PIM at Sika - March 2009

Sika AG, located in Baar, Switzerland, is a global specialty chemicals company supplying construction markets and manufacturing industries (automotive, commercial vehicle, building component manufacturing). Sika is a leader in processing materials used in sealing, bonding, damping, reinforcing and protecting load-bearing Structures. Sika AG, Zugerstrasse 50, CH-6341 Baar, Tel: +41 (0)58 436 68 00, www.sika.com

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Sika Group – Key figures

in CHF mn	2007	% of net sales	2008	% of net sales
Sika Group				
Net sales consolidated	4 573.2		4 624.5	
EBITDA (Operating profit before depreciation)	637.8	13.9	556.1	12.0
Depreciation, amortization and impairment	-127.0	-2.8	-134.1	-2.9
EBIT (Operating profit)	510.8	11.2	422.0	9.2
Consolidated net profit after taxes	342.0	7.5	267.4	5.8
Earnings per share (EPS) in CHF (excluding minority interests)	135.4		107.0	
Cash flow from operating activities	362.7	7.9	376.8	8.1
Free cash flow	182.7	4.0	89.5	1.9
Operating free cash flow	191.4	4.2	165.8	3.5
Balance sheet total	3 317.8		3 209.4	
Shareholders' equity	1 474.9		1 464.7	
Equity ratio in %	44.5		45.6	
ROCE in %	26.0		20.3	
Number of employees	11 723		12 900	
Net sales per employee in 1000 CHF (calculated based on the annual average of number of employees)	397		376	

Regional Organization

Europe North
Europe South
IMEA
Asia/Pacific
America North
America South

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Concrete Production

Products
Sika® ViscoCrete®

Customers
Ready Mix
Tunneling & Mining

Sika Informationssysteme AG

Waterproofing

Products
SikaSwell®, Sika® Injection

Customers
Applicators
Dealers

Sika Informationssysteme AG

Roofing

Products
Sikaplan®, Sarnafil®

Customers
Applicators
Dealers

Sika®

Sika Informationssysteme AG

Industrial Flooring

Products
Sikafloor®

Customers
Applicators
Dealers

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Automotive OEM / OES

Products
Sikaflex®, SikaBaffle®
SikaReinforcer®

Customers
Manufacturers (OEM)
Suppliers (OES)

Sika®

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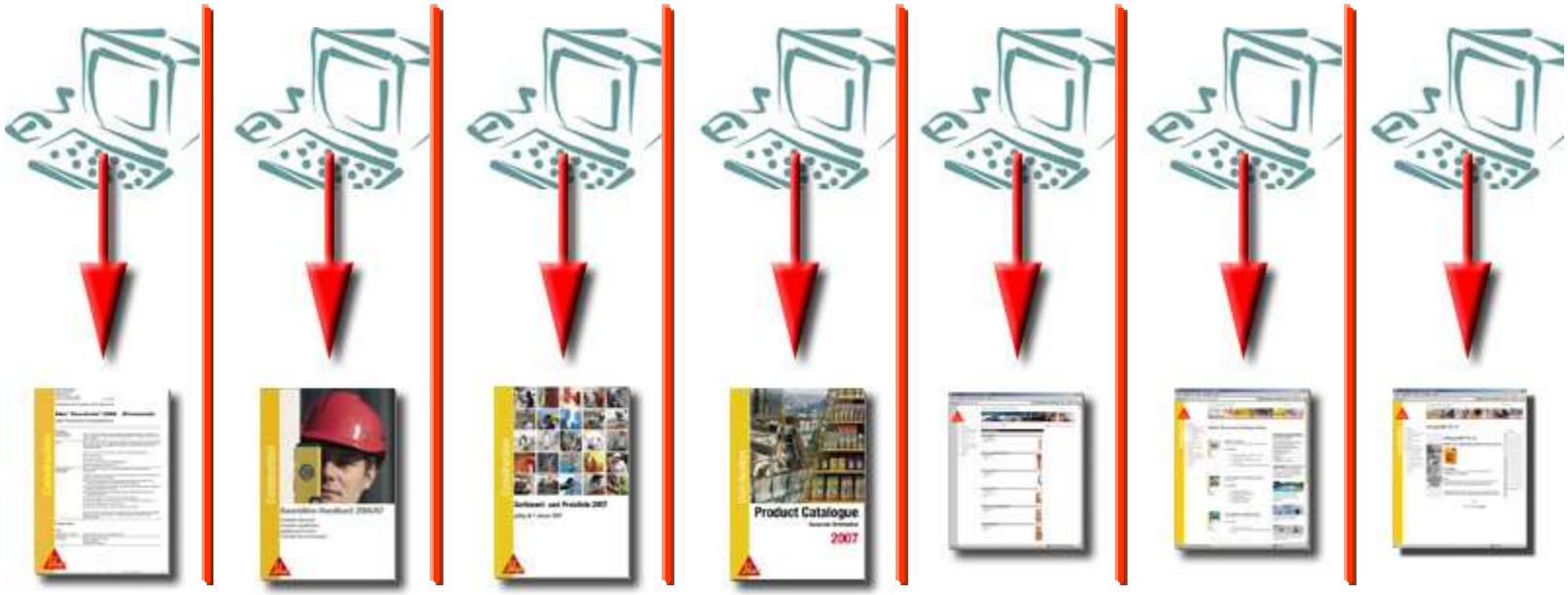
Global marketing situation today

