

Customer success in manufacturing



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Cognos, an IBM company, is the world leader in business intelligence (BI) and performance management solutions. We provide world-class enterprise BI, planning and consolidation software, and services to help companies plan, understand, and manage financial and operational performance.

Thousands of manufacturing companies worldwide trust Cognos performance management software to improve service levels, gain visibility into revenue and profitability performance, control costs, and better manage extended and complex supply chains. We help the world's most progressive manufacturers:

- Leverage their existing investments by aggregating data from transaction systems and other sources across the organization.
- Create a single, integrated performance management framework – for rapid decision-making.
- Analyze customer, product, market, and channel profitability.
- Move beyond cumbersome, error-prone spreadsheets for key plans like sales and operations planning (S&OP).
- Identify the source of production issues and take corrective action.
- Comply with legislative and regulatory requirements, such as Sarbanes-Oxley, OSHA, and EPA.

Many of the leading players in manufacturing choose Cognos, including **19 of the 20** largest consumer packaged goods (CPG) manufacturers, **nine of the top 10** high-tech companies, and **all of the top 10** auto makers.

Read about how:

- **FagorBrandt**, the top industrial electrical goods company in France, radically improved its corporate planning exercise with a completely centralized and automated process.
- **Burton's Foods**, a leading manufacturer of branded and own-label biscuits, confectionery, and snack products, uses IBM Cognos TM1 with SAP to provide deeper information across the supply chain, sales, purchasing, finance, customer service, and more.
- **Vicor Corporation**, which designs, manufactures, and markets modular power components and power systems used in the communications, data processing, industrial controls, test equipment, medical, and defense electronics markets, is using IBM Cognos 8 BI to stay on track and keep ahead of the competition.
- **Ryobi Technologies, Inc.**, one of the world's largest and most innovative power tool manufacturers, implemented IBM Cognos 8 BI and IBM Cognos ReportNet to improve communication and credibility of information.

Cognos was acquired by IBM in January 2008. Customer success stories written prior to that date may not reflect the new product naming conventions stemming from the acquisition.

“The wealth of functions offered by Cognos Planning, particularly the interface, is quite simply astonishing. It is precisely the tool we needed to prepare for our annual meeting, on which the group’s entire strategy is based.”

Irène Allouche, Optimarge Manager, FagorBrandt

FagorBrandt, the top industrial electrical goods company in France, is part of the Fagor Electrodomésticos group, the first electrical goods group in Spain and the fifth in Europe. FagorBrandt operates six production sites to serve its European markets, five in France and one in Italy, with a portfolio of seven local and pan-European brands, among them Brandt, Vedette, Sauter, Ocean, and San Giorgio. With a workforce of almost 4,200 employees, the group generated a turnover of 780 million euros in 2006, almost 40 percent of which came from outside France.

Challenges faced

Every year, the company allocates 26 meeting days to define its commercial strategy. Called Optimarge, this process to set the group’s objectives starts in July and ends in mid-October. The event represents over three months of intensive work for Irène Allouche, FagorBrandt’s Optimarge Manager, who needs to aggregate the significant volume of figures required to analyze the market and her company’s positioning in preparation for the meeting.

“We follow a rather strict process: we study the market, define our quantity objectives, determine our prices and the required means and resources to achieve our objectives, and so on,” explains Irène Allouche. “In other words, over the course of these 26 days, we define our company’s strategy for the year—what we will sell, in which market, our current position, and of course the budget we will need to achieve our objectives.” Thirty people are involved in this strategic brainstorming, and in view of the issues at stake, it is clear that accurate figures are needed for this analysis. Until 2006, Irène Allouche faced a real race against time, trying her best to compile the most up-to-date information possible manually in a Microsoft Excel spreadsheet. To overcome

Industry:

- Industrial electrical goods

Information needs:

- Collection of information from marketing managers.
- Consolidation of information in real time at group level to avoid data integrity problems.
- Simulation functions to test different hypotheses for commercial strategies.

