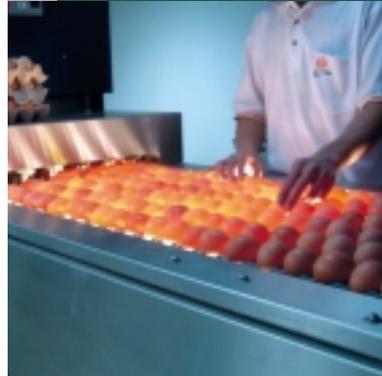


## SAP Customer Success Story

“After evaluating various software options in the industry including solutions from Microsoft’s Axapta and Navision, we concluded that ChemXPress™, a qualified mySAP All-in-One solution, was clearly the best choice.”

K.T. Ng, Group Finance Director, Lay Hong Berhad



### AT A GLANCE

**Lay Hong Berhad**  
www.nutriplus.com.my

**Industry**  
Consumer Industry

**Key Challenges**  
Improve real-time visibility and efficiency; integrate business activities and information.

**Implementation Partner**  
ISS Consulting (M) Sdn Bhd

**Solution and Services**

- ChemXPress™ (mySAP All-in-One)

**Existing Environment**

- Accpac for windows, running on Pervasive SQL Database.

**Implementation Highlights**

- Customize ChemXPress to match automation needs for chicken feed production
- 20 users in 12 locations
- 4 months implementation time

**Key Benefits**

- Reduced cycle time and costs
- Improved communications and operational efficiency.

**Hardware**  
HP Proliant Server, Microsoft SQL Server

**Operating System**  
Windows 2003 Server Standard Edition

## LAY HONG BERHAD

### INTEGRATED POULTRY FARMING GROUP TURNS TO SAP FOR FAST RESULTS AND FUTURE GROWTH

As Malaysia’s leading producer of fresh farm eggs and chicken related products under the Nutriplus brand, Lay Hong Berhad is well aware that having real time visibility and the ability to maintain internal efficiencies are some of the key factors that will help to keep its competitive.

Lay Hong first commenced its poultry farming operations in the 1960s. Over the years, it has achieved commendable growth and was listed on the Second Board of the KLSE in 1994. Today Lay Hong operates three hatchery and four breeder farms, one egg tray plant, one poultry processing plant, six layer farms, which produces 440 million eggs per annum; 13 broiler farms, which produces seven million broilers per annum; two feed mills, which produces 120,000 metric tons of poultry feed per annum; one liquid egg processing plant, which produces 1,600 metric tons of liquid eggs per annum and three organic fertilizer processing plant, which produces 12,000 metric tons of organic fertilizer per annum from plants located in Selangor, Melaka and Sabah.

With a turnover of RM\$129 million in 2004 and 761 employees, the company is not one to rest on its laurels. To continue competing successfully in the market place, LHB turned to SAP to help them keep up with expansions, enhance competitiveness and improve real-time visibility.

## THE NEED FOR VISIBILITY

KT Ng, Group Finance Director, Lay Hong Berhad, who is responsible for the group finance, IT, HR and administrative functions, relates the problems faced with the previous system, and explains the need to keep track of the inventory, sales, purchasing and financial postings of its fully automated chicken rearing, egg harvesting and processing processes.

“We encountered numerous problems which had a direct effect on our business. Our database was not centralized. We had unmanageable credit control. Our stock inventory had to be performed manually,” Ng says. “In order to obtain a simple report, we would have had to manually extract data from various databases which was unproductive and time-consuming. We were previously using the ACCPAC solutions for the past 12 years and faced tremendous challenges in consolidating our accounts. For example, it would usually take more than two months just to obtain the financial results of our company!”

## CHEMXPRESS – THE PROVEN CHOICE

What Lay Hong required was a solution to streamline its various lines of businesses. Lay Hong sought to obtain a solution that was able to keep track of its customer databases; to monitor its levels of supplies and to improve real-time visibility in order for Lay Hong to make better and coordinated decisions.

