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Success story

Plastipak

Industry

Manufacturing

Solution

OpenText[™] B2B Managed Services

Results



Reduced transaction errors, now achieving 97 percent accuracy



Increased visibility into document lifecycle

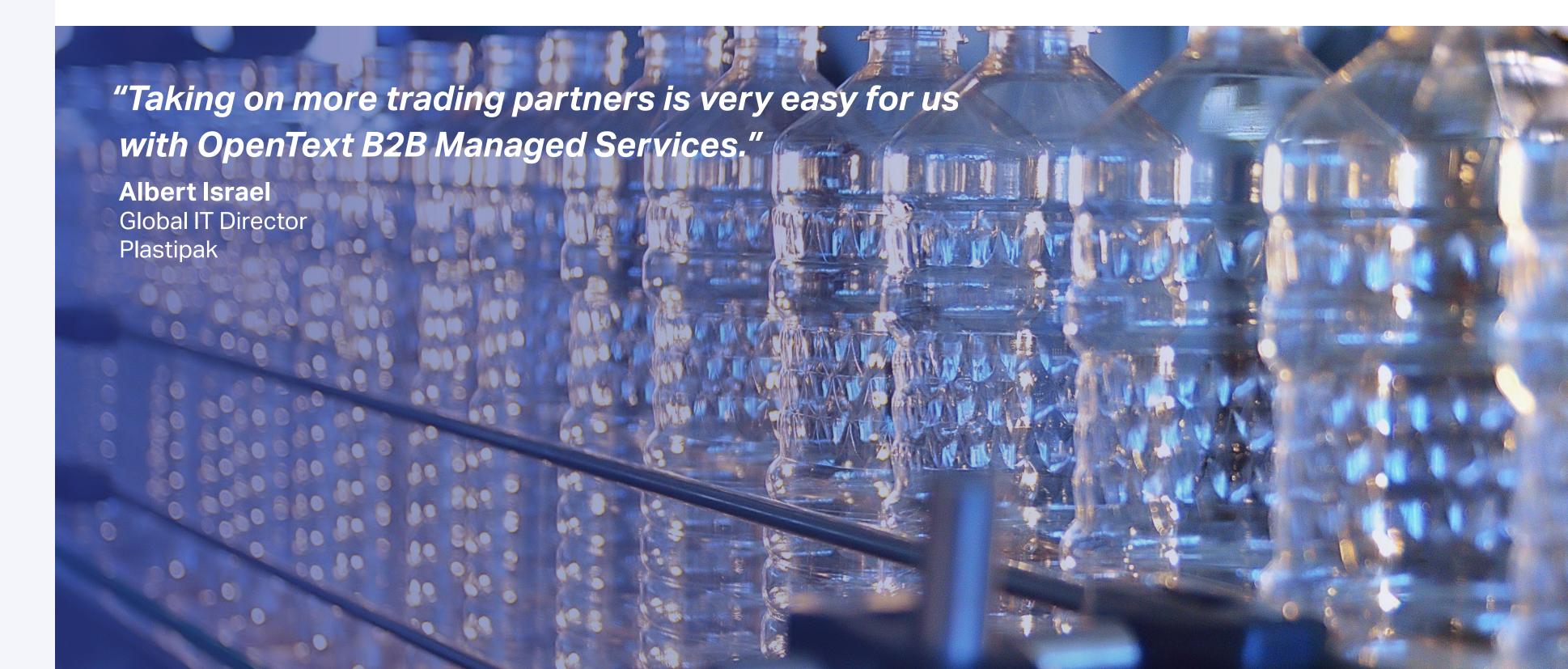


Supporting growth without adding FTE positions



Plastipak steers global growth

Packaging supplier eases trading, replaces in-house operations with OpenText B2B Managed Services



Plastipak steers global growth

As a world leader in the design and manufacture of rigid plastic containers, Plastipak Packaging operates close to 65 sites across the world. It relies on OpenText B2B Managed Services to connect with partners across multiple EDI standards, supporting corporate efficiency and growth.

Adjusting operations for global expansion

Well-known brands in the food, beverage and consumer products industries turn to Plastipak for high-quality containers and packaging innovations. Since its founding in 1967, the Michigan-based business has experienced steady growth in the U.S. and internationally. With this growth comes new relationships and requirements, particularly as the packaging provider expanded to additional sites in Europe and Brazil.