- Decentralized marketing organizations
- Globally unstructured data
- No marketing data in the leading ERP systems
- Data redundancy and no version control
- Slow roll out of corporate templates
- Different CI/CD interpretations
- Expensive production of print media

Local marketing situation today

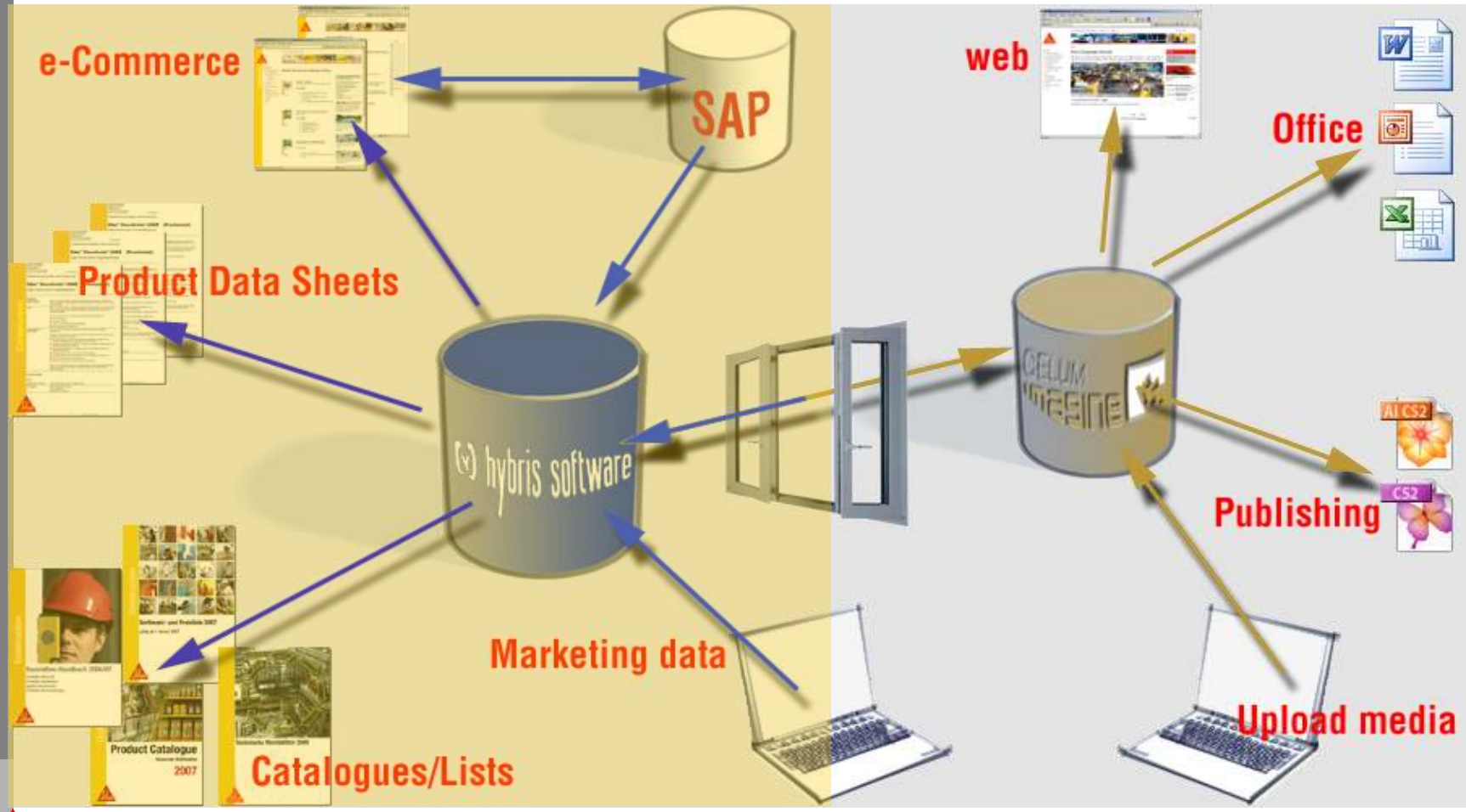


- Different software tools
- No text information sharing
- No media asset management

The main project challenges

- **Central product information management**
- **Online interface to ERP system**