Solution:

- IBM Cognos Planning

Benefits:

- Structured information allows access to global or partial information selected by product range, making it easier to read data.
- Significant time saving due to the consolidation of data before the strategy meeting.
- Data integrity with effectively controlled, distributed, but centralized supply and management of data.
- Efficiency through data manipulation in a very flexible interface.
- Simulation functions that allow in-depth study of the market and testing of hypotheses to optimize commercial strategy.

these difficulties, she decided at the end of 2006 to implement Cognos Planning to automate this aggregation work.

Strategy followed

Irène Allouche faced two main problems. The lack of collaborative functions in Excel meant that she was obliged to cut sections from her tables and send the appropriate part to each marketing manager. The marketing managers then filled in their section and sent it back to Allouche, who then had to aggregate the data in a single table once again. Without any simulation functions, the slightest attempt to make a change—for example, to check the impact of a price adjustment on a product—meant copying sequences of tables.



“Preparing for the meeting was a nightmare,” jokes Irène Allouche. “Until the very last minute, we were under incredible stress due to the fact that there was no suitable tool for the process.” On completion of the Optimarge process for the year, the company decided to avoid any repeat of this experience in the future and acquire a new tool for the following year.

After studying the market, FagorBrandt decided in favor of Cognos Planning in June 2007. With the assistance of Cognos certified partner, service provider BGFI Consulting, the solution was deployed in just 22 days, and the project was operational by the first week in July. Fed with data from the company’s existing data warehouse with product references and sales figures, Cognos Planning was deployed among marketing managers, allowing them to enter information through the Contributor module.

Initially, FagorBrandt chose Cognos Series 7. Then with the help of a model created by BGFI, the company decided to move to Cognos Planning. The decision was made for reasons of technological continuity, since the company had already implemented Cognos Series 7, and of course the tool’s interface and flexibility were also determining factors.

Benefits realized

Relieved of a huge consolidation workload, Irène Allouche believes that the quality of information has also improved since the implementation of Cognos Planning.

“The data aggregation process is now completely centralized and automated. Any changes are fed along the entire chain in real time, avoiding the data integrity problems we used to encounter when we managed lots of Excel files. However, it is above all the ergonomics and

flexibility of the tool that have transformed our preparation for this strategic meeting,” explains Irène Allouche. “The marketing managers supported the project from the start. The simplicity of the interface and the power of Cognos Planning quickly won them over. Today, at the click of a mouse, we can obtain a version for each product family which we can then interleave for transmission to management control to incorporate and consolidate in its information.” Allouche adds, “The interface is so practical and user friendly that it has even had an impact on the actual meeting. For example, we were able to use a single screen to show all the information we needed at each step of the meeting, something that was almost impossible with Excel.”

The range of functions and the ease of use of the Cognos interface have impressed the all the FagorBrandt users. “For example we can change the axes, interleave several levels, or align three axes, at the click of a mouse, to give a global or specific view of a range of products,” says Jean-Luc Caserio, manager of the company’s decision-support project. “In addition, Cognos Planning’s offline mode brings greater freedom for the company’s very mobile marketing managers, enabling them to work from any location.”

The result is that this year FagorBrandt managed to process 100 percent of its product references during its Optimarge 2008, compared with only 80 percent achieved last year due to lack of time.

“The marketing managers were better prepared. They had more structured information, and most importantly tools to create their first simulations, which sped up the whole process considerably,” concludes Irène Allouche.

Burton's Foods



“While the other software vendors were working out the scope of a pilot, IBM Cognos had built it, presented it to our key users, and won their support. The company’s pre-sales activities were exceptional; the product is a lot faster and runs on a more economical hardware platform. We found it very quick and easy to produce models and were able to increase the scope and depth of our previous applications.”

David Travis, Systems Development Manager, Burton's Foods

Challenges faced

Burton's Gold Medal Biscuits was founded in 1935 by Joseph Burton of Blackpool. Burton's Foods is now a leading branded and own-label manufacturer of quality biscuits, confectionery, and snack products. It is the second largest biscuit manufacturer in the United Kingdom, owns Maryland Cookies, Jammie Dodgers, and Wagon Wheels, and manufactures under license Cadbury's Animals, Fingers, and Signature.

