

Hutchinson

Corporate Profile

Supplying Rubber Products to OEMs Worldwide

Hutchinson is a global tier one automotive and aeronautics supplier. In business since 1853, this company is now established across the world with development and production centers spanning Europe, the Americas and Asia. The company specializes in the manufacture of rubber-based products, supplying these to its major industrial OEM customers.

In the most recent financial year, the company's sales exceeded 3.1 billion euros (USD 4.2 billion), while Hutchinson employs more than 31,000 people at more than 95 sites across 25 countries.

Business Challenge

Fast-Moving and Far-Reaching Changes

Hutchinson supplies its products to industrial customers in sectors such as automotive, aeronautics and shipbuilding. In recent years, these different sectors have experienced enormous changes, not least as a result of the downturn in the global economy.

These changes in Hutchinson's customer base have taken many forms—changes of ownership, changes of location and in some cases the development by customers of radically different business models and the adoption of innovative business processes. One common characteristic has been the speed at which these changes have taken place, putting pressure on IT systems that have to adapt quickly to far-reaching change.

A significant challenge for Hutchinson has been how best to align its systems with the business needs of its global customers and remain in step with changing business models. From an IT perspective, the specific challenge has been to develop applications and infrastructure that can respond nimbly to the new plans of customers. Central to Hutchinson's sustained success has been its ability as an Active Business to comprehend global demand and manage tradeoffs in regional preferences.

As Didier Carn, Hutchinson's IT Corporate Director, explains, "The business environment is moving and changing very quickly. We have to build IT systems that can respond to this, even as we make sure that we are firmly controlling the costs of our IT investment. There is an important balance between giving systems the flexibility to cope with change and managing the costs of such flexibility."

The Solution

A Globally Efficient Solution

The Hutchinson case study is an example of a company that has intelligently harnessed its IT resources to help adapt to a fast-moving business landscape.

Hutchinson's priority was to implement the systems that can quickly adapt to changes in customer needs and respond swiftly to macro-economic changes in the global business environment.

In B2B terms, the company required an infrastructure that could be changed quickly—for example, to add new partners in different parts of the world as the company opened up new plants in locations such as Brazil, China, Romania and Tunisia. The B2B infrastructure also had to deal seamlessly with technical challenges such as new standards and different network protocols.

"We have set out to achieve a globally efficient solution," explains Didier Carn. "Our aim was to provide a consistent and high-quality service to our customers anywhere in the world, and to do so at the lowest possible costs."

A global capability is axiomatic to the company's IT strategy. Underlying the selection of GXS was the vendor's footprint as a global supplier that is able, in the words of Didier Carn, "to manage connections and messages anywhere on the planet."

Drawing on the services of the GXS Trading Grid® Messaging Service (TGMS) enables Hutchinson to enjoy near real-time data exchange of its standard business documents such as purchase orders, invoices and advance ship notices with suppliers and customers around the world. Hutchinson can communicate using any chosen EDI or XML document format. Hutchinson can rely on GXS to mediate the differences between its own preferred document format and the formats chosen by their trading partners. Likewise, GXS masks the complexities of diverse Internet communication standards.

The Results

Dashboard Tracks Key Metrics

In formal terms, the performance of B2B is tracked via a dashboard that measures key metrics—including the number of messages handled by the trading hub and the cost of those messages. The simplest evidence of the company's success with B2B is that, while the number of partner connections have increased, the cost of managing those B2B transactions has remained static.

Didier Carn identifies clear benefits that B2B brings to the business. The first benefit is to do with productivity since B2B enhances the movement and flow of information between Hutchinson and its partners. The company exchanges 3,000 messages each day.

Secondly, Carn explains, B2B has converted what was formerly a largely manual process into an IT one and thereby brought with it improvements in the quality of data, reducing manual errors and improving data integrity.

Another vitally important benefit is speed. Business agility has been key to Hutchinson's continued success, and B2B has allowed the company to adapt swiftly and efficiently to emerging requirements.



About GXS

GXS is a leading B2B integration services provider and operates the world's largest integration cloud, GXS Trading Grid®. Our software and services help more than 550,000 businesses, including 22 of the top 25 supply chains, extend their partner networks, automate receiving processes, manage electronic payments, and improve supply chain visibility. GXS Managed Services, our unique approach to improving B2B integration operations, combines GXS Trading Grid® with our process orchestration services and global team to manage a company's multi-enterprise processes. Based in Gaithersburg, Maryland, GXS has direct operations in 20 countries, employing more than 2,800 professionals. To learn more, see http://www.gxs.com, read our blog at http://www.gxsblogs.com and follow us on Twitter at http://twitter.com/gxs. You can also access our public filings with the Securities and Exchange Commission at http://www.sec.gov/edgar.shtml.

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