- **Central catalogue production** (print and online)
- **Central production of product data sheets** (approx. 30‘000 items)
- **Realization of a standard e-commerce system**
- **Centralized media assets management**
- **Possible local media upload**
- **…**

The PIM project solution



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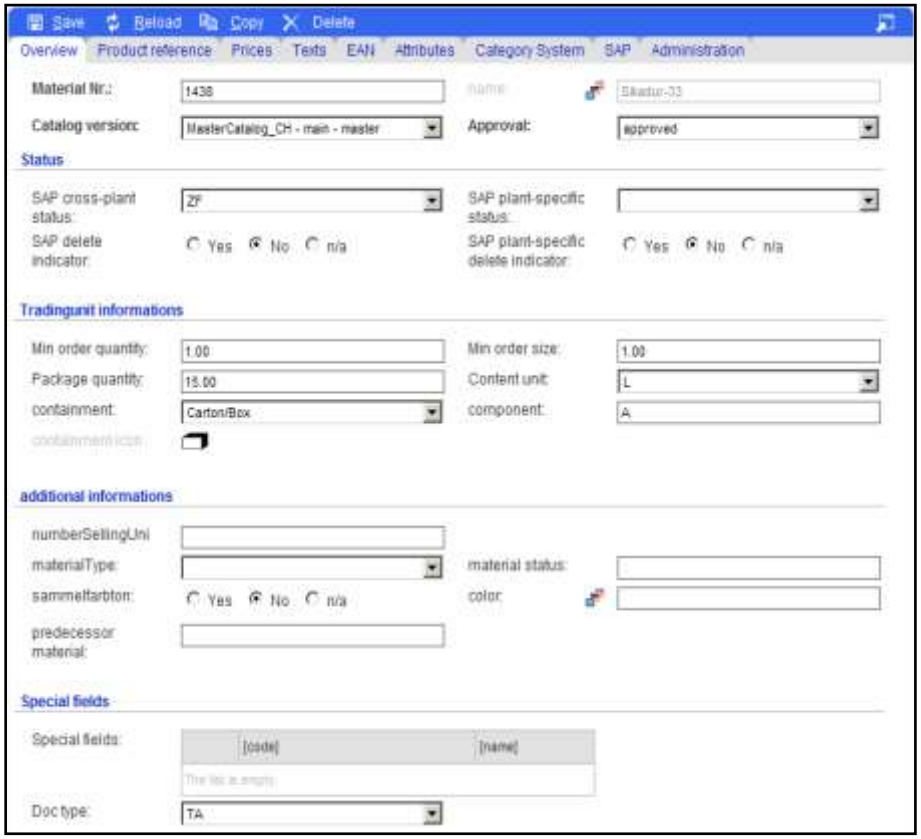
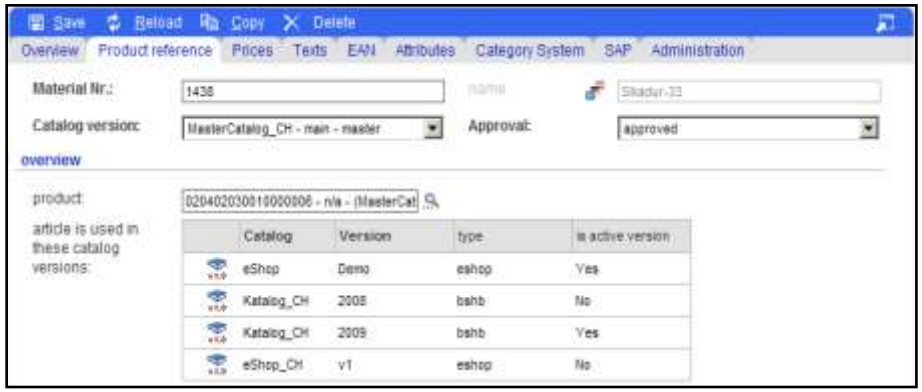
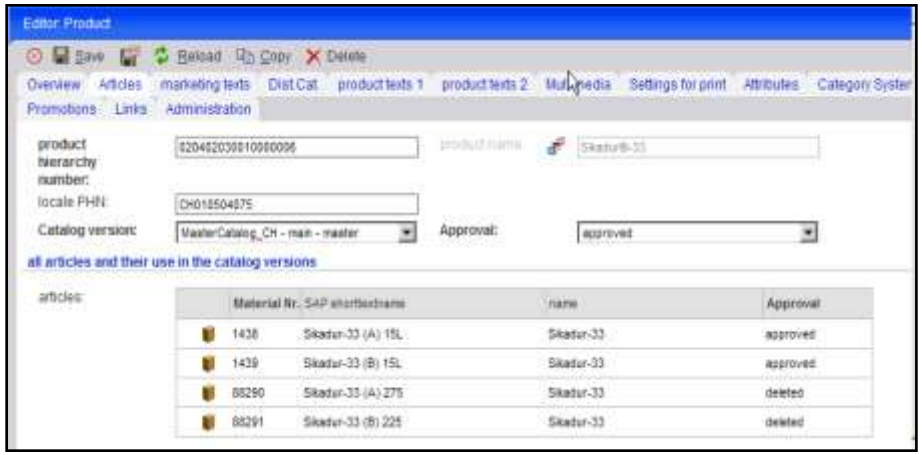
The inside of PIM: Principle of Master Catalogue



