ECLASS

ECLASS IN APPLICATION -
USE CASES AND BEST PRACTICES

AT&S AG | AVL List GmbH | B. Braun Melsungen AG | Bundesbeschaffung GmbH | Delta-V GmbH | Deutsche Lufthansa AG | Mercateo AG | Nolte SE | Phoenix Contact GmbH & Co. KG Siemens AG | Soennecken eG

THEY RELY ON ECLASS:
MORE THAN 3.500 COMPANIES WORLDWIDE

Steady gains: As the only ISO- and ISE-conformant standard with property descriptions, ECLASS has been able to establish itself worldwide since its start in 2000 as an international, cross-sectoral product-data standard. Electronic catalogs, virtual marketplaces and smart manufacturing environments today dominate the purchasing, production and sales processes. In the internet of things (IoT), the open standard is already serving as a semantic system for machine-to-machine communications. Many leading companies worldwide, across a wide range of application areas, both use and promote ECLASS. In sum, more than 3,500 companies use ECLASS today. You too can benefit from ECLASS, setting your company on a course for the future.

Do you have questions?
Visit us at www.eclass.eu

AREAS OF APPLICATION AND SECTORS

ECLASS gives your processes a common foundation. This offers benefits across procurement, operations, sales and management functions.

PROCUREMENT:
USING THE SAVINGS POTENTIAL
In order to identify potential savings in procurement and using them optimally, the procurement volumes are bundled and centralized for suppliers, which strengthens the position of procurement towards the supplier.

WITH STRUCTURE:
STEERING THE PURCHASE
For large purchasing organizations a good basis for structuring and directing the internal purchasing requirements and processes is ensured by assigning ECLASS product classes to individual purchasers.

SUPPLIER MANAGEMENT:
LESS IS MORE
Knowing which of the internally approved suppliers is able to supply the product, ensures great time savings when ordering. The number of suppliers and use of resources for vendor management can be significantly reduced.

SALES:
WITH ELECTRONIC CATALOGS
In the era of Web 2.0 electronic catalogs and product information are more important than ever. Standardized according to ECLASS and customized for the customer, they open up new sales opportunities and meet the procurement requirements of many large corporations.

MARKETPLACES:
BE WHERE YOUR CLIENTS ARE
Virtual market places are getting increasingly important. Because searches for products and vendors increasingly take place electronically, the key to success is the quality of product data.

CONTROLLING:
EVALUATING AND OPTIMIZING
The use of ECLASS as a classification standard in controlling enables the set-up of a meaningful reporting about one's supply portfolio and thus creating the conditions for the operational and strategic business planning.

JOINT VENTURES:
A SOLUTION MORE
In the case of joint ventures and corporate acquisitions ECLASS helps to map and harmonize seemingly incompatible master, transaction and product data to enable centralized analyses, benchmarking and targeted optimizations.

ENGINEERING:
ECLASS – THE COMMON LANGUAGE
Through the exchange of standardized product information manual activities are minimized and full system-based inquiry and purchasing processes from the CAE system to the ERP system directly possible.
Process digitalization and the global networking of companies are creating enormous innovation pressures.
"Industry 4.0" is a vision of self-organizing and automated production and logistics processes. But these need a common semantic basis.

"ECLASS HALVES COSTS"

In a customer survey, we asked companies why they use ECLASS, and what their experiences have been.
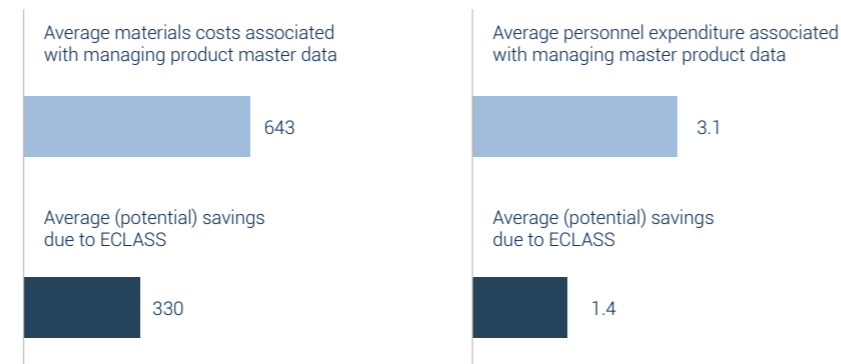
SAVINGS DUE TO THE USE OF ECLASS

Our customers told us that using ECLASS produces savings especially in purchasing and sales departments. However, companies can also generate savings in the areas of logistics, scheduling and production. Moreover, 45% of the companies with more than 1,000 employees indicated that these savings could be further increased through greater ECLASS integration.

Category	Percentage
In sales	14.5 %
In purchasing	23.5 %
In logistics	8.7 %
In scheduling	5.3 %
In production	5.3 %
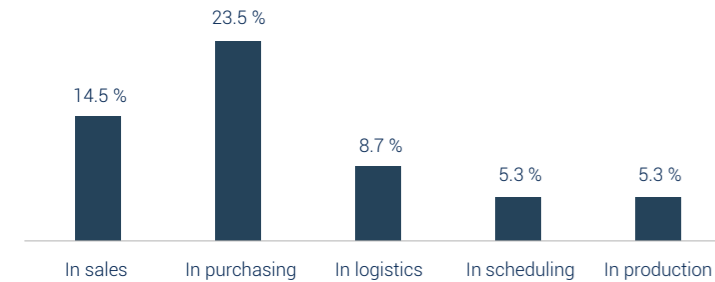
SIGNIFICANT COST SAVINGS FOR PERSONNEL EXPENSES AND MATERIALS COSTS
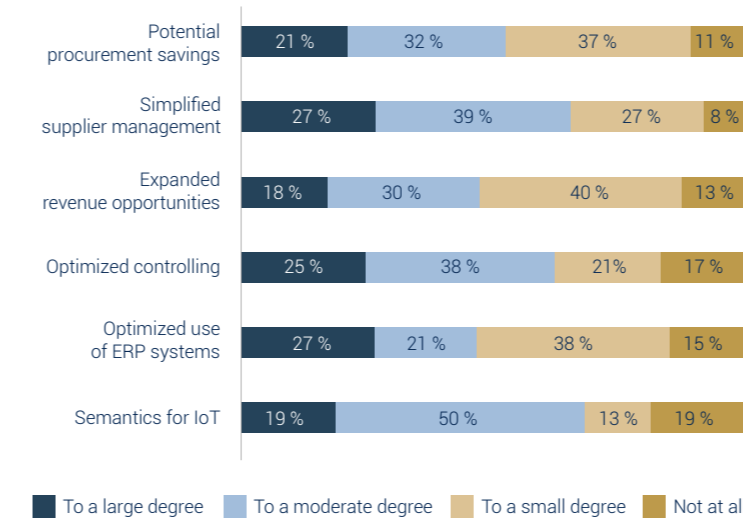
Savings associated with the use of ECLASS come not just from personnel expenses, but also from materials costs. The use of ECLASS can reduce ongoing costs associated with managing product master data by around 50%. The savings on personnel expenses represent a cost reduction of around 47%. Meanwhile, average materials costs savings due to the use of ECLASS total around €330 per employee, corresponding to a value of more than 50%.

