



## INEOS ChlorVinyls



### INEOS ChlorVinyls

**INEOS is the world's third largest chemicals company and a leading manufacturer of petrochemicals, speciality chemicals and oil products**

#### The Company

Comprising 18 businesses, INEOS has a production network spanning 70 manufacturing facilities in 14 countries. The company produces more than 40 million tonnes of petrochemicals and 20 million tonnes per annum of crude oil refined products (fuels). INEOS employs 16,000 people and has sales of around \$44 billion.

Part of the INEOS network, INEOS ChlorVinyls is one of the major chlor-alkali producers in Europe, a global leader in chlorine derivatives and Europe's largest manufacturer. The Company consists of two distinct legal entities, INEOS Chlor and INEOS Vinyls, directed under a single management organisation.

#### The Challenge

INEOS Newton Aycliffe had been undertaking a manual process for delivering all of its transactional documents such as Purchase Orders, Invoices, Statements, etc. Each document was being delivered manually by print and fax. The only electronic faxing currently used was becoming obsolete and was very unreliable requiring constant manual monitoring to check whether documents had been sent. Also with the current system there was no scalability or opportunity for future development. This prompted an internal project to eliminate manual fax machines from the business altogether.

INEOS' initial problem statement highlighted that twenty-five faxes were in use around the site costing around £7,500 in maintenance and line rental per year. Over 60% of these lines were underutilised and they wanted to understand the potential to obtain major synergies by centralising the majority of faxes within one system.

Also, the dispatch of commercial documents was not as timely or efficient as it could be as in excess of 25,000 documents had to be manually processed each year. Document delivery was slow, unreliable and prone to errors. This was increased considerably when taking into account long term delays and undelivered mail due to a high number of customers being located across Europe.

#### The Solution

A business improvement project was initiated to replace the existing manual paper-based system with an automated process. A project team was formed, headed by Peter Moore as Project Leader, and comprised of Purchasing (Raw Materials and Engineers Stores), Sales, Finance and IT (Desktop and SAP solutions) management.

Three solutions were shortlisted based on the best solutions available in the market with feedback and recommendations given to the project team. The shortlist included Esker, and two other leading solution providers.

The main reasons Esker was chosen as the preferred supplier were because Esker had SAP accreditation, met requirements for existing desktop solutions and could provide a scalable solution with the ability to incorporate future requirements for document process automation when required.

"Esker also had an excellent sales team and customer reference sites that assured us this was the right solution for our needs" commented Peter Moore, Project Leader, INEOS Newton Aycliffe.



**"Esker also had an excellent sales team and customer reference sites that assured us this was the right solution for our needs" commented Peter Moore, Project Leader, INEOS Newton Aycliffe.**

Peter Moore ▪ Project Leader ▪ INEOS Newton Aycliffe



“Initial calculations made on the savings of the automated document processes were estimated at £45,000 per year, thus paying for our investment within the first year of the project”, noted Moore.

Peter Moore ▪ Project Leader ▪ INEOS Newton Aycliffe

## The Benefits

INEOS Newton Aycliffe has managed to significantly improve its manual paper-based document processes through the use of Esker's document process automation solution. They have been able to fully automate and speed up the delivery of key business documents, remove international postal delays, strengthen key business relationships with both suppliers and customers, achieve a much quicker turnaround time for key business documents and enhance its overall ERP investment.

“We estimate that on full implementation we would be sending around 72,000 documents per year. These documents include desktop (outbound and inbound) faxing from MS Word, PDF documents and Lotus Notes forms to both suppliers and customers. All our existing commercial SAP documents (Purchase Orders, Remittances, Sales Order Acknowledgements, Sales Invoices, Statements, Quality Certificates of Conformity / Analysis) will also be fully automated” said Moore.

This equates to at least £7,500 per year being immediately saved just by terminating the use of approximately twenty-five departmental fax telephone lines (rental and maintenance contracts were eliminated).

“Initial calculations made on the savings of the automated document processes were estimated at £45,000 per year, thus paying for our investment within the first year of the project” noted Moore.

“Operational benefits gained have been the reduction of man hours wasted on conventional manual processes and therefore enabling more time to be spent on other more critical areas of the business. Faster delivery of both raw materials and engineering spares has also been realised through the improvements in our purchasing process by documents being delivered automatically by fax and e-mail.”

“Also sales documents have been processed much faster than before. We have had some very positive feedback from customers regarding the speed of delivery of these documents. From our point of view we can now easily trace that documents have arrived giving us full visibility along the whole process”.

## The Future

“Esker has helped us to radically improve the way that we deliver our commercial documentation to our suppliers, customers and partners. We have considerably improved our business processes in these areas and made some significant cost savings along the way” concluded Moore.