

Real Software and Ontex: partners in European SAP project

- 3 Belgian branches successfully live after only 9 months -

Kontich, July 13th 2000. Today Real Software announces the SAP implementation with the stock quoted Belgian company Ontex was a great success. By the gradual introduction of a uniform IT-platform the Ontex Group wants to realize the consolidation and the integration of its European branches. With this international project Real Software once again proves its experience as SAP implementation partner. The implementation of third party products is for Real Software just as important as the development of own products, to maintain the balance in the group activities.

Ontex: a Belgian and European success story

The development of a simple but revolutionary product was for Paul Van Malderen and Ontex in 1979 the start of a true success story. The company, at that time still located in a garage, focused more and more on the development of more sophisticated products, like baby diapers, and started a period of internationalization in the middle of the 80, because the Belgian market was getting too small. Numerous takeovers were performed in Belgium and abroad, with the objective to achieve the critical mass and to establish itself as a global player. In the middle of the 90 Bart Van Malderen replaced his father at the head of the company. By the middle of 1997 a number of acquisitions were successfully finalized, which doubled the size of the group. In 1998 he lead Ontex successfully to the Belgian stock market. In that same year the company focused on the turnaround of the different branches, switching a total of 17 production lines. In 1999 Ontex did its major takeover so far, in France, for which it appealed again to the capital market.

Today Ontex is the leading manufacturer of private label hygienic disposables, with a complete offer of feminine hygiene, baby care, incontinence and medical disposable products. Ontex produces on its customer's product specifications. This implicates a very flexible production machinery and a well-organized logistic system. Ontex' customer portfolio includes all major European retail companies such as GB, Delhaize, Aldi, Lidl, Carrefour-Promodès, etc, but also hospitals and public centres for social welfare.

The 1999 turnover amounted to 15 billion BEF, while Ontex employed approximately 2300 people. For this year Ontex expects a turnover of 18 billion, mainly realized by internal growth.

Real Software's practical approach crucial for implementation uniform IT platform

The Ontex Group currently comprises 17 sales organizations and 13 production plants. Because of the takeover policy the IT infrastructure within the group is extremely diverse. In 2000 Ontex wants to increase its turnover by internal growth. For this reason, and because the system in the Belgian head office was getting saturated, Ontex decided to switch to a uniform IT platform in all its branches. After having consulted other companies, Ontex finally opted for SAP, because it is a reliable platform with many new possibilities.

After a selection procedure Ontex choose Real Software as SAP implementation partner, based on its wealth of experience and its practical approach. Real Software consultants made a blueprint of the business processes in the largest and most complicated branch, the head office in Buggenhout, on which the international project would be based. The main objectives were the consolidation and the integration of the other branches, and the possibility to make financial analyses.

Optimal cooperation leads to fast implementation

Real Software's power lies in the experienced business and SAP consultants it can offer. The cooperation with Ontex' key persons passed extremely well, making the implementation a real success. After approximately 9 months - 1000 working days - the 3 Belgian Ontex branches worked with the new SAP system: the application was successfully introduced on June 1st 2000. The project involved a full automation with the implementation of the most important SAP modules: FI (Financial), CO (Controlling), MM (Material Management), PP (Production Planning) and SD (Sales & Distribution).

Within a year the other branches in the Netherlands, Great Britain and Germany (2) will switch to SAP, and the entire system will be euro compliant. The rest of the project involves some 10 other branches.

Bart Van Malderen is satisfied: "The Real Software consultants have done an excellent job. With SAP we now dispose of a stable and fully integrated system for the ideal support of our activities. The application has the same basic functionalities as the previous one, but offers many future possibilities. Thanks to SAP we will be able to trace all our products with their price-making process through the different countries and branches, which was impossible up to now." In that way Ontex can draw up a complete profitability analysis and follow up its customers. Ontex has also prepared itself for the near future, where 'vendor-managed inventories' - the seller manages the customer's stock - will gain importance.

Project with international dimensions for Real Software

For the Real Software Group this important project is a new international reference as SAP implementation partner. In the past Real Software already realized a similar project with the Spector Photo Group, where all European branches switched to SAP. This two unique projects prove that Real Software's wealth of business experience is the ideal basis for international projects in major groups. Chairman Rudy Hageman stresses: "This is a unique project of two Belgian stock quoted companies with European dimensions. Thanks to our experience and the intense cooperation of our consultants we can offer customers like Ontex an added value."

(End press release)

For further information:

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Real Software was established in 1986. In 1999, the company recorded consolidated operating revenues of 250.7 million EUR and an operating profit of 34.9 million EUR. The group currently employs a staff of more than 2800. Real Software offers a comprehensive range of software services ranging from the development and implementation of its own products, over tailor-made solutions and consulting (including implementation and sale) for third-party products. The company exports Belgian technology to countries such as the Netherlands, France, Germany, Ireland, Switzerland, the United States and the Far East. Real Software customers include companies such as Du Pont de Nemours, GIB, Océ, Johnson & Johnson, Merck Sharp & Dohme, Biogen, Renault, the Paris Metro, TF1, EDF – Electricité de France, SNCF, the Dutch Post Office, Nedcar, Philips, Shopi, Goodyear, KBC Bank and Fortis Bank.