The company has a head office in St Albans, five factories, an administration centre in Blackpool, and a hosted data centre in Daresbury. It is privately owned, has 3,000 employees and annual sales of £300 million.

The company has been a sophisticated user of business intelligence software for eight years. BI applications are used throughout the company, in finance, trading, purchasing, and manufacturing. They draw data from core SAP systems and a data warehouse.

Burton's Foods previous software supplier was purchased by a large hardware company several years ago, which decided in 2004 to withdraw the product from the market. “The software was getting a bit weary,” says Travis, “It was slow, cumbersome and falling into disuse as user numbers declined.”

The company needed to find an alternative product to deliver analytics to users. The main requirements were rapid and economic implementation; compatibility with the company's data warehouse; fast response times for users; and tight integration with Microsoft Excel.

Industry:

- Consumer packaged goods/manufacturing

Geography:

- United Kingdom

Information needs:

- Faster BI software.
- Tight integration with SAP and Microsoft Excel.
- Better information for sales, purchasing, finance, and manufacturing.

Platform:

- SAP BW and R/3, Microsoft, and more.

Solution:

- IBM Cognos TM1

Benefits:

- Faster data refreshes provides more current information.
- Seamless integration with SAP and Microsoft investments.
- More BI functionality for a wider group.

Strategy followed

Four major business intelligence suppliers were short-listed. “We had a very good pre-sales experience with Cognos,” says Travis. “We gave them a data file that we would have fed directly into our business intelligence system and they were able to create the IBM Cognos TM1 equivalent application very quickly. We didn't actually believe how quickly they had done it, so they took us to their offices and did it in front of us in a half day. The Cognos team then presented their application to our major stakeholders at our head office, whilst the other contenders were still trying to scope out a pilot exercise—it was more or less a done deal!”



The decision was made to use TM1 towards the end of 2004 and implementation was during the second quarter of 2005. Most of the work was done in-house, as the company's business intelligence team already understood how such products work. Cognos consultants provided initial training and 'mentor' consultancy. One server was set up in the data centre and a second in head office.

Although the previous software was graphically intensive, its reports were inflexible. Users had always been trained and encouraged to use its spreadsheet-like proprietary interface, so they were able to interrogate the underlying multidimensional data cubes themselves.

"Using Microsoft Excel as a front-end was one of the main considerations for taking on TM1," says Travis. "We wanted the systems team to provide information to stakeholders in such a way that they could create their own reports and publish them within the business. Most of the stakeholders are fluent in Excel and could distribute the information once we had placed it in TM1."

Migration of the existing business intelligence applications was split into four groups with each group taking three weeks. Finance includes general ledger, cost centre analysis, and overhead analysis. The trading model covers commercial product and customer profitability analysis. The finished goods supply chain covers customer service, logistics, inventory control, and analysis. The inbound supply chain includes purchasing and manufacturing.

Each function seconded a power-user to the implementation team for three weeks to help build the IBM Cognos TM1 cubes, using the same logic as the existing applications. They then trained the other users and worked with them to produce reports.

"Our existing business intelligence users migrated well into the TM1 environment with just a two hour training course," says Travis. "The power users can take on board the additional TM1 formulae without too much difficulty. Since then, new recruits have increasingly had exposure to these types of tools, so they came on board very quickly."

The previous system had 120 licenses and 60-70 users a day. The company now has 200 TM1 licenses and over 100 users a day, amounting to about 30 percent of the IT enabled workforce.

Travis finds that users are happy using Microsoft Excel to access the data in TM1. With the previous system, they produced enormous slices of data and then tried to copy and paste them into spreadsheets. "There were horror stories over the huge amounts of data that people were downloading into spreadsheets," he says. "They don't need to do that any more. They just take the slice they need, knowing that the next slice is only a few seconds away."