Average materials costs associated with managing product master data: 643
Average (potential) savings due to ECLASS: 330

Average personnel expenditure associated with managing master product data: 3.1
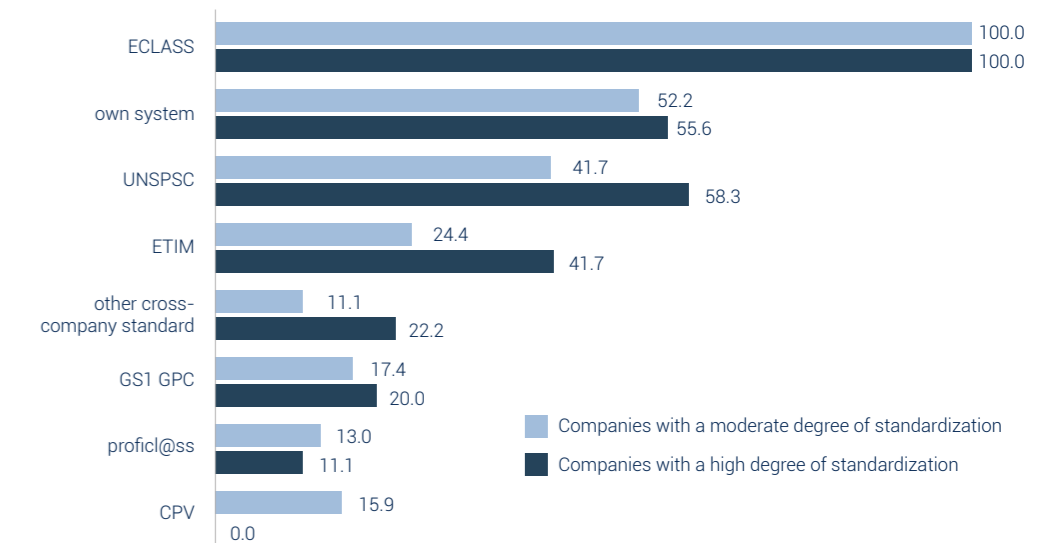Average (potential) savings due to ECLASS: 1.4

REACHING GOALS WITH ECLASS

More than half of the companies surveyed told us that their expectations for the introduction of ECLASS had been fulfilled, particularly with regard to semantics for IoT environments, simplified supplier management and optimized controlling. As a result, the companies expect improved revenue-making opportunities in particular.

	To a large degree	To a moderate degree	To a small degree	Not at all
Potential procurement savings	21 %	32 %	37 %	11 %
Simplified supplier management	27 %	39 %	27 %	8 %
Expanded revenue opportunities	18 %	30 %	40 %	13 %
Optimized controlling	25 %	38 %	21 %	17 %
Optimized use of ERP systems	27 %	21 %	38 %	15 %
Semantics for IoT	19 %	50 %	13 %	19 %

ECLASS IN FIRST PLACE

Companies with a moderate or high degree of standardization most often use ECLASS as their classification standard. The only companies preferring proprietary systems are those with a very low degree of standardization.

	Companies with a moderate degree of standardization	Companies with a high degree of standardization
ECLASS	100.0	100.0
own system	52.2	55.6
UNSPSC	41.7	58.3
ETIM	24.4	41.7
other cross-company standard	11.1	22.2
GS1 GPC	17.4	20.0
proficl@ss	13.0	11.1
CPV	15.9	0.0

FOR US ECLASS IS AN IMPORTANT STEP TOWARDS MORE TRANSPARENCY IN THE BUSINESS

ECLASS gives us the ability to exploit potential synergies and thus create a bundled market presence.

German Lufthansa AG

The Lufthansa Group is a global aviation group with almost 500 subsidiaries and affiliates. It consists of five divisions that represent the areas of passenger transport, air freight, and downstream services: Passenger Airline Group, Logistics, MRO, catering and IT services.

All divisions are among the market leaders in their sectors. The Lufthansa Group employs more than 120,000 people who commit themselves to the growth of the company and thus form an important basis for the company's success worldwide.

INITIAL SITUATION

ECLASS became an issue in the Lufthansa Group with the introduction of the LUPUS desktop purchasing system. Previously, the separate companies of the Group only had individual product category trees, which made a **comparison** across the limits of their own company **virtually impossible**. Especially in indirect procurement, where material numbers are partially supplier-specific and also vary regionally, shopping synergies could be achieved only with great manual effort.

Already then the catalog suppliers offered an almost blanket coverage with the ECLASS information on their articles. Through the introduction of ECLASS as an overall product category code a big step forward was made in the indirect purchasing processes of the Lufthansa Group, which has opened up **many new possibilities, especially for strategic purchasing**. Since then, at Lufthansa a lot of positive experiences have been gathered in product category management.

USE

Within the Lufthansa Group the ECLASS product category tree is used with priority when purchasing. Within the Group a very lean product category tree, based on ECLASS, with just over 200 product groups is used, but is nevertheless matched directly to the ECLASS tree. At all points in the order systems where a manual assignment of product groups is required, this reduced Lufthansa view is used, which the purchaser can handle in a well-organized manner. From the catalog systems of the group the purchasing documents are automatically enriched with the ECLASS information and as such flow into the back-end systems for reporting and controlling purposes.

Lufthansa continues to participate in a number of purchasing benchmarks and is very involved in purchasing alliances beyond its own industry. To speak a **common language** here with the respective partners, an **ECLASS-allocation** is essential and makes collaboration much easier. Purchasing is in many ways a matter of data.

