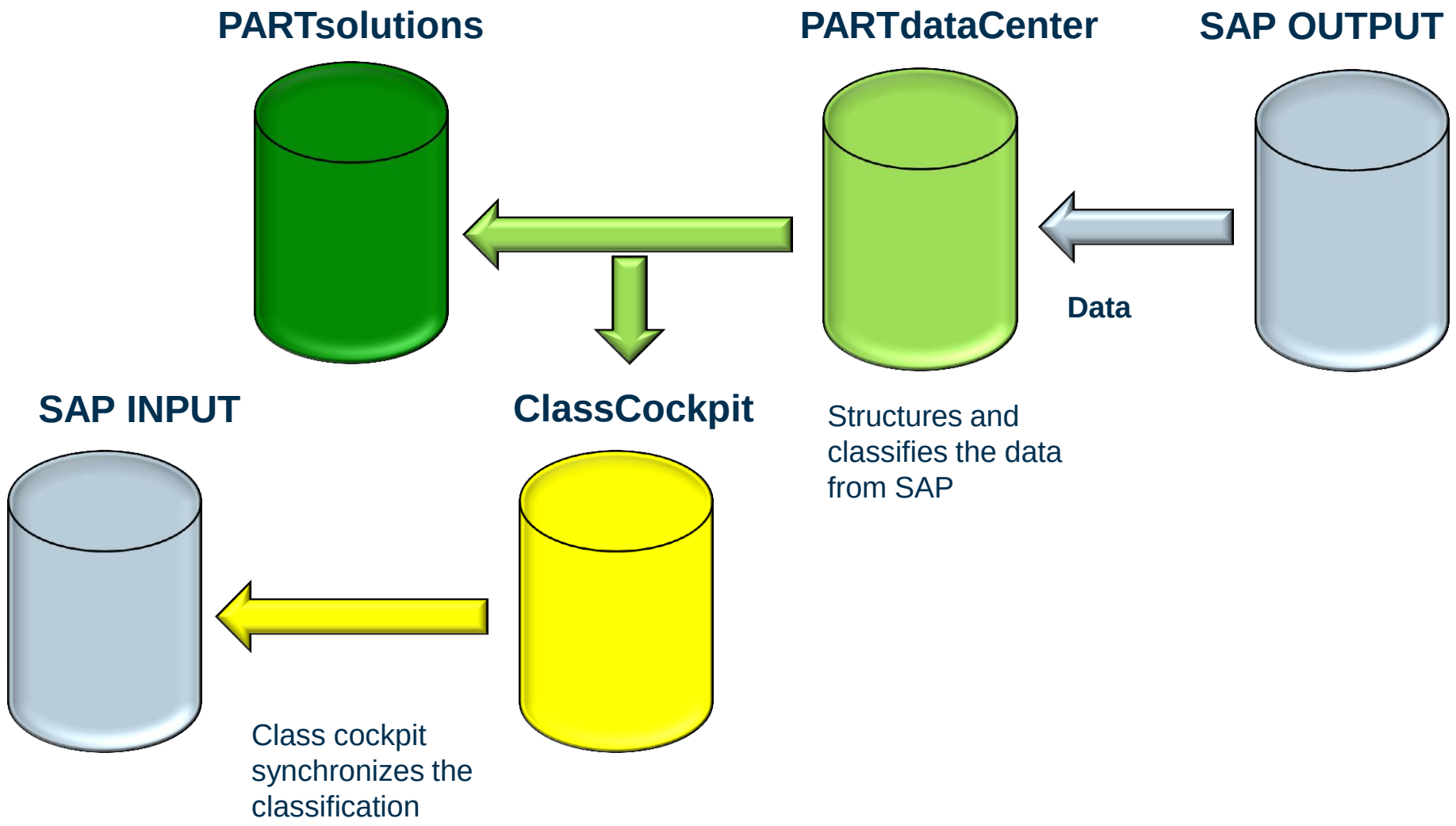


ClassCockpit

- Building a classification in SAP or another ERP system. This means builds a class structure consisting of features, classes with feature assignment and hierarchies, and evaluates these.
- Takes care of the synchronization process between PARTsolutions and SAP.

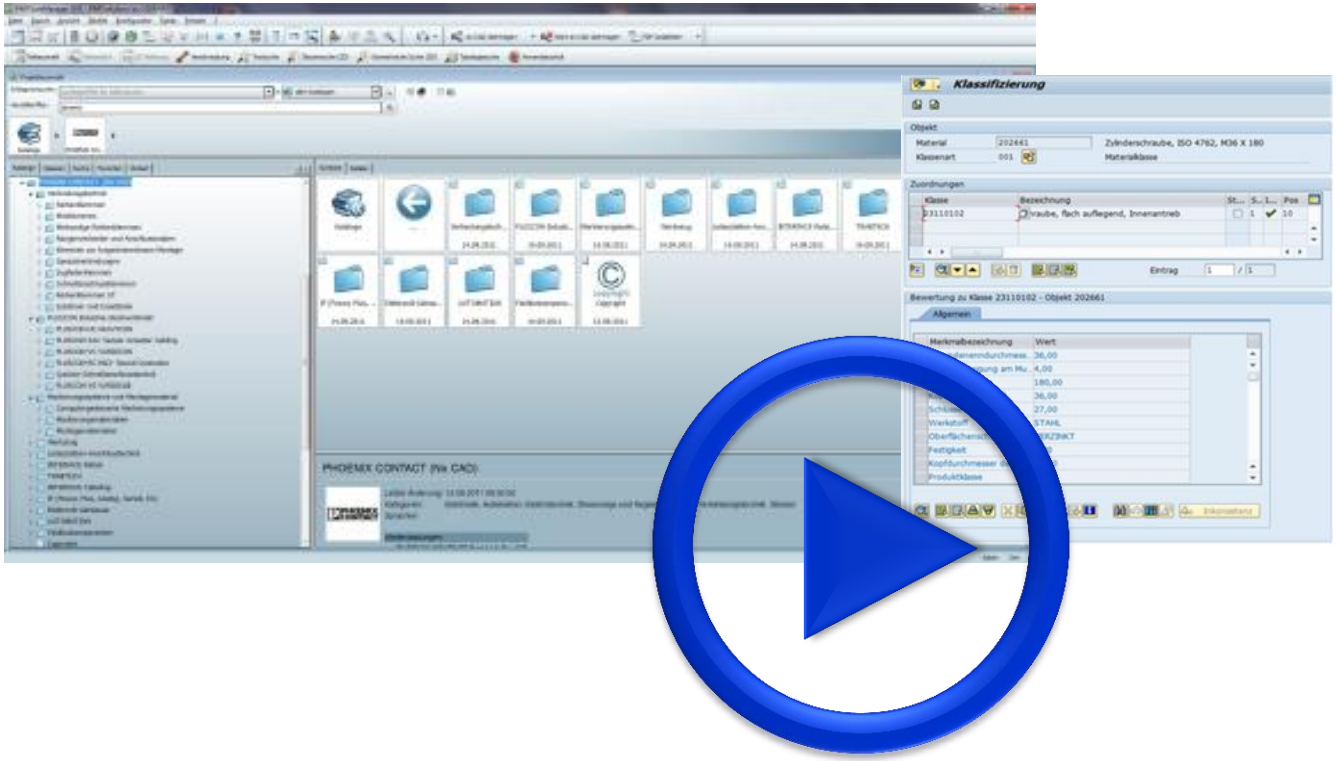


PARTsolutions, PARTdataCenter, ClassCockpit and SAP



Classification Workflow

Video



Questions/Answers

Thank you for your attention!

Any questions?

Contact data

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