Benefits realized

"We have discovered over the last year that IBM Cognos TM1 is a powerful tool," says Travis. "Compared with the old system, it is a completely different generation of technology. Because it runs in memory on the Intel platform, it is light, tight, and very fast. We have scaled down our data warehouse to become a simple transformation operation between SAP and TM1."

Because it was essentially a migration, the business benefits of the business intelligence system were largely unchanged. However, a number of additional benefits arose because TM1 gives better performance.

Firstly, most of the daily and weekly models can be refreshed at night, which was previously becoming unmanageable. "TM1 is able to recreate, rebuild, and refresh models during the day or at night, on an agenda that suits the business, rather than the product," says Travis. For example, inventory is updated sixteen times a day for the customer services team; and during period end closing the financials are updated three times a day. Travis says that this is achieved without a noticeable impact on users.

TM1's improved performance and flexibility allowed the existing applications to be improved to incorporate greater detail and wider data. For example, customer profitability was increased from groups down to points of shipment, doubling the amount of data available to users.

"We used to have to run endless database queries for people who wanted lower level figures, but they can now drill down themselves," says Travis. "The trading department uses it to drive the finished goods supply chain. Customer profitability is now ingrained into the business and we continually review the channels that we use."

Because IBM Cognos TM1 can be developed rapidly, a number of additional focused applications have been developed, such as customer service, plant performance, and energy consumption. The customer service application sends a summary to the mobile telephones of key business managers using a text message. A long-term market forecasting application uses TM1's text handling feature to record assumptions and comments alongside the data.

At the moment, customer profitability is based upon direct manufacturing costs. In a future development stage TM1 will be used to analyze and allocate overheads to customers.

As a result of migrating to TM1, the business intelligence team has formed the core of a new systems development team. TM1 allows the team to play to their strengths in

data warehousing and SAP data extraction, without getting bogged down in producing the end-user reporting. They now build composite applications that draw on the strengths of business intelligence, SAP, and the intranet, rather than each working in 'splendid isolation.'

"We are merging our core business processes in SAP with the strategic business process in TM1," concludes Travis. "It continues to deliver the performance that the stakeholders in business intelligence systems expect—but very rarely achieve. TM1 has allowed us to deliver more analytic functionality to more people."

Vicor Corporation



“Cognos has really become a way of life. We wouldn’t think of launching any initiative if we did not agree from the outset on what we wanted to measure, how we were going to assess it, and how we would improve it over time. Cognos is our key to staying on track and ahead of the competition.”

Joe Jeffery, Director of Manufacturing Systems, Vicor Corporation

Vicor Corporation designs, manufactures, and markets modular power components and power systems used in the communications, data processing, industrial controls, test equipment, medical, and defense electronic markets. Headquartered in Andover, Massachusetts, the company also maintains offices in North America as well as across Europe and Asia. Vicor has annual revenues approaching \$200 million and employs more than 1,000 people worldwide.

Vicor decided to implement a business intelligence (BI) solution to track and analyze production processes and issues more effectively. Administrator provides Vicor with a framework for performance management and accountability, allowing the organization to tie together strategic goals, major initiatives, and improvement efforts.

Challenges faced

For Vicor, the goal was simple: focus on breakthrough improvement in measures designated within the strategic objectives for each year’s operating plan. Many different techniques and technologies were used to achieve the objectives, including Hoshin Breakthrough Planning, Kaizen, 5S, and statistical process control.

Ultimately, the company adopted annual improvement themes to stimulate the full involvement of all employees. These included the “4 x 50s” (50 percent improvement across four strategic objectives in one year), “10 bucks a brick” (pull \$10 of cost out of each product), and “faster, better, cheaper” (build the product more efficiently). These initiatives helped to bring Vicor’s gross margins from percentages in the mid-20 range to current levels in excess of 40 percent.