CONCLUSION

To meet the growing cost pressure, it is now more important than ever to take advantage of all opportunities for the exploitation of **synergy potentials**. This applies to any company of the Lufthansa Group, but also across all business segments.

A necessary condition for the success of this strategy is the standardization of processes and the creation of transparency wherever a potential for improvement is suspected. Of course the procurement plays an important role and uses a whole range of instruments to **bring the organizations** that have developed very differently over the years back, **together again** to a common power. An important tool here is the ECLASS product group tree, which helps to provide a common view of the procurement and use the strength of Lufthansa in the procurement market optimally through a **focused market approach**.

Soennecken eG

We are the leading cooperation of medium trading companies of office management and related sectors.

From the location in Overath about 500 affiliated retailers houses are serviced with nearly 1,000 locations, which can fall back on a selection of over 900 well-known manufacturers of branded products in addition to the exclusive Soennecken brand. In 2013 an annual net turnover of 571 million Euros was realized.

On top of that comprehensive services for marketing, consulting, finance and logistics enable our members to improve their own competitiveness in terms of their goods and services offered.

Our success is the success of our members and employees. Last but not least, Soennecken for that very reason now is Europe's largest and most profitable purchasing and marketing cooperative in the office supplies industry.

ECLASS AS AN ESTABLISHED CLASSIFICATION SYSTEM FOR MEDIA DATA EXCHANGE IN THE OFFICE PRODUCTS INDUSTRY BETWEEN TRADE AND INDUSTRY

Our dealers constantly receive updated data of the highest quality. They can focus on their core business exclusively. We thus offer them the possibility to flexibly and quickly respond to customer needs.

INITIAL SITUATION

Soennecken has already been deploying ECLASS since the introduction of Release 4.1 and imports each release in the article and media data platform. On the Soennecken platform not only the master and media data is classified, but also the content for print projects and the online shops for the cooperative and its members is generated: Everything from ONE data source.

Soennecken has since depended on the classification system that is dominant in the office products industry. The corresponding content is provided by the industry on the PBSeasy industry platform. Soennecken itself is an active member of the operator of the platform. The cooperation here also commits itself to promote the electronic **exchange of article and media data**, in order to **optimize work processes** along the product flow.

To help shape the development of standards, we are also an active member of the ECLASS section of subject area 24 since 2012. For each release change we not only control changes and additions in our own industry classification environment, but represent the view of 500 dealers as acting representative and check the product information presented from their viewpoint. What information does the customer need for his purchase decision?

USE

Since release 6.2 the structured and uniform preparation of the data is also supported in subject area 24. We use this within our system for a vendor-independent refinement of the data provided by the industry.

ECLASS supports us through the provided features and defined standards of care. We have adjusted our p**roduct information management system** in such a manner that practically every release is processed swiftly and the feature structures can remain as they are. This makes us "state of the art" in the industry. Since the consistent deployment of ECLASS, we have created a possibility to **standardize** that **database** for all upcoming production of advertising material, whether online or in print, and thus strengthen the communication towards the end users of our members. That is the reason the **product data quality has increased** enormously and today we can vouch actively for the needs of our members and their customers in the industry.

Soennecken currently has an active article base of approximately 65,000 articles – and still rising. We thus continuously increase the range available to our dealers for the creation of advertising projects on our article and media data platform.

CONCLUSION

We will continue to focus on enhancing the information provided by the ECLASS database to support our dealers permanently as a competent service provider in article and media data and to strengthen their competitiveness. We are actively committed to act as a key driver in the development of industry standards for our dealers. Together with ECLASS we therefore make sure that **the quality and also the size of the standardized exchange is increased** continuously.

DELTA-V
Büro- und Betriebseinrichtungen

DATA FOR OUR CUSTOMERS AT THE PUSH OF A BUTTON
Standardized product features now offer our customers improved data transparency and a high standardization of our electronic product catalog.

DELTA-V GmbH

DELTA-V is one of the leading companies for office and business design. We develop products to our own design up to series production, ensure the highest quality standards, control the production process and the logistics of delivery up to the fast professional installation service at the site of the customer.

+ We invest in design, quality and service.

+ We save on marketing costs by direct sales (without intermediaries).

= Attractive industrial net prices for our products

INITIAL SITUATION

As a manufacturer and trader for office and business design, we were faced with the requirement to make our range available to our customers in the form of an **electronic product catalog**. Here we decided for the industry standard ECLASS, in particular due to multiple requests from our customers.

Since there were no electronic product standard for DETA-V yet, the introduction of ECLASS 5.1 as the classification and standardization of their own product range was forced through.

Objectives to be achieved by this decision are for example, to deal with the **needs of our customers** in a precise and satisfactory manner. The standard product features offer our customers an **improved data transparency** and a high standardization of our **electronic product range**.

USE

Our electronic product catalog is automated by individually created software, composed of ERP and e-commerce data and exported as ECLASS. This product catalog can then be made available to our customers. Thus we ensure a **uniform data structure** in our range of products.

The ECLASS classification is used in DELTA-V to merge data from two sources (ERP and online shop). By pressing a button we can now create BMECat ECLASS 5.1 with our own solution and also produce further ECLASS versions.

The generated product data quality is not only very high, it also improves the communication between us and our customers. In addition, the effort by common processes is significantly lower than before and the **reaction time** for data export is **much shorter**.

CONCLUSION

With ECLASS we have a common industry standard by which we can easily make current electronic product catalogs available for our customers.

The **increased data transparency** not only improves the processes in general, it also satisfies our customers. The **standardized electronic product data** are now also internally available to the customer.

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SIEMENS

THROUGH ECLASS SUSTAINABLE SAVINGS IN THE AREA OF LEGAL COSTS AND OPTIMIZATIONS IN PROCUREMENT WERE REALIZED

With the ECLASS classification we deliver the fundament. We provide a sound basis for optimizing business processes – throughout the entire product life cycle and in communication with our customers and suppliers.

Siemens AG

Siemens is a worldwide leading company in electronics and electrical applications. The sector Energy is the world's leading provider of a broad range of products, solutions and services for the power industry.

Siemens Energy employs nearly 86,000 people worldwide. In the fiscal year 2012 the sector realized a revenue of 27.5 billion Euros and a profit of around 2.2 billion Euros.

INITIAL SITUATION

With the Siemens e-Content Classification Portal a central product master data server was introduced for an power industry-wide uniform and cross-system-covering classification as well as the description of product master data and structures.

