

Herman Miller



About the company.

With operations in more than 40 countries, Herman Miller is a leading global manufacturer of office and domestic working environment furniture. The company maintains manufacturing and distribution centers in North America, the UK, and Asia, and sales offices, dealers, and licensees in North America, Asia/Pacific, the Middle East, Africa, and Latin America.

Sales for 2007 reached \$1.9 billion US, and in 2008 Herman Miller was ranked as one of the world's most innovative companies by *Fast Company* magazine.

“ Infor ERP SyteLine has undoubtedly helped us achieve the fast turn around and product quality that we need to deliver superior customer service. ”

KEVIN HALL, INTERNATIONAL BUSINESS MANAGER, HERMAN MILLER

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Setting the strategy.

The Herman Miller network of dealers, consultants, and financial partners offers customers an array of specialized services to plan, design, and manage their workplace. Every project and every company has its own pressures and criteria—consequently Herman Miller seeks to address each project individually. To handle such separate projects, product innovation is a cornerstone of Herman Miller’s success.

Herman Miller also seeks to embody and promote strong environmental principles. These principles are applied throughout design, production, supply, and commercial activities. For example, Herman Miller’s portfolio is designed to be ecologically sound, and its catalogue includes many examples of “ecodesign” techniques. Disassembly concerns are included at the design stage and actual production is based on energy efficient manufacturing, using recycled and recyclable content.

In 2008, Herman Miller achieved placement in the fourth annual Sustainable Asset Management (SAM) Sustainability Yearbook, published by the SAM Group, an independent asset management company based in Zurich, Switzerland. The yearbook recognized Herman Miller as SAM Sector Leader and Sector Mover for the Furnishing category.

Getting business specific.

As Herman Miller’s international business developed, it became evident that it had outgrown its previous IT solutions—an in-house MRP system and a legacy ERP product from Symix (which later became part of Infor). In 1996, Herman Miller upgraded its ERP to SyteLine 5, which supported the company well for the next 10 years.

In 2006, Herman Miller decided to implement Infor ERP SyteLine 7 throughout the business. “Our experience with in-house systems and SyteLine showed us that we can make huge gains in deploying ERP,” says Kevin Hall, international business systems manager for Herman Miller. “We chose SyteLine largely because of our positive experience with Symix and the Infor team. We had experienced real benefits, especially from improved product configuration. We also knew that the graphical

facts at a glance:

> company	Herman Miller
> solution	Infor ERP SyteLine
> industry	Manufacturing
> revenue	US \$1.9 Billion
> country	Global

interface of SyteLine could improve and accelerate the use of SyteLine throughout the business, bringing results quicker.”

Infor ERP SyteLine is the next-generation solution designed to meet the unique requirements of businesses within discrete manufacturing. Infor ERP SyteLine supports design, sell, plan, source, make, deliver, service, and finance functionality, and provides a path to additional business-specific functionality, such as supplier relationship management and enterprise asset management, through a service-oriented architecture.

With expanded multi-site capabilities, and an application-wide event modeler, Infor ERP SyteLine improves workflow and collaboration across the entire enterprise, allowing manufacturers to make real-time decisions to improve productivity, order accuracy, and inventory management.

The objectives of the Herman Miller ERP project were to improve the visibility of operations and increase productivity without compromising the established environmental credentials and customer services standards of Herman Miller.

“Time is everything in this industry,” Hall says. “The time it takes to acknowledge and fulfill an order is critical to delivering superior customer service and achieving competitive advantage. We demand a lot from our ERP solution. We have several instances of local production across the world. We need to drill down to individual

elements of orders that can contain millions of possible products. Critically we must be able to do all of this quickly and the solution has to be fully integrated with our existing systems.”

As part of its “green” credentials, Herman Miller makes a conscious effort to manufacture products in close proximity to its markets. This cuts the costs and complexity of distribution within that market.

Also, through being closer to customers, Herman Miller can offer faster delivery. There is a promise on certain products that if the order is not fulfilled in ten days, it is supplied free of charge. ERP and supply chain excellence are both critical to ensure this level of service is reached.

Seeing results.

To drive integrated production and supply, SyteLine is now deployed throughout Herman Miller’s international operations in the UK, Italy, France, Germany, Brazil, Mexico, Japan, Singapore, and China. SyteLine is the backbone of operations for Herman Miller providing a single platform for all transactions. Consequently, there have been several points of impact upon the business.

Infor ERP SyteLine is integrated with e-procurement in the US to keep inventory low and reduce the time taken to purchase components needed for manufacture. Such inventory has been reduced by \$1.2 million in the past two years.

Because customers can customize their orders with their choice of colors, fabrics, and designs, Herman Miller currently carries a staggering 400 million stock keeping units (SKUs). However, using Infor ERP SyteLine, the company now makes each product to order, with no finished product stock held and only low inventory levels of the most needed components.

Now that electronic purchase orders are pulled through the system and sent to key suppliers automatically without any manual intervention, Herman Millers’ JIT (Just-In-Time) supply chain has been enhanced, as well.

Infor ERP SyteLine is also fully integrated into the electronic sales ordering system, enabling the company to acknowledge and confirm an order online in less than one minute.

The speed of production and the delivery of finished goods has now been improved with 100% of the relevant products reaching customers within the 10 day limit.

Doing business better.

Maximizing the multi-lingual capabilities of SyteLine, Herman Miller has perfected the processes for fast deployment in foreign territories. Nowhere is this expertise more evident than in the latest local implementation in China.

Setting up the system to support a brand new manufacturing/sales facility took less than three months. The implementation made use of the SyteLine country pack and local support, accelerating not only implementation but also user adoption.

A critical component to this global deployment is an upgrade program to the latest SOA-based version of Infor ERP SyteLine. This is being driven by a need to integrate and enhance inter-company, company-supplier, and company-customer communications, as well as to improve supply chain visibility.

Hall points out that the move to SOA yields many potential benefits: “SyteLine has already delivered speed and accuracy,” he says. “The SOA-based version will build on that, delivering electronic invoices, consistent pricing throughout the company, and single points of contact for any customer.

“Our strategy is to ensure that Herman Miller is capable of satisfying tight deadlines without compromising product quality and our green responsibilities,” Hall says. “SyteLine has undoubtedly helped us achieve the fast turn-around and product quality that we need to achieve to deliver superior customer service.”

There is a better way.

At Infor, we work with a core belief. We believe in the customer. We believe that the customer is seeking a better, more collaborative relationship with its business software provider. And a new breed of business software: created for evolution, not revolution. Software that's simple to buy, easy to deploy and convenient to manage. Our 70,000 customers in more than 100 countries and 8,000+ employees stand with us. We look forward to your sharing in the results of our belief. There is a better way. For additional information, visit www.infor.com.

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