

CPG INTERNATIONAL

USING SAP® BUSINESS ONE TO OPTIMIZE BUSINESS PERFORMANCE AND REPORTING

Experiencing aggressive business expansion, the publicly traded company CPG International Inc. could not afford to maintain its IT status quo. The company's existing enterprise resource planning software could no longer respond to its increasingly complex and challenging business requirements. Led by SAP partner Accelbus Systems LLC, CPG implemented the SAP® Business One application, enabling successful integration of all core business processes – including general ledger accounting – across all the company's business segments.

Leading Manufacturer of Engineered Building Products

Headquartered in Scranton, Pennsylvania, CPG manufactures highly engineered, low-maintenance building products for residential and commercial markets. The company includes two wholly owned subsidiaries, AZEK Building Products and Scranton Products, through which

transformation and growth: immediate plans are to expand AZEK Building Products' sales footprint and brand.

Nonintegrated Business Processes Impede Progress

The decision to overhaul its IT landscape was based on one simple truth – CPG had outgrown its business management

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it offers a number of market-leading brands and products such as AZEK Trim and AZEK Deck. Operating multiple, highly automated manufacturing facilities in Pennsylvania and Alabama, CPG's strategy is one of business

solutions. “What we had was a legacy solution that no longer met the requirements of our growing business. It was not well integrated and did not support the reporting functionality or enterprise-wide visibility we needed to move our

business to the next level,” explains Andreas Ludwig, VP and CIO at CPG. Because of the nonintegrated – and outdated – IT infrastructure, CPG faced several business challenges, including these:

- Lack of support for acquisition and growth
- Inefficient inventory, sales, and purchasing management across the segments
- Difficulty producing accurate, timely reports to support regulatory compliance and risk management
- Informal, manual processes resulting in business process inefficiencies

Unique Business Requirements Drive Software Selection

CPG engaged Accelbus Systems LLC of Wayne, Pennsylvania, to determine the best course of action for modernizing its IT landscape. From the start, Accelbus recognized that to meet the company's unique requirements, flexibility was extremely important. “One of the major challenges for us was that the company is comprised of subsidiaries with very different business models for order fulfillment – make to order and make to stock. For CPG, we needed a solution that would accommodate both business models, and SAP has solutions that are flexible enough to do that,” explains Peter Illari, a principal at Accelbus.



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Given CPG’s acquisition strategy, Accelbus also understood the need for a solution that could streamline the acquisition process and enable new businesses to be folded easily into the company’s

Business One implementation was very successful. Accelbus provided outstanding support every step of the way and worked closely with us to begin reengineering our business processes – an

- Improved visibility into entire sales cycle from beginning to end
- Reduced inventory levels and transaction costs
- Significantly improved planning ability
- Simplified acquisition management and consolidation

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business management infrastructure. Based on significant hands-on experience with SAP solutions – in addition to extensive knowledge of CPG business requirements – Accelbus recommended the SAP Business One application.

Accelbus Drives Implementation

SAP Business One is a business management application that supports critical business activities in sales, financials, purchasing, manufacturing, inventory, service, and customer relationship management, while providing a unified view of operations. Accelbus rolled out the application to 150 users spanning four business entities in one of the largest and most complex implementations of its kind. The implementation achieved go-live in less than four months with virtually no business interruption and positive user acceptance. “The SAP

ongoing effort due to the many opportunities we now have to improve the way we do business,” says Ludwig.

CPG Improves Business Performance

SAP Business One allows CPG to control company operations from one comprehensive application that automates and streamlines all core business processes. Even better, SAP Business One can handle both of CPG’s manufacturing models with ease.

Other benefits of SAP Business One experienced at CPG include the following:

- Integrated, automated, and standardized business processes across the enterprise
- Comprehensive, real-time transaction processing – order fulfillment, pro-

“In addition, the minimal system requirements of SAP Business One keep total cost of ownership low and make administration and system maintenance straightforward and simple,” says Illari.