The implementation of ECLASS began in 2009 in parallel with the first steps of the process harmonization within the central SAP solution in the division for industrial energy applications and oil & gas. Each site had its own data structures and associated specialized search algorithms, resulting in data conversions for product shifts between individual plants. A lot of information (etc. drawings, data sheets, catalogs) could only be found only in secondary data sources. Some individual plants had their own legacy classification system which were designed based on different criteria. A cross-site search in different systems was not possible.

USE

The use of the ECLASS standard enables the electronic product data exchange with suppliers to acquire catalogs as well as the transfer of data to customers.

The "Siemens E-Content Classification portal" has the following functions:
- Central product master data server to build a unified classification structure based on ECLASS
- Limitation of ECLASS classes to the actual required classes and, if required, extension by one's own classes
- Establishing and maintaining class-specific templates to define the (varying) description depth of the material master data through target systems (SAP, Teamcenter)
- Provision of material classification and description information for other enterprise applications (e.g. Comos, TDM etc.)
- Multilingual terminology database for nomenclature catalogs and lists of values
- Support for automatically upgrades to higher ECLASS releases
- Reference system for the adoption of catalog data from suppliers
- Platform for handling change processes and information improvement of classification, material description and terminology.

CONCLUSION

Through the implementation of ECLASS challenges such as the reduction of high site-specific maintenance workloads for material master data, were mastered successfully. The comparability of information with a standardized interpretation and the uniqueness of classes and attributes names were further positive results. Also the increase in product data quality and transparency of data led to the reduction of duplicates. With the help of ECLASS processes could be unified and it helped reducing the complexity of multi-site product documentation.

Thanks to long-standing service contracts with customers (up to 30 years) the introduction of ECLASS leads into a highly sustainable savings potential.

AVL LIST GmbH

AVL is the world's largest independent company for the development, simulation and testing technology of powertrains (hybrid, combustion engines, transmissions, electric drive, batteries and software) for passenger cars, trucks and large engines.

- AVL is active in the following business divisions:
- Development of powertrain systems: AVL develops and improves all kinds of powertrain systems and is a competent partner to the engine and automotive industry.
- Simulation: In addition AVL develops and markets the simulation methods which are necessary for the development work.

Engine Instrumentation and Test Systems: The products of this business area comprise all the instruments and systems required for engine and vehicle testing.

„CRADLE TO GRAVE" – CLASSIFICATION OF MATERIAL MASTER DATA OF SAP

The introduction of a new standard in master data management has made it possible to reduce complexity and redundancy in data maintenance. It also makes it possible to maintain master data quality at a high level.

INITIAL SITUATION

The AVL group is built up by 45 companies which use CAD, PDM, CAE and SRM and CRM systems in addition to the globally available ERP solutions. In order to meet the challenges of a high growth rate in the recent years, the group concentrates on a **continuous harmonization of the global process and system landscape**.

Missing rules in the creation and maintenance of material master data lead to approximately 400,000 inconsistently and unstructured master records in the systems. This meant that a great deal of effort had to be expended on decentralized maintenance as well as a large number of duplicates.

The basic requirement at the start of the harmonization project was a clear definition of the material master information which takes the local language variety into account. The decision to use ECLASS for this purpose was based on three main reasons: first, the high number of companies that use ECLASS as classification and product description standard, second, the availability of different language versions and third, the extensive, ever-evolving portfolio of standard features.

USE

A comparision of several ECLASS-certified solutions was carried out which resulted in the selection of the product eptos™-product master data repository from Paradine GmbH. Based on this, AVL and Paradine created the AVL MMD portal for which the main task is the structured, clear and system-independent definition, creation and maintenance of the material master information.

To allow the highest global accessibility possible, the system runs via intranet on web browsers and provides real time data out of SAP. The ECLASS release 7.1 comes with 39,000 classes, but to describe the standard material portfolio of AVL only 550 of these standard classes (4th level) were necessary. 50 new classes were created to describe the very AVL-specific material by its own properties and value lists. For each class a template was defined, which is used in the material master creation and maintenance process. It specifies which properties are mandatory and which are optional to describe a material. To ensure the completeness and correctness of the local language variety in material master texts, clear text generation rules for automatic processing were defined. This makes it possible to create multilingual (EN/DE/CN) text blocks out of the property values.

CONCLUSION

The activation of the new AVL MMD portal was accompanied by the introduction of standardized organizational material master processes and the introduction of the new role of globally responsible component managers.

The following results have been achieved:

- Duplicate check implemented when material master data is requested or maintained
- Extension of already existing material masters with classification information
- Implementation of a clear and standardized process for the migration of material masters in SAP rollout projects
- Management of the supplier and manufacturer information via the AVL MMD Portal
- Building up a globally applicable terminology database for the specification of material masters

In addition, the implementation of the ECLASS standard makes it possible for AVL to easily implement new requirements for the master data by adding new properties.

OPTIMIZATION OF LEAD TIME AND TRANSPARENCY BY ECLASS
Also due to the introduction of ECLASS BBG could profile itself throughout Europe as a world leader in e-business.

Bundesbeschaffung GmbH

With contracts of more than 270 000 products and services, the Bundesbeschaffung GmbH (BBG) is the procurement service provider of the public sector.

By pooling purchases, the purchase price can on average be reduced by 18 percent, in some procurement categories even by a multiple thereof. The customers not only come from the area of federal agencies, but are also public clients of the federal states, municipalities, universities and health care facilities. Starting with the fleet, the product range via IT and office furniture, also covers textiles and cleaning material.

BBG was founded in 2001. In 2013, approximately 1.2 billion Euros were made via the contracts of the BBG. All departments and organizations that are contracting public clients may use the services.

INITIAL SITUATION

Product and supplier quality and a fair assessment of bidders are at the top of the list when issuing public tenders. However, prior to the introduction of ECLASS media breaks occurred during tender and procurement processes, causing data from multiple suppliers to be recorded and checked manually multiple times. Within the framework of the EU project PEPPOL (Pan-European Public Procurement Online) uniform standards were developed for public procurement in Europe.

