

## Global #1 Mining and Commodities Company Key Facts:

### Global Fortune 10 Company:

- USD 230 Billion Turnover
- 190 000 Employees

### Assets:

- USD 160 Billion at 150 sites including mining & metallurgical sites,
- offshore oil production assets,
- farms and agricultural facilities.

### Industries:

- Metals and Minerals,
- Energy,
- Agriculture

### Key Commodities:

Steam coal, metallurgical coal, coke zinc, copper, lead, alumina, aluminium, ferro alloys, nickel, cobalt iron ore, crude oil, oil products, wheat, corn, barley, rice, oil, seeds, meals, edible oils, biofuels, cotton and sugar

### ERP Systems:

ERP Systems & Procurement Teams split by Business Unit. Includes SAP ECC6 and various Reporting Tools

### Level of In-House ERP Knowledge:

Excellent ERP experience by BU

### Level of Purchasing Knowledge:

High. Sourcing Innovators. Looking to increase the level of in-house standardization at all sites per BU's.

### Refresh License:

Refresh Desktop since 2010

### Current Status:

Live with Refresh Desktop in the two main mining business units  
Tagging all SAP item lines to UNSPSC and ISO 8000 / eOTD.

### Refresh Languages installed:

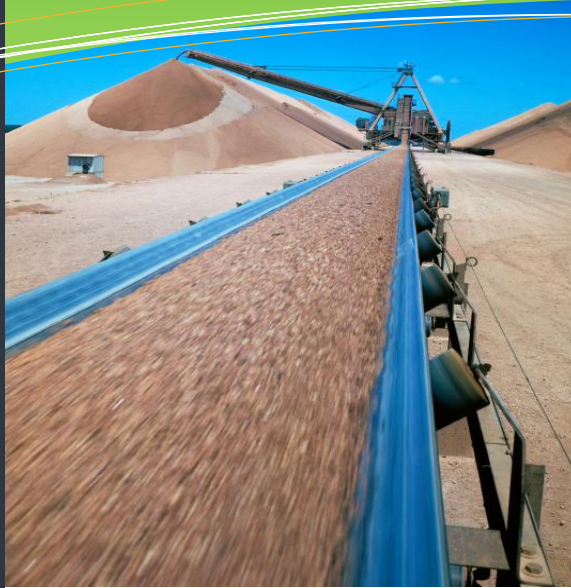
English, Canadian French, Spanish, German & Specific Localized Dialects

### Combined Standards in Refresh:

UNSPSC Segment  
UNSPSC Family  
UNSPSC Class  
UNSPSC Commodity  
ISO 8000 Noun Qualifiers for all Items and Services category-wide  
HTS – Harmonized Tariff Codes  
In-house industry-specific codes



# Refresh™ Software Customer Case Study: The World's Largest Mining & Commodities Company



## Business Challenge:

In 2010 this leading company's Nickel business unit had completed a global SAP implementation and was looking to make significant procurement cost savings during a tough time for global commodity prices and volumes. Headquartered in Canada, with an annual managed production of more than 100,000 tonnes of nickel in seven countries they had many lines of raw data passing through their ERP systems and took the opportunity to drive better procurement through some standardization of their own data.

Each site had an extremely diverse range of items of supply being bought daily from many suppliers through multiple purchasers in each country. They were running best of breed procurement tools however, the current tools were not the main problem – the underlying raw data was the real issue. It was extremely tough to get all users, some in remote mines with language challenges to provide repeatable descriptions for spend classes and material groups assignment across a broad range of commodities - from stationery and services all the way through to specific mining explosives and machinery.

**The question was: how to automatically tag all the purchased items to internal reporting material groups and how to enforce repeatable Noun:Modifier material descriptions – reducing duplicates & off-contract spend?**

After investigating the market for a specialist tool and including in-depth own-material tests & SAP integration tests, Refresh™ Desktop was selected for the entire Nickel group.

