

▶ AnHui Jiang Huai Automobile Co., Ltd

“Quite simply, SSA ERP has helped give AnHui Jiang Huai Automobile greater power to grow quickly.”

— ANHUI JIANG HUAI AUTOMOBILE CO., LTD



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—MR. LI SHI HANG, INFORMATION CENTER DIRECTOR, ANHUI JIANG HUAI AUTOMOBILE

▶ SSA ERP is low risk and high return.

Business Issues

Since automotive manufacturer AnHui Jiang Huai Automobile Co., Ltd. (JAC) deployed SSA Enterprise Resource Planning (ERP), the associated business improvements across sales/marketing, service, production, purchasing, inventory and warehouse management have been outstanding, and customer satisfaction has increased.

The Company

JAC is the number eight automobile manufacturer in China based on production and sales revenue, employing 3700 people at its manufacturing plant and head office at He Fei City, in China’s An Hui Province. In 2005, the company sold more than 156,000 vehicles, including light trucks, heavy trucks, carriage chassis, and MPVs. JAC light trucks and Refine vehicles are sold in the domestic market, while trucks are largely exported, to South America, the Middle East, South East Asia and Eastern Europe.

JAC is the leading exporter in the domestic automobile industry.

What's Critical

There are a number of challenges facing JAC in the coming years. Since China joined the World Trade Organisation (WTO) and the market opened up to global competition, international automotive manufacturers have and will continue to enter the market, placing increasing pressure on domestic manufacturers.

A shift in demand is creating a second challenge. Family vehicles are becoming popular throughout China and demand is expected to rise dramatically in the next few years. In line with the features and services offered by JAC’s international competitors, domestic consumers are

company -----	AnHui JiangHuai Automobile Co., Ltd.
solution -----	SSA® ERP
product -----	SSA Baan™
platform -----	IBM® eServer™ iSeries™
industry -----	Automotive
customer revenue -----	USD \$1.183 billion (2005)
employees -----	3700
country -----	China

requiring personalized vehicles that incorporate extensive features and functions, the latest technology, high quality finishes, good value for money, underpinned by excellent customer service.

Before implementing SSA ERP, the company’s information management systems did not fit the group management structure. Customer relationship management, financial management and supply chain management systems were independent and information difficult to share.

Finding the Right Solution

JAC conducted extensive research into several ERP systems before finding the right one. SSA ERP was a complete Enterprise Resource Planning (ERP) solution with rich functionality in customer relationship management, supply chain management and financial management. The manufacturing and advance planning modules would support a multi-mode manufacturing environment with complex manufacturing scenarios and allow for mass customization and variation in design and volume requirements.

“When we investigated the options, SSA ERP proved to be a very good fit with the JAC business,” said Mr. Li Shi Hang, Information Center Director, AnHui Jiang Huai Automobile Co., Ltd, “and it could certainly meet our present day and future needs.”

The vendor’s knowledge, track record and support infrastructure were also attractive.

“SSA Global has vast experience in the automotive industry, which fits a vehicle manufacturer’s requirements closely,” added Mr. Li. “Coupled with that, the company has many professional consultants and support people who could supply high-quality consultancy and service. SSA Global would be low risk.”

Implementing Fast

JAC implemented SSA ERP running on an IBM eServer iSeries, on time and on budget at its He Fei manufacturing plant. While SSA Global assumed the role of project manager, the implementation team comprised consultants from SSA Global and professional staff from JAC.

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► achieving a Top 10 position.

Company leaders were introduced to conceptual training, middle management followed with business process training and the 700+ end users, including distribution and service agents, received full system implementation training.

Making it Pay

As JAC manages its business with one enterprise performance management system, SSA ERP, the company can engage directly with the international automobile industry.

This is just one of the business improvements delivered by SSA ERP. Others include:

Information Visibility

- Staff can access JAC's internal systems, with information that is accurate and up-to-date.
- Distributors have an accurate view of production and can confirm sales orders accordingly.

Improved Customer Service

- The customer satisfaction rate has improved.
- Vehicles are consistently delivered on promise.
- The Service department system optimizes the customer's post-sales experience.
- In the case of vehicle recalls, vehicles can be identified and brought back to the manufacturing plant very quickly.

Production Improvements

- Accuracy of material requirements planning has improved greatly.
- Production costs are down 10%.
- Better planning has delivered savings in production time of 20%.
- Product delivery time has improved by 30%.

More Efficient Business Processes

- Business processes are continually improving.
- All databases provide an accurate, real-time view of the business.
- Time savings and improved quality add up to greater overall business efficiency.
- Materials codes have been unified.
- Purchasers can check current inventory and purchasing information before placing orders.
- Lean Manufacturing has been introduced into the JAC plant.
- Goods are delivered on time; as a result, credit recovery has improved.
- Integration of business with finance has delivered cost control and process improvements.

Cost Savings

- JAC has recorded cost savings in purchasing, production and in overall management.
- Inventory holdings have been reduced by 30-50% and the inventory turnover rate has improved 50%.
- Purchasing forecasts are 50% more accurate.

“Our business management has moved to a whole new level,” said a very impressed Mr. Li, “with the success of the ERP system implementation bringing advanced management ideas to JAC.”

Forward Faster™ — Into the Future

Future plans include the development of a closer integration of SSA ERP with JAC's dealer systems, but generally the company is enjoying the ongoing improvements the SSA Global solution delivers.

Mr. Li explained: “The rich functionality within SSA ERP matches our needs closely, since it reflects a deep understanding of the automotive manufacturing sector. With SSA ERP, we have been able to improve our position in the Chinese automotive market.”

Quite simply, SSA ERP has helped give AnHui Jiang Huai Automobile greater power to grow quickly.

about SSA Global

SSA Global is a leading provider of extended ERP solutions for manufacturing, distribution, retail, services and public organizations worldwide. In addition to core ERP applications, SSA Global offers a full range of integrated extension solutions including corporate performance management, customer relationship management, product lifecycle management, supply chain management and supplier relationship management. Headquartered in Chicago, SSA Global has 63 locations worldwide and its product offerings are used by approximately 13,000 active customers in over 90 countries. For additional information, visit the SSA Global web site at www.ssaglobal.com.



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contact SSA Global

Global Headquarters

500 West Madison Street,
Suite 2200
Chicago, Illinois 60661
+1-312-258-6000
+1-312-474-7500

Asia, Pacific & Japan

+65-6885-0789
+65-6333-1409

Europe, Middle East & Africa

+44-1276-417-200
+44-1276-417-201

Latin America (Brazil)

+55-11-5508-8800
+55-11-5508-8801

Latin America (Mexico)

+52-55-52-01-55-00
+52-55-52-01-55-90

www.ssaglobal.com

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