“After evaluating various software options in the industry including solutions from Microsoft’s Axapta and Navision, we concluded that ChemXPress™, a qualified mySAP All-in-One solution, was clearly the best choice. The ChemXPress solution enabled us to improve on efficiency, integrate business activities

and information. It also gave us the ability to take a proactive position to anticipate trends. Furthermore, it’s a proven solution and the implementation costs are within our budget.” says Ng.

ChemXPress, jointly developed by SAP and ISS Consulting (M) Sdn Bhd, is a mySAP All-in-One Solution, intended for companies with as few as ten users that require a high degree of industry-specific functionality yet also require cost-effective, quick-to-implement solutions.

The agreement was signed in November 2003 and implementation was done with SAP partner, ISS Consulting.

Complementing this solution is a large number of management reports available from SAP to assist in business analysis. ISS Consulting’s ChemXPress

solution will be able to provide sales, marketing, planning, and management departments with decision-support from a market-oriented viewpoint. This will give Lay Hong the ability to be proactive in business management and decision-making as the solution is designed to generate better reports and analysis for all activities and departments.

The ChemXPress solution implementation took a mere four months to complete. “We were impressed by the commitment from the project team members. Their experience and their diligence towards the entire project reflect very positively on SAP and ISS Consulting,” enthuses Ng.

## EXCELLENT RETURNS

With the implementation of ChemXPress, Lay Hong is now able to keep track of the inventory, sales, purchasing and financial postings of its fully automated chicken rearing, egg harvesting and processing processes.

**“We were impressed by the commitment from the project team members. Their experience and their diligence towards the entire project reflect very positively on SAP and ISS Consulting,”**

K.T. Ng, Group Finance Director, Lay Hong Berhad

“ISS Consulting was able to customize ChemXPress to match our automation needs during the production of chicken feed. The system has also improved the efficiency of Lay Hong’s sales order, delivery order and billing cycle and the Enterprise Resource Planning (ERP) process that determines the optimum amount of goods to procure,” Ng says.

**“Thanks to ChemXPress, we are able to ascertain our stock statistics instantly which saves a considerable amount of manual work and enables us to react accurately to the changing demands of our business. We now also have complete visibility of our debtors, enabling us to streamline invoice processing at a much quicker rate. This in turn contributes towards speedy collection, mitigating our credit position.”**

K.T. Ng, Group Finance Director, Lay Hong Berhad

The farming group is already seeing higher internal efficiencies with integration between the production planning, financial controlling to monitoring of the logistic business processes. One of its main objectives was to achieve visibility of information to assist with tracking and reporting in an ever changing environment – which has now been realized. With ChemXPress, information is now delivered to Lay Hong in a user-friendly and easy-to-access manner.

“Thanks to ChemXPress, we are able to ascertain our stock statistics instantly which saves a considerable amount of manual work and enables us to react accurately to the changing demands of our business. We now also have complete visibility of our debtors, enabling us to streamline invoice processing at a much quicker rate. This in turn contributes towards speedy collection, mitigating our credit position,” says Ng. Insightful business intelligence, enhanced decision making, dramatically improved efficiency, operational costs and time savings are but some of the key benefits experienced by Lay Hong. Indeed, LHB has found that the implementation of the ChemXPress solution has enabled Lay Hong to achieve quick returns on investment and to remain ahead of competition.

#### **GEARING UP FOR FUTURE GROWTH**

There is no doubt Lay Hong is now very well prepared for the future. The organization plans to grow continuously and needs an IT platform that gives them the flexibility to support and sustain this growth. With the integration and development capabilities of the ChemXPress solution, Lay Hong is better equipped to expand geographically and in terms of new product or service lines without worrying about information backbone limitations. In addition, as ChemXpress is a highly scalable and powerful solution with a growth oriented architecture, the group also achieves a readymade platform to graduate to more sophisticated information strategies like e-commerce, collaboration and business intelligence in the future.

“Not only are we now armed with the right tools to achieve a competitive advantage, we have also successfully laid the foundation and framework for sustained, long-term growth for the business!” concludes Ng.

[www.sap.com/contactsap](http://www.sap.com/contactsap)

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