GELITA Success Story

Epicor ERP Helps GELITA Standardise Processes to Enable Global Growth

Company Facts

- Location: China
- Industry: Manufacturing— Foods/Healthcare/Pharmaceutical
- Website: www.gelita.com

GELITA
Improving Quality of Life

Success Highlights

Challenges
- Needed a customised resource management model to cope with complex processes and stringent quality control
- Required standardised global business management to support global growth

Solution
- Epicor® ERP

Benefits
- Effectively integrated and standardised processes globally to achieve consistent global business management practices
- Simplified implementation process and the ability to easily and quickly scale operations to enter new markets as required
- Unified deployment of global resources and data sharing

GELITA AG is one of the three largest gelatine producers globally. With the most advanced production technologies and equipment, it not only serves the food and beverage industry but also is active in other fields such as health and nutrition, pharmaceutical, and medical industries. Headquartered in Eberbach, Germany, GELITA AG operates more than 20 production plants in the USA, Mexico, Sweden, Netherlands, Australia, New Zealand, South Africa, Brazil, and the People's Republic of China (PRC).

In 2005, GELITA AG officially entered the Chinese market, building a strong reputation in the region for producing high-quality gelatine[1] based on pork and beef raw materials to be used as a food ingredient and for the manufacturing of pharmaceutical capsules, and also collagen peptides which are used for health and nutrition. Today, GELITA AG has factories in Zhejiang's Pingyang county and Jilin's Liaoyuan city, with more than 400 employees across the two sites. The Pingyang factory mainly produces skin gelatine while the Liaoyuan factory primarily manufactures bone gelatine.

[1] Uses animals' bones to produce gelatin

EPICOR.

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Horst Vollberg, Global Vice President IT | GELITA

Complex production processes and stringent quality control

In order to make sure the gelatine products meet the stringent requirements of the food and pharmaceutical industries, GELITA required strict monitoring and tracking of the whole product cycle, from material purchase to production and shipment. All the bone and skin materials used by GELITA are purchased from qualified slaughterhouses and processing plants, approved by relevant national inspections and quarantine authorities as fit for human consumption. Meanwhile, gelatine production has extremely complex intermediate processes with no room for error. The final products are obtained through painstaking steps including pre-processing, extracting, filtering, purifying, high-temperature sterilising, cool solidifying, drying, and then storage. When purchasing materials from suppliers and shipping them to its factories, GELITA also has to make sure that its raw materials are compliant with relevant laws and regulations in China and abroad.

Because GELITA's factories in Liaoyuan and Pingyang produce different products, they have totally different production processes and cycles. For example, it takes an average 60 days for the Liaoyuan factory to obtain the final bone gelatine from the raw materials. On the other hand, it usually takes only two-to-five days for the Pingyang factory to get the final skin gelatine.

Faced with these complex challenges, GELITA needed a modern enterprise resource planning (ERP) solution to more efficiently manage the quality and quantity of the different products produced with different production processes, and to align seamlessly with its Germany headquarters and the international subsidiaries.

Standardising the company's global business processes

Before using the Epicor ERP solution, GELITA used enterprise management software applications from Chinese developers to manage finance, logistics, and sales processes. These software applications didn't support the company's production processes, and GELITA was unable to integrate these processes globally.

After a rigorous selection process, the German headquarters chose the Epicor ERP solution based on its industry-specific expertise, and its customisable, highly scalable and flexible solution that would better meet local requirements, align with foreign markets, and achieve unified deployment of global resources and data sharing.

Improving production processes

Working closely with GELITA, Epicor ensured the implementation of Epicor ERP was in line with its unique requirements and integrated seamlessly with its existing systems. This meant that GELITA could effectively integrate and standardise processes globally, enabling that the Pingyang and Liaoyuan factories meet global operational standards. To simplify the implementation process and reduce costs, GELITA implemented Epicor ERP in phases, rolling out modules as and when required. The solution's scalability and flexibility has provided GELITA with the option to scale up in other markets as the business requires—the localisation support kit, for example, includes financial statements that are designed to conform to the requirements of local tax authorities and increases the efficiency of financial management.

The Epicor ERP solution has built-in global compliancy features, which have helped GELITA to more effectively customise production processes based on its specific needs, allowing it to

document that the raw material and final products meet the stringent quality standards for China and exported markets. In addition, the maintenance module has increased visibility of the production cycle and helped GELITA improve the utilisation and performance of its equipment, as well as lower its costs.

"The built-in processes in the Epicor ERP solution help us improve the daily management of our global business. In addition to improving the timeliness and validity of information, the Epicor ERP system also helps us to focus even more on improving customer management and production technologies," says Global Vice President IT Horst Vollberg, GELITA AG.

Next steps

With improved scalability, flexibility, and ease of configuration, the Epicor ERP solution has supported GELITA's growth and position in the gelatine manufacturing industry. Today, GELITA has successfully deployed the Epicor ERP solution in Australia, New Zealand, and the PRC. The company plans to gradually roll it out to other markets going forward.

About Epicor

Epicor Software Corporation drives business growth. We provide flexible, industry-specific software that is designed around the needs of our manufacturing, distribution, retail, and service industry customers. More than 40 years of experience with our customers' unique business processes and operational requirements is built into every solution—in the cloud or on premises. With a deep understanding of your industry, Epicor solutions spur growth while managing complexity. The result is powerful solutions that free your resources so you can grow your business. For more information, connect with Epicor or visit www.epicor.com.

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