

Industry Thinking:

Manufacturing and Logistics

As a consequence of local manufacturing declining in the face of offshore competition, Australia is rapidly transforming into a logistics driven economy.

In response, organisations are positioning themselves as service providers along the logistics supply chain. They look to Oxygen to provide cutting edge SAP technology solutions to gain competitive advantage in the planning, implementation and coordination of key business operations.

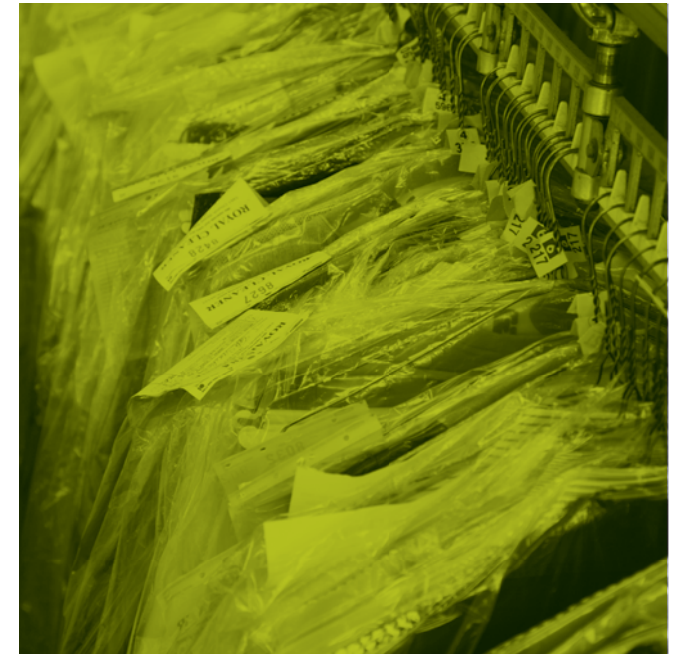
Product distribution across geographically diverse populations calls for innovative approaches to asset maintenance, procurement, shipping and customer interaction. To meet this need, Oxygen and SAP provide robust solutions for warehouse management, transportation and customer service applications.

Key sector trends

- **Decline in manufacturing:** As a proportion of GDP, manufacturing in Australia has fallen from 25% in 1975 to 11% in 2006. It is still one of the largest sectors in the economy, but increasingly the focus is falling on improving the function of key business processes along the supply chain.
- **More global and complex supply chains** places greater demands on logistics and distribution services. The logistics sector plays an important strategic role in the supply chain of all industry sectors and represents around 14% of Australia's GDP.

As traditional manufacturing organisations adapt their business models to incorporate more global supply chains and cater to expanding consumer demand, the need for improved control over critical parts of the business, such as customer service, inventory management and distribution increases.

This control is achieved through the implementation of global SAP templates which help streamline business processes across regional divisions, and through the implementation of new SAP technologies to improve customer service and lower logistic costs of sourcing products, warehousing them locally and transporting them.



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Our capabilities

Oxygen has a strong heritage in the manufacturing and logistics sectors. It started out servicing and supporting one of the largest SAP platforms in the region at paper products manufacturer, Carter Holt Harvey. In doing so it gained significant expertise in SAP systems for complex supply chains, logistics and product distribution.

Oxygen is recognised as a specialist strategy, implementation and support partner for medium sized manufacturing enterprises looking to improve warehousing and distribution capabilities as well as core financial processes. It has completed successful SAP template roll-outs (at L'Oreal Australia and SCA Hygiene), stabilisation projects (at Serco and National Foods) and as a key SAP partner is continuing to invest in SAP's new dimension products for transport management and point of sale functionality.

- **L'Oréal Australia** selected Oxygen as its local implementation partner to deliver a major SAP system implementation program aimed at providing the company with a contemporary IT platform for integrated real-time business systems and improved decision-making. Oxygen was tasked with installing and customising the L'Oréal Group SAP core system template ECC5 and partnered with L'Oréal Australia and the company's fully certified SAP 'Centre de Competency' in Paris.

- **SCA Hygiene Australia:** Oxygen played a significant role in assisting SCA Hygiene separate its SAP system from Carter Holt Harvey when it was bought by global hygiene products company SCA, providing a base for the system upgrade and migration to the SCA global data centre in Sweden. Oxygen has been instrumental in a number of projects around the implementation and enhancement of the full range SAP products including core ERP modules, customer relationship management, process integration and supplier relationship management.

Oxygen's functional and technical teams are experienced in designing, implementing, and enhancing SAP systems for a range of manufacturing organisations. Oxygen is often called upon to deliver post-implementation stabilisation and support services for organisations looking to up-skill their in-house teams and extract optimal performance from new SAP solutions.

Our expert consultants are supported by well organised practice teams, who in turn receive the full backing of Oxygen's executive management. Oxygen is wholly owned by ASX-listed UXC, a large, financially sound provider of solutions and services across the enterprise market in Australia and New Zealand.

[Read the L'Oréal case study >>](#)

[Read the SCA Hygiene case study >>](#)

The Oxygen difference

Proven and reputable: Oxygen has long-term relationships with many customers. We implement proven solutions to complex problems, using consultants with broad business experience and deep SAP technical knowledge.

Flexible engagement: We realise many firms need expertise to solve specific line of business problems. Oxygen is an agile organisation that can engage quickly with the customer and provide quality resource at short notice. We continuously up-skill consultants to ensure we have depth of resource, knowledge and skills to ensure continuous project fulfillment.

SAP partner of choice: Oxygen has a long history of support for the SAP community and was a foundation sponsor of the SAP Australian User Group (SAUG). We are committed to providing resources and expertise to ensure customers are well supported and have direct access to knowledge about current and future SAP product developments.