As an active member the BBG has been involved in the project in the Austrian PEPPOL consortium. The use of ECLASS for the definition of product characteristics in tenders was investigated. Then the decision was made to introduce ECLASS for the future classification of product features and catalogs.
The objectives through the use of ECLASS are:

• Use of an **established B2B standards** for public procurement and the provision of standardized product features for tenders on the basis of ECLASS characteristics

• Standardization of the business documents and data formats in the tendering phase, as well as the order and delivery phase

USE

The implementation of ECLASS was carried out by Paradine GmbH. At the same time the eCatalog service portal was introduced as a web-based solution for building and managing product characteristics.
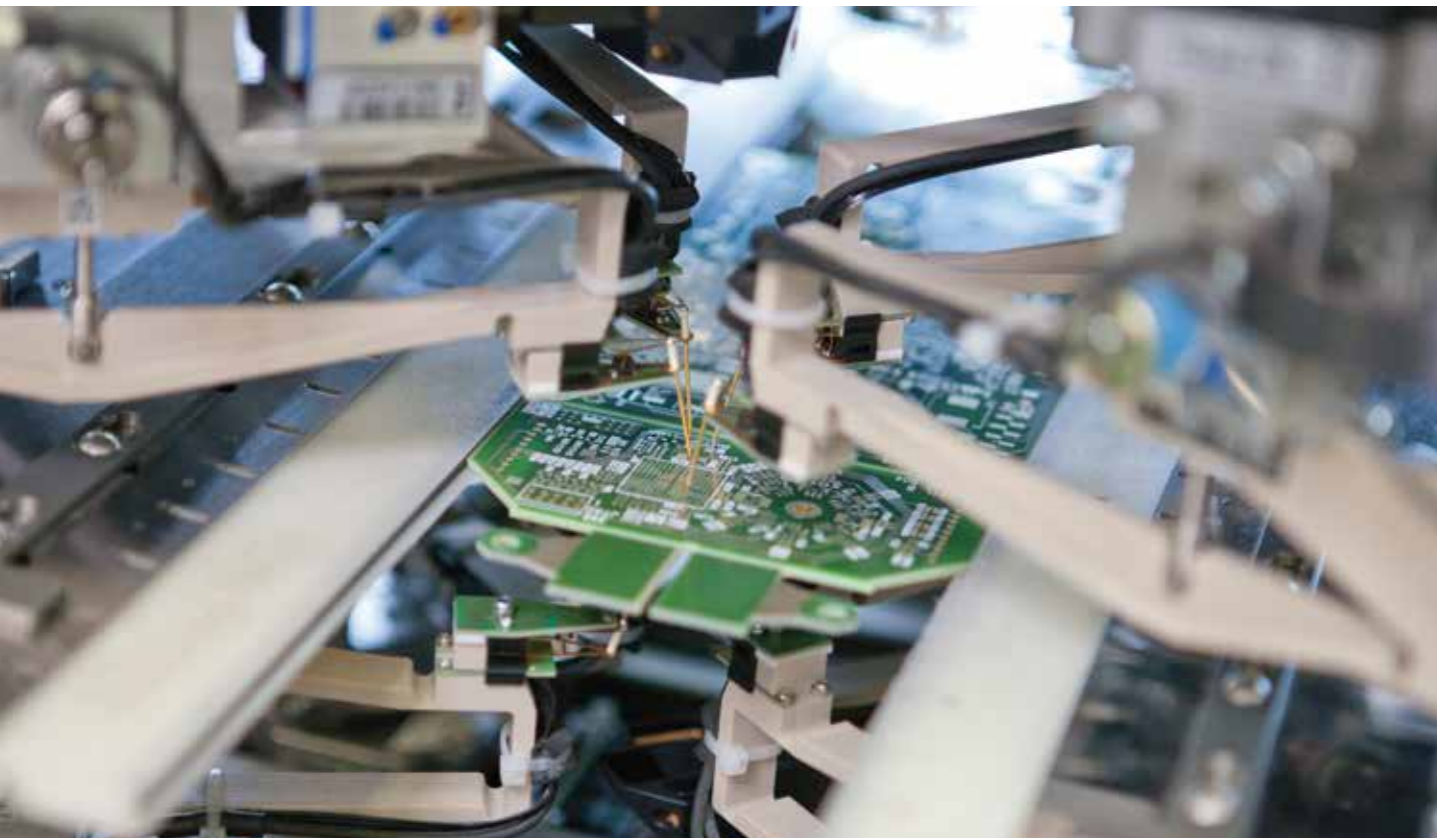
In the pre-award, the tendering phase, the purchasing specialists BBG relied on a single application for creating product characteristics. Thus, the efficiency can be maximized when documenting them with the buyers. The specifications based on ECLASS are provided as an electronic catalog. In the tendering phase tenderers realize a reduction in processing costs and cycle times through the provided eCatalog. In the post-award phase the eCatalogs that are completed by the supplier are imported in the BBG e-Shop. The **structured product feature description** based on the ECLASS standard **enables users to compare products**.

CONCLUSION

With the implementation of the BBG eCatalog service portal BBG Europe takes a leading role in the integration depth of eBusiness standards in public procurement.

National tenders that go beyond the EU contribution limits have to be tendered Europe-wide. Because of the system used, all 16 languages provided by ECLASS are supported.

Thanks to the structured product feature description based on the ECLASS standard, it is **easier for users to compare products**. The avoidance of redundancy and streamlining the entire process led to an **optimization of both processing time and transparency**. Compliance and data security as well as the reduction of misunderstandings and queries resulting from clearly defined requirements throughout the process chain, have turned the use of ECLASS in the BBG into a success story.

GLOBAL CONSOLIDATION OF SPARE PARTS AT AT&S
SINGLE AND MULTI-LANGUAGE MATERIAL MASTER DATA IN ERP

The use of ECLASS was profitable for us in less than seven months! A year after the start of the product we had 43.75% fewer spare parts, 20% less capital investment and 47% fewer suppliers.

AT&S AG

AT&S is the European market leader and one of the globally leading manufacturers of high-value printed circuit boards. AT&S industrialises leading-edge technologies for its core business segments Mobile Devices, Automotive, Industrial Electronics, Medical, and Advanced Packaging. In 2013, AT&S took the next logical step in the high-tech strategy by entering the IC substrate business in cooperation with a leading global semiconductor manufacturer. As an international growth enterprise, AT&S has a global presence, with production facilities in Austria (Leoben and Fehring) and plants in India (Nanjangud), China (Shanghai, Chongqing under construction) and Korea (Ansan, near Seoul).

As a company, AT&S Group in the fiscal year 2014/2015 employs approx. 8,100 employees, including about 1,200 in Austria, and has achieved a turnover of 667 million Euros and earnings before interest and taxes of 90.1 million Euros.

