



Asahi Kasei Spandex America

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At A Glance:

- **Company:** Asahi Kasei Spandex America—Subsidiary of Asahi Kasei Fibers Corporation, a manufacturer of Poly-elastane filament fibers mainly for textiles
- **Employees:** 23,000 worldwide
- **Revenues:** U.S. \$10 billion
- **Industry:** Manufacturing; Textiles
- **Location:** Charleston, S.C. (Corporate headquarters in Tokyo, Japan)
- **Challenges:**
 - U.S. division of \$10 billion Japanese company lacked flexibility with SAP, forcing the company to adjust to the software rather than the other way around.
 - SAP was complex and difficult to use.
 - SAP required expensive consultants and complex networking.
- **Results with NetSuite:**
 - Savings. Company CFO estimates \$700,000 saved by switching to NetSuite from SAP.
 - Flexibility. NetSuite SuiteFlex allows on-the-fly customization, instead of taking 30 days, so employees can follow company's "keep it simple" business philosophy.
 - Simplification. Eliminates need for three additional employees, and eliminates complex/expensive wide-area network, which cost 10X NetSuite.
 - Training. Easy for staff to get up to speed quickly using NetSuite.

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—David Stover, Chief Financial Officer

Asahi Kasei Corp.'s Dorlastan fiber division in Charleston, S.C.

Results:

NetSuite wins the “Big 3” award at Asahi Kasei’s Dorlastan operations in Charleston, S.C. It saves them money big time, it’s easy to use, and perhaps most importantly for the rapidly growing division of a multi-billion dollar company with worldwide marketing, NetSuite provides an ERP return on investment that is readily seen and explained.

The full palette of NetSuite’s integrated software is still being implemented but already the company, which develops and produces brand fibers of outstanding quality for nearly all fields of applications of textile production, sees how it will save as much as \$700,000 in costs over its previous SAP R/3 software, including licenses and the need for three additional employees. In addition, the wide-area network (WAN) required by SAP was costing \$20,000 a month, ten times more than the company is paying with NetSuite.

Since the company was acquired by AsahiKASEI GROUP, a publicly traded company headquartered in Tokyo, Chief Financial Officer David Stover says NetSuite provides him the financial visibility to work with multiple reporting options.

NetSuite’s ease of use means managers and staff can concentrate on their real jobs rather than wasting time wrestling with a complex system that demands conformity to its way of doing things, Stover says. It’s been such an improvement over SAP that other Asahi Kasei units are now considering switching to NetSuite from their current vendors.

The flexibility of NetSuite through its SuiteFlex platform allows the Dorlastan operation to customize NetSuite to its unique operations. Stover says that flexibility is decidedly different from the rigid SAP approach. “SAP is a dictated business strategy where NetSuite is an open strategy,” he says.

With SAP it would take a consultant and 30 days to make a simple change, he says. With NetSuite, Dorlastan employees can configure reports “on the fly” instantly.

SuiteFlex also helps the company react immediately to customer concerns, such as when it converted weights to the metric system, only to find U.S. customers in a lather. Very quickly, NetSuite allowed Dorlastan to issue domestic invoices in pounds and international invoices in kilograms.

Dorlastan has a global market, with a concentration in the Western Hemisphere. NetSuite includes modules that will allow the company to use currency conversions and cope with different tax issues from country to country.

“From a business perspective, it is NetSuite’s flexibility and customer emphasis,” Stover says.

 Find out more: contact NetSuite, Inc. at 1 877 NETSUITE or visit www.netsuite.com



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Challenges:

Although they are now a unit of a \$10 billion Japanese company, Asahi Kasei’s fast-growing Dorlastan operations in the U.S. run lean and spending money on software is closely watched. “We’re not a ‘thick’ company,” says Stover. “We have very low overhead.” Still, managers of Asahi Kasei needed back-office software that could pull together disparate company functions such as financials, human resources, inventory and more while connecting them more closely with customers and suppliers worldwide.

“SAP didn’t have a CRM or a very flexible standard for conducting marketing or customer analysis,” says Stover.

“It was a very complicated infrastructure and expensive because you had to have very specifically trained individuals to deal with the system,” he says. “Any analysis all went to me. I became not only the CFO, I became the ‘system guy’ as well.”

Stover says it could take 30 days plus a consultant just to generate key financial reports using SAP. Quick customization was out of the question.

Worse, SAP was so complex it was virtually impossible to explain it to the company’s new top management from Japan.

“Trying to explain SAP, I might as well not be talking. It’s very operational based. It’s not an intuitive process,” Stover says. Plus it was just too rigid. “We’re slaves to fashion here. When fashion changes, we’ve got to change quickly. And SAP wasn’t conducive to those changes.”

Solution:

NetSuite’s simplicity of use and its Internet-based software suite that can be expanded and customized through its SuiteFlex platform as needed helped convince Stover to drop SAP and switch to NetSuite.

SuiteFlex combined with NetSuite’s SuiteScript, Suitelets and SuiteTalk enable Asahi Kasei to quickly address key requirements unique to the textile industry.

Another major benefit of NetSuite is cost. Stover says his company is already saving large chunks of money that had been pouring into SAP. When added up, Stover says they are saving about \$700,000 a year by switching to NetSuite.

“It’s not only the system itself but also the infrastructure that was required with SAP,” he says. “All that stuff goes away with NetSuite. All I really have and need is the Internet provider.”

NetSuite’s remote access is also a big plus for his operation, Stover says. Because NetSuite is Web-based, it can be securely accessed from anywhere there’s an Internet connection.

“I sign on pretty much every night from home. I don’t have to take my laptop home, I don’t have to have a special phone connection, or anything else,” Stover says. “That’s a really high benefit for us.”

AsahiKASEI

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