

## Magna Exteriors & Interiors (Bohemia) s.r.o.

### EDI COMMUNICATION



In May 2009, Cadence Innovation s.r.o. - one of the largest domestic producers of plastic parts for the automotive industry - became a part of Magna International. The company had operated under the name Cadence Innovation since its acquisition of Peguform Bohemia in November 2005. At present, Magna Exteriors & Interiors (Bohemia) s.r.o. belongs to largest producers of plastic parts for the automotive industry in the Czech Republic. There are three plants in the Czech Republic, located in Liberec, Libáň and Nymburk. Other plants are situated in Hungary. The company's manufacturing programme focuses primarily on plastic exterior parts, as bumper modules and interior components, e.g. instrument panels, door panels and other components for both national and global car manufacturers – Škoda Auto, TPCA in Kolín, Audi, Suzuki and VW.

#### STARTING POSITION

Due to a continually increasing volume of orders intended for European motor vehicle manufacturers, the Magna Exteriors & Interiors (Bohemia) s.r.o. Company decided to build on own infrastructure for an automated electronic communication both with customers and supplying businesses. The company had earlier communicated with its partners through electronic messages in EDI formats. However, all applications and EDI equipment was located in another corporation plant in Germany. This solution proved impractical with regard to maintenance and reliability. Therefore, Magna Exteriors & Interiors decided to have a direct control over electronic communication with customers thanks to an own EDI applications. The company selected, as the most suitable one, the robust ACTIS Integration Manager solution by the Atos Origin Company. This solution is distributed in the Czech Republic and supported by the AIMTEC Company that also installed of the product, trained system operators, put the communication with partners into operation and integrated the solution with the SAP R/3 business information system used by Magna Exteriors & Interiors.

#### SOLUTION

The implementation aim was to prepare a reliable integration of EDI communication and the SAP R/3 ERP system based on the ALE interface principle, and to integrate into the system transaction data from partners, such as call-offs or delivery notes. With regard to the fact that business partners of the Magna Exteriors & Interiors Company used various message types and standards (EDIFACT, VDA, ODETTE), it was necessary to set up the communication and data conversion so that it would enable receiving and sending messages in different formats. Because of a number of customer modifications, Magna decided to acquire a specific ATIS BOM (Business Object Modeller) development environment that enables the customers to modify conversions of individual messages itself, according to own needs. The main reason for the selection of such a robust EDI tool was, in the first place, the variability of received and sent messages that differ significantly according to customers. Magna Exteriors & Interiors has to be able both to receive and process all of the messages. OPEL, for example, sends long-term forecasts in form of standard call-offs. Subsequently, the car manufacturer summarises daily consumption and send a summary request in form of PUS (Pick Up Sheet), one week ahead. The PUS contains delivery specification and Pick-Up Windows. Electronic delivery notes are required by OPEL for standards (call-off) deliveries only, not for pick up sheets, as the deliv-

ery note means the individual Pick Up Sheets.

A similar system as in OPEL is used by SUZUKI, too, however, the difference is that Magna downloads messages from the car manufacturer (DELFOR, Pick-Up-Sheet) manually (from the webEDI environment). In case of the Kolín-based TPCA car manufacturer, the process differs slightly. TPCA sends, similarly as OPEL, a forecast of requests – the so called MANIFEST (DELJIT D96A format) that summarises the actual consumption of the car manufacturer and provides information about delivery specification. Unlike pick-up sheets (OPEL), manifests are sent no more than one or two days in advance. Basically, manifests represent a form of real KANBAN. They have a clearly defined form and content. As every manifest specifies individual deliveries in detail, it also plays the role of a delivery note that is sent to TPCA together with the delivery (retrogressively).

Another important customer, with whom Magna Exteriors & Interiors is connected via EDI communication, is the PSA car manufacturer. On the basis of material (packages) consumption in production, PSA generates a replenishment request (CALDEL) that specifies exactly at the required packages with material. It is sent in real time as order. The CALDEL notification also contains the so called "Delivery Call number" that identifies consumed box or pallet. Upon dispatch, it has to be attached onto the delivery note and also to the ASN notification that is sent to the car manufacturer. Unlike PUS (OPEL) and manifest (TPCA), in case of PSA Magna Exteriors & Interiors has to consolidate requests itself and to create a delivery note. The whole process becomes even more demanding because of the PSA's requirement to perform deliveries until the next day after the CALDEL was sent.

Certain electronic communication specifics are required by Škoda Auto, too, that introduced a self-billing process concerning payments for the purchase of productive material from its suppliers. Unlike the standard process, when invoice for material delivered is issued by the supplier based on dispatch, and when the customer matches invoices against delivery notes, Škoda Auto issues the invoice directly in this case, on the basis of material received. Self-billing invoices are sent by Škoda Auto in form of EDI messages (UN/EDIFACT Global Invoice) that comply with all requirements of the Czech legislation and EU regulations as to the data content of electronic invoice. An EDI tool in Magna receives such messages and converts them into the finance system the processes them further.

## BENEFITS

The ability to communicate and to exchange the necessary business documentation belongs to the fundamental attributes of a well-functioning cooperation between Magna and its customers. The implementation of the ACTIS Integration Manager has enabled to receive and process all types of messages that car manufacturers use to specify their delivery needs. In addition, the integration with the current SAP R/3 business system provides on-line direct connection between production planning, procurement, finance operations and other business processes and specific customers' requirements.

### Key benefits resulting from the employment the ACTIS Integration Manager system, as communicated by the management of Magna Exteriors & Interiors:

- Transaction data integration (call-offs, delivery notes) with the SAP R/3 business information system
- Interconnection between customers' requirements and procurement planning, production and finance management
- Receiving and processing of a large amount of varying messages different for every customer (MANIFEST, Pick-Up-Sheet, CALDEL, etc.)
- Special development environment (ACTIS Business Object Manager) enabling to perform own modifications of conversions

*"The advantage of the ACTIS Integration Manager solution is a special ACTIS BOM development environment, where we can, ourselves, modify the conversions of individual messages according to our needs. The robustness of the system ensures the receipt and processing of varying message types from car manufacturers."*

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