Accelbus Adds PowerAnalytics for Data Consolidation

After completing the SAP Business One implementation, Accelbus engaged PARIS Technologies Inc., an independent software vendor and innovator in business intelligence and online analytical processing. PARIS Technologies provided software to enhance the company’s reporting capabilities and consolidate four independent databases for SAP Business One that existed separately at four CPG companies. Accelbus implemented PARIS Technology’s PowerAnalytics, a tool designed to work with SAP software for easy data consolidation and enhanced analytics.

CPG Gets Fast, Consolidated Reporting

With SAP Business One and the PowerAnalytics tool recommended by Accelbus, CPG has significantly improved the efficiency and accelerated its reporting process for the Securities and Exchange Commission while minimizing risk of error. Consolidated sales and inventory data has simplified CPG's budget planning and forecasting processes and significantly reduced data consolidation time. "I have seen direct and powerful results from using PowerAnalytics with our SAP Business One application – you go from spending days in consolidating data to minutes," says Ludwig. With PowerAnalytics, CPG is now producing a bank package with financial data and metrics. The company is also tracking inventory and sales for investors and management. When combined with SAP Business One, PowerAnalytics frees companies like CPG from the stream of never-ending spreadsheets, while still enabling them to use Microsoft Excel as a front-end application to a multidimensional online analytical processing environment. "Having consolidated financials is critical. We spend less time on the exercise of consolidating company data and instead use that time on value-adding activities including business analysis," explains Ludwig.

The Company Considers Next Steps

Since implementing SAP Business One and the PowerAnalytics tool, CPG has closed on two new acquisitions. "What normally would have taken months to consolidate was accomplished in days. That was one of our primary goals when we implemented SAP Business One, and we exceeded our own expectations," says Ludwig. As the company moves forward, it plans to continue reengineering its business processes to take full advantage of SAP Business One. "SAP Business One has given us many areas where we can implement more efficient business processes, and we will continue to work with Accelbus to get there," says Ludwig.



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QUICK FACTS

“The SAP Business One implementation was very successful. Accelbus provided outstanding support every step of the way and worked closely with us to begin reengineering our business processes – an ongoing effort due to the many opportunities we now have to improve the way we do business.”

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CPG International Inc.

Company

- Name: CPG International Inc.
- Location: Scranton, Pennsylvania
- Industry: Engineering, construction, and operations
- Products and services: Engineered building products
- Revenue: US\$350 million
- Employees: 500
- Web site: www.cpgint.com
- Implementation partners: Accelbus Systems LLC (www.accelbus.com); PARIS Technologies Inc. (www.paristech.com)

Challenges and Opportunities

- Update nonintegrated, aging business systems
- Provide support for acquisitions and growth
- Improve compliance reporting and business analytics
- Formalize and automate business processes to increase operational efficiencies
- Improve portfolio management

Objectives

- Implement an integrated, scalable solution to accommodate business expansion and future changes
- Enable broader distribution of business data to improve reporting and analytics
- Monitor and manage business metrics company-wide for sales, inventory, and customers
- Improve inventory control through vertical supply chain integration

SAP® Solution and Services

SAP® Business One application

Implementation Highlights

- Consolidated SAP databases via PowerAnalytics
- Achieved excellent teamwork with strong executive support

Why SAP

- Superior industry expertise and reputation
- Highly scalable software to support business evolution
- Proven methodology for rapid implementation
- Highly integrated and robust business management solution

Benefits

- Integrated, automated, and standardized business processes across the enterprise
- Comprehensive, real-time transaction processing for order fulfillment, procurement, and order execution
- Improved visibility into entire sales cycle from beginning to end
- Lower inventory levels
- Improved inventory management

Existing Environment

Nonintegrated, unsupported enterprise resource planning solution

Third-Party Integration

- Database: Microsoft SQL 2005
- Hardware: HP Blade Server
- Operating system: Microsoft



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