Industry

- Manufacturing

Geography:

- Worldwide

Functional area of deployment:

- Electronics Manufacturing

Users:

- 1,000 +

Information needs:

- Web-based metrics and analytics to track quality improvement initiatives.
- Elimination of spreadsheet-based metrics.
- Drill-down analysis capability.
- Trend reporting.
- Access to data in real time.

Platforms:

- HP-UX Operating System
- HP Integrity Server
- Oracle Database Management System
- Windows 2003 Server, Windows XP, and Windows 2000
- PeopleSoft ERP

Solutions:

- IBM Cognos 8 BI

Benefits:

- Comprehensive view of process and system information.
- Simple drill-through capabilities to allow timely, in-depth investigation of anomalies.
- Streamlined operations and accurate trend reporting.
- Improved communication across functions and decrease in silo mentality.
- Real-time access to data resulting in improved decision-making.



The next challenge was to find a business intelligence solution that would help Vicor track, measure, and report on their progress. In addition, access to real-time information was a critical requirement.

“We needed to correlate a set of objectives with the initiatives that would accomplish these objectives and apply them through successive levels of planning,” states Joe Jeffery, Director of Manufacturing Systems, Vicor.

Strategy followed

Vicor’s operating environment is complex. Their business model is one of mass customization, which involves high-volume production and a complex mix of individual models. The company routinely ships more than 8,000 different products to 8,000 customers each year. This is accomplished using onshore manufacturing, based in Andover.

Bills of materials are highly complicated (indented up to eleven levels), and manufacturing routings include up to twenty tracked operations, as well as many information tasks. Vicor’s manufacturing systems include integrated robotic assembly, as well as supply chain applications, engineering systems, and operational systems for storage and shipping. All planning, costing, inventory management, and master recipe generation data is managed through a PeopleSoft ERP system.

The organization initially deployed Cognos PowerPlay in 2002 to provide metrics and analytics capability on top of the ERP environment. Currently, Vicor is integrating Cognos 8 BI into its reporting structure with eight production models up and running.

Jeffery notes that the benefits of Cognos 8 BI were immediately apparent. “With Cognos PowerPlay, we were able to take a single metric and analyze it in depth, which was great. Now, with Cognos 8 BI, we are able to integrate several data models behind a single dashboard. Basically, we can take a business entity, like a family platform or a business unit, and build a dashboard for several metrics that relate to that specific entity. This results in a very intuitive process for managers because they are assessing the health of a business entity.”

Benefits realized

Cognos is now used across the organization on a worldwide basis to align strategy with tactics in areas such as labor productivity, inventory management, purchasing, and manufacturing. One of the company’s goals is to improve on-time delivery for customers. With Cognos, users can track activities and do root-cause analysis of delinquent backlogs or other issues that affect deliveries.

Jeffery points out that this timely, in-depth insight has brought efficiency gains across the business. “Let’s say the user sees an anomaly in the metrics data that he or she would like to investigate,” he explains. “The user can simply drill into the information and continue chasing the anomaly down to the individual work order, sales order, or event that caused the problem. This has been a great productivity gain compared to our old method of compiling static metrics with tools like Excel. With our Cognos investment, we can now use our resources to solve the problem, not just to understand that it exists.”

In addition to process improvements, metrics and analytics reach across different functional areas, which increases cross-communication and decreases silo-based thinking. More importantly, in-house analysts are now able to view data in real time and develop new metrics and models to further support strategic and tactical initiatives as needs and ideas arise.

“Our engineers or analysts can view work order history in a single snapshot and recognize any problems that affect production on a model. With Cognos, they have the power to proactively make improvements the second time around, which increases overall company productivity,” remarks Jeffery.

Vicor has future plans to use Cognos 8 BI to help manage its CRM initiatives and develop forecasting of worldwide activities further. In addition, Vicor would also like to take its newfound data wealth to create a predictive business model to help forecast financial values and the cost of back-end measures.

Jeffery concludes, “Cognos has really become a way of life. We wouldn’t think of launching any initiative if we did not agree from the outset on what we wanted to measure, how we were going to assess it, and how we would improve it over time. Cognos is our key to staying on track and ahead of the competition.”