INITIAL SITUATION

AT&S is one of the world's leading producers of high-technology circuit boards. In view of the availability of the production installations the supply of spare parts, as well as the **optimization of spare parts management**, plays an important role.

In addition to the increase in production a large increase of spare parts in stock was recorded as well with a simultaneous lower turnover. This led to a high capital commitment for inventory. In August 2007, spare parts with a value of about 7 million Euros were present at a frequency of 1.4 turnovers per year. In comparison, the value of production materials was approximately 15 million Euros at an average of 13 turnovers per year. The main cause of this problem were inconsistent names and the different classification of spare parts stocks in the various locations of the company in Europe and Asia. Because of the difficult identification of existing or missing parts, there was a risk of production stoppages in case the spare parts were not provided in time

USE

In order to consolidate the spare parts the SPICE (Spare Parts Inventory and Cost Enhancement) project was launched and the internationally active Paradine GmbH commissioned with the implementation. The selection of ECLASS as a classification system was based on the international dissemination, cross-industry applicability, multilingualism (inc. Chinese) and the availability of product descriptions of properties and characteristics. Existing spare parts were classified and evaluated based on the ECLASS properties lists. The feature lists were previously shortened according to the needs of AT&S or extended company-specifically. Suppliers were also included for classification. After the classification the identification and clean-up of duplicates was carried out. Unneeded materials were sold, spare parts transferred as necessary to other plants and the spare parts portfolio harmonized.

The classes and feature lists drawn up on the basis of ECLASS form the basis of the new classification in the SAP system.

CONCLUSION

The **classification of spare parts** as well as the definition of the required AT&S classes and lists of properties was successfully **completed after only three months**. Next, all the appraisals of the spare parts were implemented, duplicates identified and the spare parts spectrum consolidated. In addition to the implementation of the project in the English and German language and due to requirements at the site in Shanghai the Chinese language version was also made available at short notice. 12 months from the end of the first phase the following results have already been achieved:

• **43.75% fewer spare parts**

• **20% less capital tied up in spare parts**

• **47% fewer suppliers**

The successful introduction of ECLASS in the spare parts management at AT&S shows that long-term benefits and cost reductions are possible through consistent and well-structured product master data.

The return on investment for the project was achieved in less than seven months!

18 MILLION ITEMS, ONE MILLION BUYERS, A SINGLE CONTACT

Mercateo AG

Mercateo is Europe's leading e-procurement platform for business customers. Companies can order from a wide range of products, including office material, IT and industrial supplies as well as business and warehouse equipment on www.mercateo.com. The range covers both general business supplies as well as specialist supplies through hard to find special requirements. Mercateo's customers include companies of all sizes, from listed corporations to SMEs to freelancers as well as numerous public organizations.

What is unique about Mercateo's business model is the combination of the ever growing product portfolio and a modular e-procurement system with catalog hosting, personalised views and product labelling, the digital ApproveNow process as well as electronic interfaces to connect customers' internal SRM and ERP systems. Besides Germany, Mercateo is also present in ten other European countries and has more than 300 employees in total. In recent years, sales increased to more than 135 million Euros, with an average growth rate of 25 percent.

IN A MARKETPLACE WITH MORE THAN 18 MILLION ITEMS FROM 700 SUPPLIERS, DATA STANDARDISATION IS REQUIRED TO ENSURE MARKET TRANSPARENCY

INITIAL SITUATION

Already in 1999, the original idea of the founders of Mercateo was to establish a marketplace on the Internet without its own stock, in which indirect materials are sold.

The advantage for the customers: They can cover all their business needs through a single platform. Advantage for suppliers and manufacturers: An additional, spatially unlimited distribution channel is available to them. Thanks to the electronic handling both sides also save on transaction and process costs. The idea has now become reality. Today, more than 1 million businesses use a range of more than 18 million items from 700 suppliers. One of the challenges was that many suppliers offer identical products. These duplicates had to be identified in order to produce clean results from a mass of unstructured data. This can only be done by standardising manufacturers numbers, order units, item descriptions and numbers, EAN etc. Identical items could thus be identified. But how to proceed with similar items, for instance from another manufacturer?

USE

In order for purchasers to keep an overview of a search result of 3,000 different types of copy paper, the properties of a product are extracted by Mercateo's own unique search tool and are represented to the client as a filter to restrict or refine the search. These little "programs", so-called Mercateo keyword XML (MKX), include all relevant information required to create the search result, the categorization and linking to broader and narrower terms, e.g. copy paper, white, A4, 80g/m2. The collaboration with major customers, however, required a **uniform standard for comparison of evaluations**. Therefore the keywords were extended by the ECLASS numbers. This addition allows customers to consistently produce their own **procurement profile across all suppliers** with ECLASS. Thus, the purchase negotiations can be focused on the key categories. It does, however, not only benefit large corporations. Medium-sized companies too can now use ECLASS via Mercateo, for example to find out for what product range a framework agreement is really worthwhile.

CONCLUSION

Readability:
Generation of uniform procurement profiles across all suppliers

Liability:
Compliance with legal requirements, public procurement and warranty regulations

Manageability:
Sorting management allows for displaying and hiding assortments according to ECLASS categories

Different procurement processes:
Hazardous substances and environmental labels

Pricing:
Specifying different tax rates and customs fees

Internationality:
Multilingualism, customs tariff codes

Electronic catalogs:
Categorization of ECLASS facilitates the creation of electronic catalogs, for example about BMEcat

B BRAUN
SHARING EXPERTISE

B. Braun Melsungen AG

B. Braun supplies the global healthcare market with products for anesthesia, intensive care, cardiology, extracorporeal blood treatment and surgery, as well as services for hospitals, doctors and the homecare sector. Through the dialogue with those who use B. Braun products daily, the company contributes with its innovative products and services worldwide to optimize the workflows in hospitals and clinics for patients, doctors and nurses and improve safety.

53,000 people are active in 61 countries for B. Braun. 2013, the company achieved a turnover of 5.17 billion euros.

BETTER SPARE PARTS MANAGEMENT THROUGH ECLASS

In order for us to be able to manage a highly complex world of spare parts and achieve our defined goals, it is worth the effort to introduce the internationally established classification standard ECLASS.