Following acquisitions, increased volume and complexity of EDI transactions stretched Plastipak's lean IT team. Over a relatively short period of time, the volume of EDI documents quadrupled—from 15,000 to 60,000—with no indication of slowing down. Albert Israel, global IT director for Plastipak, expects transmission requirements to reach more than 100,000 documents as new opportunities emerge. "We saw the company expanding in other areas around the world. It was very difficult for us to manage through our in-house EDI system," he said. "Handling all of the EDI standards, all of the time zones, it was becoming more and more challenging."

Primarily, Plastipak aimed to reduce the points of failure within its B2B program. Without direct integration to the company's SAP® enterprise application, the process to translate, transfer and send files to the value added network (VAN) followed a winding path. Failures were common and troubleshooting proved an involved process. To address the challenge, Plastipak explored in-house and cloud-based solutions.

B2B contained in the OpenText cloud

Plastipak now connects with business partners through OpenText B2B Managed Services, providing the technology and expertise for automating supply chain transactions.

The packaging supplier considered several factors before moving B2B management to the cloud, focusing on cost efficiency and business agility. It selected OpenText for its global network, affordability and reputation. "We looked at three companies," Israel said. "It all boiled down to the stability of OpenText in terms of its market share, the pricing and how well it is known in the e-commerce world."

B2B Managed Services bolsters the capable but small IT team at Plastipak with enabling technologies and the management expertise to leverage them.

A direct connection to Plastipak's ERP application reduced points of failure compared to the previous B2B process. "We have a dedicated VPN Tunnel between Plastipak network and B2B Managed Services. It connects directly into our SAP," Israel said. "The bottom line is we wanted to have the least amount of failures in this whole process. In the first month we almost had no failures at all. That was a huge improvement from where we were."

Efficient integration and streamlined onboarding helps Plastipak keep pace with corporate growth: "Taking on more trading partners is very easy for us with OpenText B2B Managed Services," Israel said. The packaging company simply places a request with OpenText, initiating a standard process of creating a new map, a copy, or adding a partner.



B2B Managed Services also helps Plastipak meet expanding customer demands in a global economy. For a recent European acquisition, customers requested capabilities for an EDI standard established in Europe, but not in the U.S. "With our previous infrastructure, we would not have been able to support it," Israel noted. "Initial testing with OpenText was quite positive, so we were able to manage the standard without much customizing."

Packaging positive results

For Plastipak, moving to the cloud with OpenText B2B Managed Services combines improved quality and agility in a worldwide market with significant time and cost savings.

Accuracy and transparency

With its previous system, Plastipak waded through an average rate of errors topping 10 percent. Using B2B Managed Services, Israel reports a reduction to less than three percent, making transaction accuracy more than 97 percent. He added, "Because transactions are continuously represented in an easy-to-access portal, the time required to resolve errors is minimal."

Plastipak's IT team maintained continuity and productivity for users who were unaware of a transition between old and new B2B systems. The process took about three months via a phased approach. Initially, two partners were onboarded, then all trading partners were added. Managers now monitor network and EDI traffic via a portal.

"The biggest beauty of this thing is it is almost transparent to the business," Israel said. "The business didn't even know that a change was happening, but from an IT perspective, it gives us a huge amount of visibility in terms of the entire lifecycle of the document, so we can see from the beginning to the end."

Simplified expansion

The infrastructure between Plastipak's SAP application and OpenText is established. As a result, adding trading partners or handling increased EDI traffic following an acquisition is a straightforward process. "B2B Managed Services supports our growth because it's very easy for us to turn on the EDI map from outside," explained Israel. "It becomes seamless for us to continue with this process as more and more traffic comes our way."

Avoided expenses

On-premise EDI would have proven expensive for infrastructure and personnel, according to Israel. In fact, if Plastipak had chosen to maintain EDI in house, it would have hired two additional IT professionals for international support. "Instead of adding full-time resource, moving to managed services and managing everything with just one EDI administrator provides a big cost benefit to us," said Israel.

Through easy, efficient connections, Plastipak is positioned for painless expansion, at least as it relates to establishing EDI transactions with new trading partners. Israel and his team also plan to implement SAP for a partner company in North America with massive EDI volume. "Working with OpenText has been a very positive experience for both Plastipak and me," he said. Whether for new or existing trading connections, B2B Managed Services ensures integration powered with the latest technology and expertise.



About OpenText

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