“We’re a better company after implementing IBM Cognos 8 Business Intelligence. In addition to saving money, we’re delivering a better and more cost-efficient product for our customers. With Cognos, our ROI was first quarter. Within sixth months, it was paid for and in the black.”

— Tom Adams, Data Quality Engineer, Ryobi Technologies, Inc.



Ryobi Technologies, Inc. and Homelite Consumer Products, which are owned by Techtronic Industries (TTI) Co. Ltd. of Hong Kong, is one of the world’s largest and most innovative power tool manufacturers. Specializing in making pro-featured power tools truly affordable, Ryobi sells power tools and outdoor power equipment, and has won supplier awards in multiple categories at The Home Depot in North America, for six consecutive years. The company was also recognized by BusinessWeek as one of the top five emerging giants of the global manufacturing industry in June 2006.

Ryobi is a global company, with headquarters in Hong Kong, manufacturing in China, and engineers in both China and the United States. With its strong commitment to innovation and quality, the company wanted to produce better products by enhancing collaboration between manufacturing and engineering. Ryobi chose to implement IBM Cognos 8 BI to work towards these goals.

Challenges faced

Ryobi faced challenges identifying trends and communicating quality issues overseas in a timely manner. When a Ryobi product was returned, U.S. technicians would take apart the tool and determine if there was a problem. This information was then entered into a Microsoft Access database manually, which raised concerns about the integrity of the data. This information was then mailed to China.

“Our best turn around time was four or five days to look at the same data,” explains Tom Adams, Data Quality Engineer, Ryobi Technologies, Inc.

Industry:

- Manufacturing/ Consumer Packaged Goods

Geography:

- Global

Information Needs:

- High-quality reporting
- Ease of use and flexibility
- Seamless integration across multiple data sources including mySAP and SAPBW

Platforms:

- HP UNIX
- Windows
- SQL Server
- Microsoft Access
- Oracle
- SAP Netweaver
- JD Edwards
- Siebel Analytics
- SAP R/3
- SAP BW

Solutions:

- IBM Cognos 8 BI
- IBM Cognos ReportNet™

Benefits:

- Increased visibility and collaboration between global offices and departments.
- Improved communication and credibility of information across global offices.
- Real time reporting instead of waiting 5 days.
- Experienced significant savings in time and money.
- Increased product quality, decrease in returns and 26 percent lower warranty costs.

Equally important, Ryobi needed a solution to track and report on returned products and warranty expenditures to drive product improvement. “We didn’t have an effective way to document the process,” says Adams. “We were not able to quickly drill down and get the information that was necessary.”

Before Ryobi could move forward with this initiative, it needed to secure executive management buy-in. Once Ryobi was able to quantify in dollars how much money would be saved, management agreed to support the initiative.

Strategy followed

Ryobi evaluated reporting solutions from Cognos, an IBM company, Business Objects, and Hyperion. It also considered SAP, their IT department's legacy system. Ryobi was attracted to Cognos because of its flexibility, ease of use, performance, and seamless integration across multiple data sources including Microsoft Access, mySAP, and the data warehouse, SAP BW. Another important consideration was the ability to deploy Cognos quickly and produce high-quality detailed reports in real-time.

“We felt that we could make more professional reports with Cognos, rather than investing in more products from SAP,” explains Adams.

With the help of a third party consultant, Ryobi quickly implemented its BI solution in October 2004 and had the system up and running by the end of the year. “We only took 10 days for implementation and had a working application that ran 10 reports,” stresses Adams.

Most recently, Ryobi partnered with Data Clarity on its migration to IBM Cognos 8 BI. It was attracted to IBM Cognos 8 BI's low-maintenance, Web-enabled platform and its scorecarding and dashboarding capabilities.

Since going live, Ryobi has standardized on Cognos for all its reporting and business intelligence needs. Moving forward, Ryobi plans to expand the benefits it has achieved with Cognos to other departments.