Some factors key in the selection of Refresh™ included:

- + Fresh Software Proposal very easy to understand
- + Low technical cost and low implementation effort
- + Ease of use allowing the right person to do the job quickly
- + Deep Global International Standards experience & content
- + Pre-Built dictionaries ready to use on day 1
- + No need to touch the SAP system or use SAP resources

## The Solution:

Refresh Desktop was installed in Canada and made available globally within one week of purchase. The purchasing team and especially the lead data analyst from the largest mine was quick to pick up the Refresh tool and started the full cleanse during the kick-off workshop itself. The automation quickly drove standardization at material level, even in multiple languages.

Project Cleansing De-duplication Settings Help

Edit results

Material	Filter	Configure columns	Certainty	Material group	UNSPSC #	New desc
201922	*BAGUE D'ETANCHEITE 1000013...			GASKETS AND SEALS	31.18.16.00	BAGUE D'E...
201903	*BOITIER, ARRIERE INTERIEUR ...			HOUSINGS AND CABINETS AND...	25.17.17.00	CORPS:PI...
201902	*BOITIER, ARRIERE INTERIEUR ...			HOUSINGS AND CABINETS AND...	25.17.17.00	CORPS:PI...
201907	*COMPRESSEUR, GARONNER-OUEL...			INDUSTRIAL PUMPS AND COM...	40.15.16.00	COMPRES...
201909	*REGULATEUR, VOLTAGE CDVR...			MEASURING AND OBSERVING ...	39.12.10.09	REGULATE...
201689	*THERMOSTAT, CATERPILLAR 9...			MEASURING AND OBSERVING ...	41.11.22.09	THERMOS...

Possible Dictionary matches: 62

Title	Score	Type	UNSPSC #	UNSPSC Title	Description
BAGUE-LANTERNE	5/N	31.18.17.01	Packings		Article constitué d'une ou
BAGUE-LAISON ELECTRI...	5/N	39.12.17.00	Electrical hardware a		circulaire, et dont la sec
BAGUE-PLATEAU D'ENTR...	5/N	31.16.32.02	Retaining rings		la lettre h. Il est destin
BAGUE-RENFORT-EXTRE...	5/N	40.14.17.00	Hardware and fittings		garnitures annulaires des
BAGUE-RENFORT-TUBE ...	5/N	40.14.17.00	Hardware and fittings		couronne est perforée pour
BAGUE-RIVET-BOULON	5/N	31.16.32.10	Retaining collars		parvenir à l'arbre et aux
BAGUE-ROUTAGE DE CA...	5/N	39.12.17.00	Electrical hardware a		l'étanchéité, le refroidis
BAGUE-TIGE PISTON	5/N	26.10.17.27	Piston rings		

Refresh Desktop standardized many items automatically at 1<sup>st</sup> pass

6 months after the kick-off with Nickel, a second business unit saw the progress at Nickel and decided also to purchase a Refresh license. This business unit, headquartered in Europe and South Africa, on its own is the world's largest producer of ferrochrome and also has at least 100 000 materials to standardize on many complex mining and smelting sites. A project kick-off took place mid 2010 and all new items now pass through Refresh before being created in the local SAP system.

## Key Business Benefits:

The company has been using the Refresh software to cleanse and manage materials across all departments - for all equipment and spares, from all suppliers. For the Operations team the main benefit is **finding their materials easily**. For Strategic Purchasing the main benefit is **a detailed view of each purchase, highlighting common purchasing trends** and showing any category areas which require further improvement.

## Key Business Benefits:

- + Easy to find materials & reduced inventory carrying costs
- + IT lowest total cost of ownership - fully reused ERP
- + Trustworthy Spend Reports
- + Reduced off-contract spending
- + Cross-Plant Spend Transparency allows better bundling
- + Materials described as commercially neutral - open bids
- + Cross-Plant PO line-item translation - visibility in English
- + Easier accounts payable process & three way match
- + Reduced Duplicates & Obsoletes
- + Increased knowledge sharing and technical development
- + Increased Safety through better specification