INITIAL SITUATION

Efficiency in maintenance, which means on the one hand ensuring the proper operation of production and on the other hand optimizing the inventory and availability of spare parts to ensure the former. B. Braun Melsungen AG operates in a global production network and has production systems that are steadily becoming more complex. Non-uniform structures and master data resulted not only in the upkeep, but also in the involved procurement of processes worthy for improvement. Braun Melsungen AG therefore decided to a comprehensive optimization of long-standing processes.

The classification of spare parts supplies has two key advantages for B. Braun Melsungen AG: Firstly, the purchasing power is strengthened by the identification of the global spare parts requirements. Secondly, the classification is a prerequisite for the determination of the optimal global stocks of spare parts in the B. Braun group.

USE

The classification is performed globally, all production sites of B. Braun should have a harmonized database. To be well positioned internationally, B. Braun has chosen ECLASS, which serves as a classification standard for this project.

In the first step, all spare parts master data are classified according to ECLASS. In this case, all existing materials are checked for duplicates and enriched with further information in order to achieve **clarity, completeness and consistency of the data**. The classified data are then deployed in the leading ERP system. For new materials, it is first checked automatically if this part is already available. If this is not the case, the material is classified according to ECLASS.

CONCLUSION

Mr. Heiko Gebhardt (Director CMMA) says: "For B. Braun Melsungen AG the classification of spare part information, that was introduced together with the partner D&TS GmbH, is the crucial step in order to achieve the necessary transparency for process optimization. D&TS is a specialist in master data management and classification, a.o. according to ECLASS.

The **stocks and related capital commitments are decreased** with the classification of spare parts. Thus, a higher turnover rate of required spare parts is achieved. The optimal inventory levels for each part are visible. Thus the potential for further types of spare parts at B. Braun becomes visible.

The **simplification of the operational processes** by the ECLASS classification has also led to an increased user acceptance.

The company D&TS GmbH in Wuppertal was selected from different vendors; they realized the conversion worldwide. The use of the classification according to ECLASS will provide a uniformly high quality state of the master data in the various departments.

OPTIMAL SUPPORT OF CUSTOMER PROCESSES IN ENGINEERING AND PROCUREMENT OF STANDARDIZED PRODUCT DATA ACCORDING TO ECLASS

ECLASS is the standard that is used in both the internal systems as well as to communicate with our customers, enabling consistent processes throughout the product lifecycle.

PHOENIX CONTACT GmbH & Co. KG

Phoenix Contact is the global market leader for components, systems and solutions in the field of electrical engineering, electronics and automation.

The product range includes components and system solutions for energy supply, including wind and solar, device and machine construction, and control cabinet construction. A diverse range of blocks and special terminals, PCB terminal blocks and connectors, cables hardware and installation accessories provides innovative components. Electronic interfaces and power supplies, automation systems based on ethernet and wireless, security solutions for man, machine and data, surge protection systems, and software programs and tools provide installers and operators of installations and equipment manufacturers with comprehensive systems.

INITIAL SITUATION

For the manufacture and sale of components and systems in the field of electrical engineering, different tools are required to accompany the processes from development to product marketing. On the one hand it is SAP in the procurement process for raw materials and components. For several years now Phoenix Contact has been deploying ECLASS now in category management to support the purchasing processes. On the other hand, the classification systems required by the customer such as ETIM, UNSPSC and ECLASS are used in the respective versions of the classification of the products. Depending on requirements, a customized solution to support the specific process was developed in the participating system.

While classification systems have been established in recent years in the field of category management and use of shopping portals, manufacturers such as Phoenix Contact must offer various proprietary interfaces to ensure that the product information is integrated into the electrical design tools of the customers and thus monitor their engineering processes optimally.

USE

In the system landscape of Phoenix Contact the product data information management tool (PIM) is a central component. Here, all product data is managed to provide different applications such as online/print catalogs or data sheets with the necessary product data.

The assignment of the products in the categories of external classification systems was carried out with corresponding characteristics within the internal classes in the PIM system. The harmonization projects of ECLASS with ETIM and PRO-LIST, the addition of the **advanced structures in the ECLASS model** and the models developed by the CAx department for mapping the **CAE-relevant data in ECLASS** since version 7.0, were the essential aspects for Phoenix Contact, so ECLASS has become a cross-classification standard. Therefore in 2011 the implementation of ECLASS 7.0 Advanced in the PIM system was started.

For the generation of ECLASS data from Phoenix Contact Data a proprietary mapping tool was developed which transforms the data from the internal classification in the target system. Thus all data necessary in the ECLASS model, such as the terminal positions of power, can be supplied from a single source and multiple versions are supported in parallel.

In the sales release process of an article the ECLASS classification is a must nowadays.

CONCLUSION

The consistent recasting that data is maintained at the source and distributed via interfaces to other systems, enables Phoenix Contact to provide customers with comprehensive **product data in ECLASS BMEcat format**. Whether these are then used in a multi-supplier catalog for e-procurement and building a catalog of products in a CAE tool for engineering, is decided by the client himself, for whom this is an important criterion in the supplier selection process.

SIMPLE HARMONIZATION AND STANDARDIZATION OF INDIRECT MATERIAL RANGE BY USING THE ECLASS CLASSIFICATION

An important step in the Nolte group was the harmonization and standardization of the master data and processes. This group thought was inevitable as a success guarantee for the future.

Nolte SE

The Nolte group has its production for 100% in Germany and thus offers high security and reliability in terms of quality.

For the Nolte group „made in Germany" is more than just a slogan - it is our goal!

INITIAL SITUATION

Eight independent Nolte companies operate independently of each other, having their own processes, organizations and systems.

In the different ERP systems of the companies a heterogeneous classification structure to procurement articles reigns. As a result, no harmonized article master data exist.

USE

Because of the universal use of products and services in the indirect area within the Nolte group an assignment with ECLASS was realized.

In the production material segment the article structure of the Nolte group could not be displayed with the ECLASS of goods, as the naming and structuring of the product groups in the furniture industry is different. For this reason the Nolte group developed a custom classification based on the numbering of ECLASS and thus set a benchmark for the furniture industry.

In indirect material the ECLASS product groups relevant to the Nolte group were selected and defined up to the 3rd hierarchy level of the ECLASS-goods group code. Thus, the conditions for external communication are met. This is already successfully done with our suppliers within the qualification on our eProcurement platform.