- SAP is lead for Master Data on article level
- Update process for Article Master Data (SAP => PIM) once every 24 h on article level and with it on catalogue level with user interaction
- Multi lingual data model

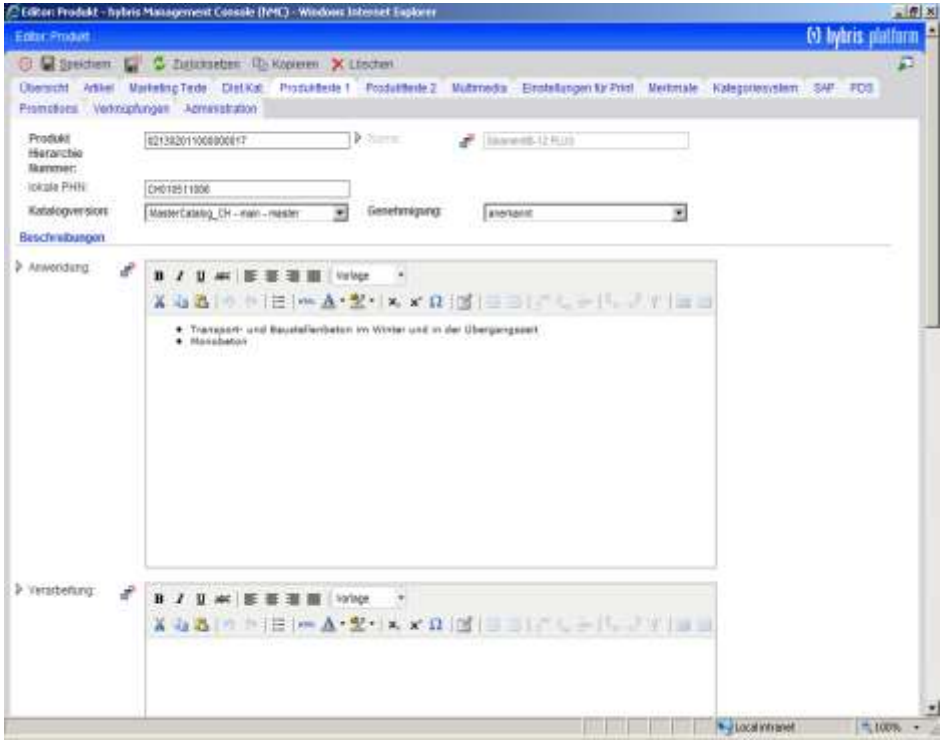
The inside of PIM: Principle of Master Catalogue