Ryobi also anticipates quadrupling the number of users from this year. TTI is currently benchmarking Ryobi's approach to determine applications throughout some of its different divisions and companies, driving product improvement and extending the savings to other areas of the business.

Benefits realized

“We’re a better company after implementing IBM Cognos 8 BI. In addition to saving money, we’re delivering a better and more cost-efficient product for our customers,” says Adams.

Leveraging Cognos products, Ryobi has been able to increase visibility and collaboration across its engineering and quality departments and drive product improvement. “Cognos is the tie that binds us all together,” states Grady Hughes, Director of Quality Assurance, North America Hardware Group. “Whether we’re in China or the U.S., we can now all see the same information, issues, and causality. We can then come together with a common goal towards resolution of any problem.”

With its Cognos solution, Ryobi has been able to improve accuracy, save time, and improve quality by standardizing its reporting. Reports are now generated in seconds.

“Ryobi is saving at least a week of one of our engineer’s time every month,” says Adams. In addition, reports are also more professional and easier to read with information conveyed in graphs and charts.

“Previously, reports were generated in several different formats, which were difficult to understand, and as a result, gain executive buy-in,” explains Grady.

Ryobi has been able to pinpoint issues with product quality using its BI solution. “Using the Cognos drill-down analysis, we can see what’s wrong with a product, how many times it has been returned, and if there was a common timeframe for the returns,” explains Jo Ann Hayes, Quality Engineer, Homelite Consumer Products. “Before all of this information was contained in different reports and made this analysis difficult.”

Ryobi has also been able to significantly improve quality. “Cognos helps us get the information quicker so we can turn out an improved product,” states David Young, Quality Engineer, Ryobi. “We now get a report on the first 100 returned units of new products, which allows us to conduct instant analysis to determine where the defect lies, and we can apply that to our production.”

As a result of these processes, Ryobi has gained a competitive edge. Its return rate for factory defects is less than 0.5 percent. “As far as we know, Ryobi scores better than other brands when it comes to return rates,” adds Joseph Serrano, Quality Engineer, Ryobi.

Ryobi has experienced a positive impact on the company’s bottom line with its Cognos solution. “With Cognos our ROI was first quarter,” explains Adams. “Within sixth months, it was paid for and in the black.” Grady adds, “Leveraging Cognos as an ongoing performance continuous improvement tool has driven millions of dollars to the bottom line.”

Ryobi also saved money due to a significant reduction in customer returns. After sales skyrocketed in 2005, Ryobi forecasted a 49 percent increase in warranty costs. The actual number came in 23 percent under projections, resulting in a savings of around 26 percent, based on returns analysis. In 2006, Ryobi experienced another 17 percent reduction. “We attribute these savings to Cognos and the hard work of the Marketing, Engineering and Quality department members of the Continuous Improvement Team,” says Adams.

Ryobi is already reaping rewards from its IBM Cognos 8 BI implementation. With the quality and flexibility of reporting from IBM Cognos 8 BI, meetings at Ryobi are

smoother and more efficient, as employees are able to come to the conclusion they are looking for at that meeting. Engineers are now able to do analysis on-the fly during meetings and present answers. Adams sums up his company’s Cognos experience, “The bottom line is that the Cognos solution has worked better than we ever imagined.”

About Cognos, an IBM company

Cognos, an IBM company, is the world leader in [business intelligence](#) and [performance management](#) solutions. It provides world-class enterprise planning and BI software and services to help companies plan, understand and manage financial and operational performance. Cognos was acquired by IBM in January 2008. For more information, visit www.cognos.com.

All of the top 10 auto makers and 19 of the top 20 consumer packaged goods companies have implemented Cognos performance management software to improve and direct corporate performance. Consumer Goods Technology (CGT) Magazine readers named Cognos the “Top Pure Play Business Intelligence Vendor” in 2007. START-IT magazine included Cognos on the “Hottest Companies” list two years in a row.



For more information

Visit the Cognos Web site at www.cognos.com/manufacturing.



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