For a better acceptance of the product group code within the Nolte group hierarchy levels 1 and 2 of the ECLASS goods group code are used predominantly. Should it be necessary, the articles are defined up to the 3rd level. This leads to a high utilization rate and also to a significantly improved data quality in an indirect material area, as the **identification of products and services** with a ECLASS product group code is **simplified a lot**.

CONCLUSION

The product group code is considered the procurement master for the Nolte group and thanks to the easy identification has a high level of acceptance within the Nolte group.

The introduction of ECLASS in the indirect material area enabled a **simple harmonization and standardization of master data**, the basis for a group-wide structure was created and its implementation in SAP is now complete in all companies.

With our implemented ECLASS product group code the procurement process in the indirect material area can be standardized to a high degree and be **efficiently carried out on our eProcurement platform**.

In addition the expenditure and planned budget in the area of other operating expenses can be controlled much easier by the newly acquired **transparency and significantly improved information content**.

ECLASS
SEGMENTS FROM A TO Z

- Automotive engineering, vehicle component
- Auxiliary supply, additive, cleaning agent
- Body care, personal hygiene
- Clothing and textile
- Construction technology
- Development (Service)
- Electric engineering, automation, process control engineering
- Energy, extraction product, secondary raw material and residue
- Equipment f. mining, metallurgical plant, rolling mill a. foundry
- Fluid power
- Food, beverage, tobacco
- General service
- Home economics, Home technology
- Human and veterinary drug, pesticide as well as active ingredient
- Industrial piping
- Information, communication and media technology
- Inorganic Chemical
- Installation (complete)
- Interior furnishing
- In-vitro diagnostic

- Laboratory material, Laboratory technology
- Logistics (Service)
- Machine element, fixing, mounting
- Machine, apparatus
- Machine, device (for special applications)
- Maintenance (Service)
- Marketing
- Medical Device
- Occupational safety, accident prevention
- Office product, facility and technic, papeterie
- Optics
- Organic Chemical
- Packing material
- Plant equipment, tool
- Polymer
- Public safety and military technology
- Semifinished product
- Sport, playing, leisure
- Vehicle (complete vehicle)
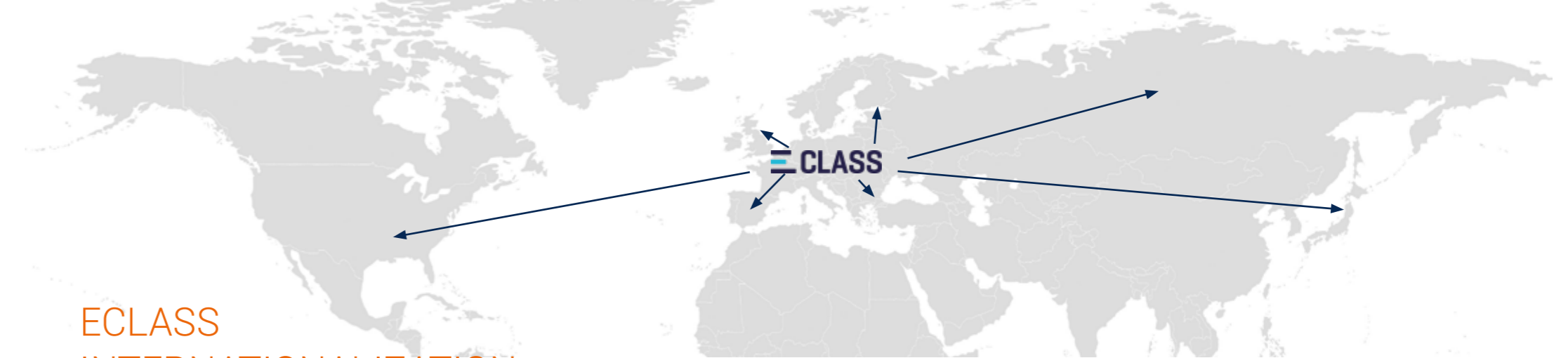
ECLASS
INTERNATIONALIZATION

Strategic alliances with standards and marketplaces
Alliances with internationally active standards organizations, and global platforms and marketplaces.

Cooperative agreements in numerous sectors worldwide
Global cooperative agreements with companies in a variety of sectors.

ECLASS language versions
ECLASS is currently available in 16 languages.

International member companies and supporters
More than 150 members, many of which are globally active market-leading companies.

International offices
Branch offices in France, Portugal/Spain, Switzerland, Austria/ Southern and Eastern Europe, as well as China

International network of service providers
Strong network of authorized ECLASS service providers with international experience.

ECLASS e.V.

In 2000, the ECLASS e.V. was founded by Siemens, BASF, AUDI/VW, e.on, SAP, Bayer, Degussa, Wacker, infraserv chemfidence and Solvay. The aim of the organization is a simplification of the electronic, cross-industry trade through standardized product descriptions.

THE ECLASS HEAD OFFICE

Since the founding of the ECLASS association, its head office has been located at the German Economic Institute. While this office serves member needs and provides support and coordination services to the association's individual committees, it is also your first point of contact for all ECLASS questions.

You can reach us via info@eclass.de or call + 49-221 4981-811. We're here to help.

Class.Ing

Class.Ing provides software for the management, validation, presentation and delivery of electronic data and is a service provider for common/product data, classification and data preparation.
www.classing.de

PEPPERL+FUCHS

Pepperl+Fuchs is a leading global manufacturer of industrial sensors and explosion protection. The products stand for the highest level of availability and security. They are perfectly matched to the customer applications.
www.pepperl-fuchs.de

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simpleshow is market leader in the field of instruction videos. We help our customers every day to get their product or their idea across with easily understandable and meaningful instruction videos.
www.simpleshow.com

D&TS — Simplified Business Processes

D&TS GmbH is an international consulting and software company. We will gladly be your resource for master data management, classification according to ECLASS and process consulting.
www.dundts.com

PHOENIX CONTACT

Phoenix Contact GmbH & Co. KG is the global market leader for components, systems and solutions in the field of electrical engineering, electronics and automation. The family firm has 13,000 employees worldwide.
www.phoenixcontact.de

PARADINE

Paradine operates internationally and provides professional consulting, service and software solutions for building and maintaining multilingual, uniform cross-system material master data.
www.paradine.at

SIEMENS

Siemens is a globally leading company which is situated along the value chain of electrification - from conversion, distribution and use of energy to medical imaging and in-vitro diagnostics.
www.siemens.de

HARTING — Pushing Performance

≡ CLASS