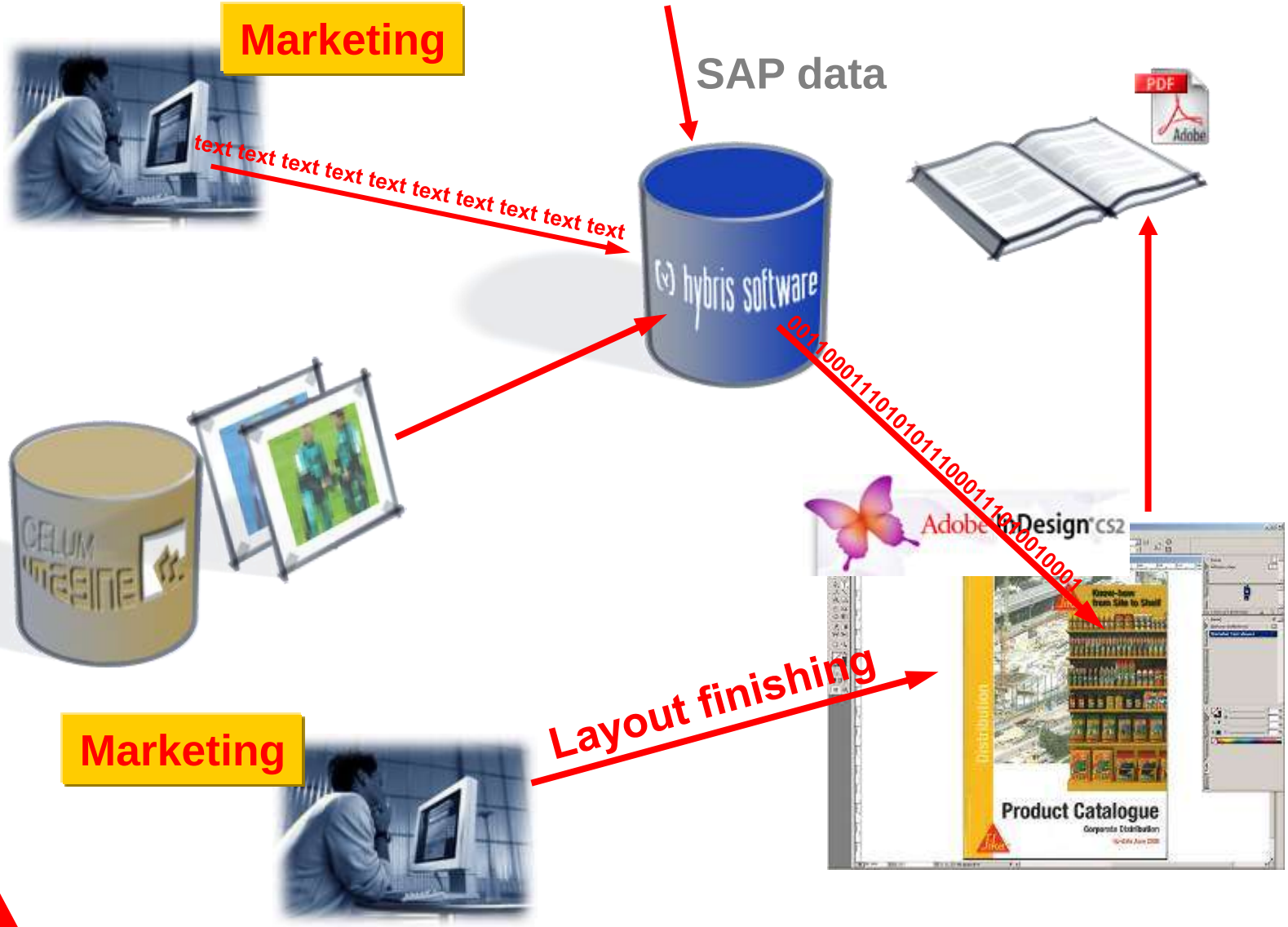
- Catalogues consist of products
- Products consist of articles
- Articles / products can be assigned to multiple catalogues
- Semi automatic approval process on article level for e-Shop

