

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 and Server for SAP

Current Status:

Live with Refresh Desktop in all main mining business units and with Refresh Server for SAP Master Data Governance in Australia, Canada, EU Tagging all SAP item lines to UNSPSC and ISO 8000 / eOTD.

Refresh Languages installed:

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

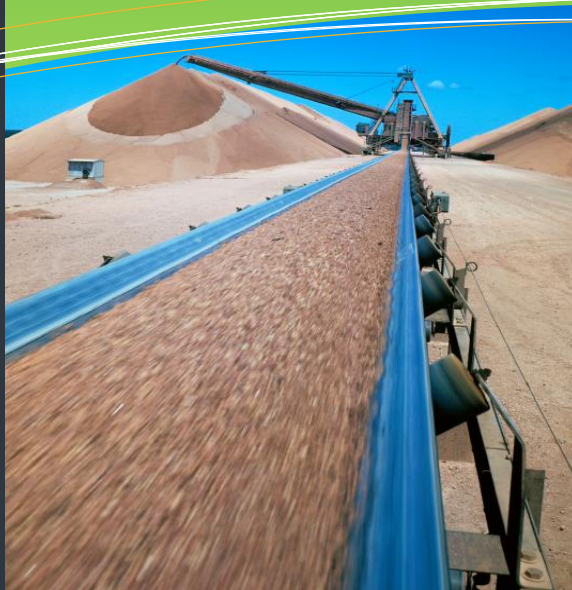
Combined Standards in Refresh:

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



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	Clean	Material no	Old description	Certainty	Material group	UNSPSC #	New desc
✓				201902	"BOITIER, ARRIERE INTERIEUR ...	3	CASES/FONDS/ESPACES	31.18.19.00	BOITIER
✓				201903	"BOITIER, ARRIERE INTERIEUR ...	3	HOUSINGS AND CABINETS AND...	25.17.17.00	CORPS:PI
✓				201902	"BOITIER, ARRIERE INTERIEUR ...	3	HOUSINGS AND CABINETS AND...	25.17.17.00	CORPS:PI
✓				201907	"COMPRESSEUR, GARDNER-DEN...	3	INDUSTRIAL PUMPS AND COM...	40.15.16.06	COMPRES
✓				201909	"REGULATEUR, VOLTAGE CDV...	3	MEASURING AND OBSERVING ...	39.12.10.09	REGULATE
✓				201689	"THERMOSTAT, CATERPILLAR 9...	3	MEASURING AND OBSERVING ...	41.11.22.09	THERMIST
✓				201689	"THERMOSTAT, CATERPILLAR 9...	3	BASIC DISCRETE COMPONE...	32.13.16.03	MARISTAM

Possible Dictionary matches: 62

Title	Score	Type	UNSPSC #	UNSPSC Title	Description
BAGUE-LANTERNE	51	51N	31.16.17.01	Flashlights	Article constitué d'une ou
BAGUE-LIAISON ELECTR...	39	39N	39.12.17.00	Electrical hardware a...	circulaire, et dont la sec
BAGUE-PLATEAU D'ENTR...	31	31N	31.16.32.02	Retaining rings	la lettre h. Il est destin
BAGUE-REINFORCEMENT...	40	40N	40.14.17.00	Hardware and fittings	garnitures annulaires des
BAGUE-REINFORCEMENT...	40	40N	40.14.17.00	Hardware and fittings	couronne est perforée pour
BAGUE-RIVET-BOULON	31	31N	31.16.32.10	Retaining collars	parvenir à l'arbre et aux
BAGUE-ROUTAGE DE CA...	39	39N	39.12.17.00	Electrical hardware a...	l'attaché, le refroidiss
BAGUE-TIGE PISTON	26	26N	26.10.17.27	Piston rings	

Business Challenge:

The Nickel business unit of this global leader had just completed an 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 now wanted to take the opportunity to drive better procurement decisions through standardization of their 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

Refresh Desktop standardized many items automatically at 1st 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 BU, headquartered in E.U. and South Africa, on its own is the world's largest producer of ferrochrome and with at least 100 000 materials to standardize on many complex mining & smelting sites. A project proof of concept meeting took place at the HQ with mine-site procurement staff agreeing that any new items would now pass through Refresh screening within local SAP systems. A year later a third BU (Coal) joined in, based in Australia. This meant that most of the main mines globally had Refresh – truly covering the SAP systems of the world's largest mining company.

The software now cleanses and manages 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