The inside of PIM: Principle of Master Catalogue



- Marketing text is maintained on product level in PIM
- PIM is lead for “Master” marketing text data on Product level
- (partial) Integration to Celum (pictures)

The inside of PIM: Principle of Print



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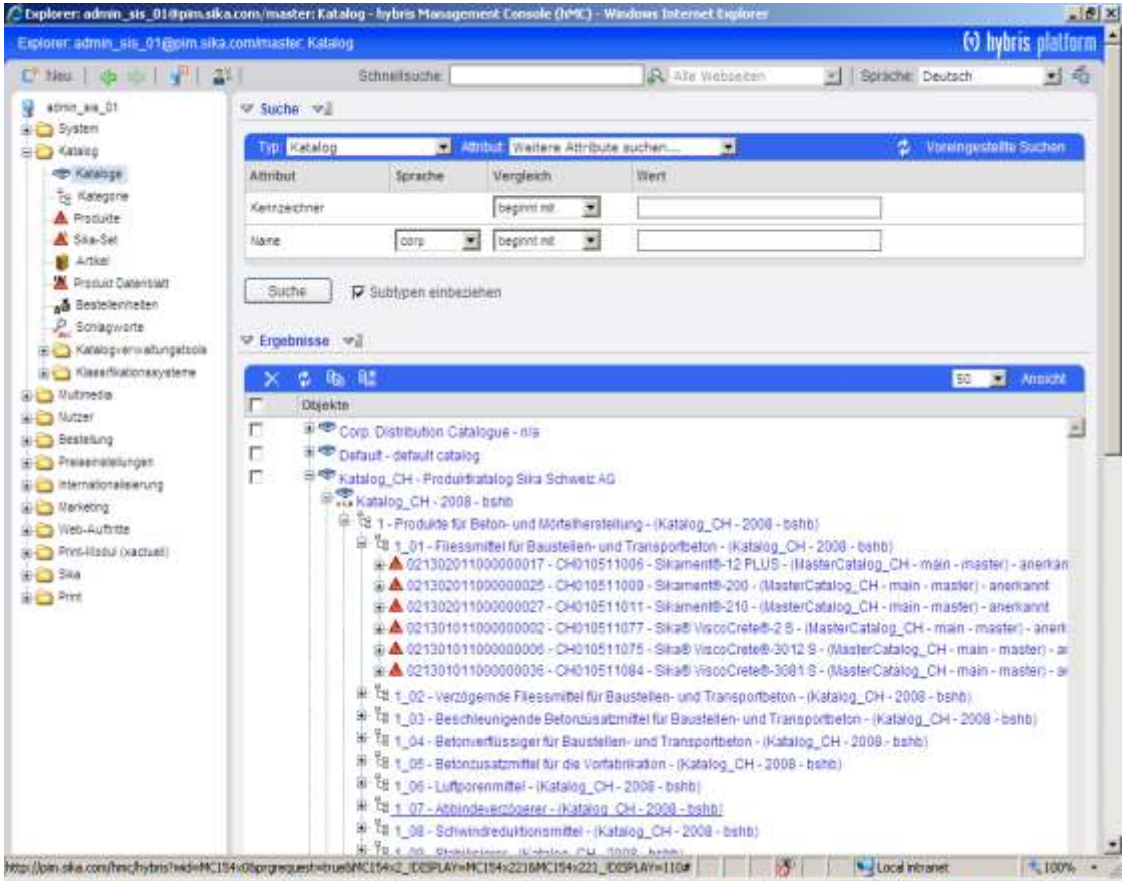
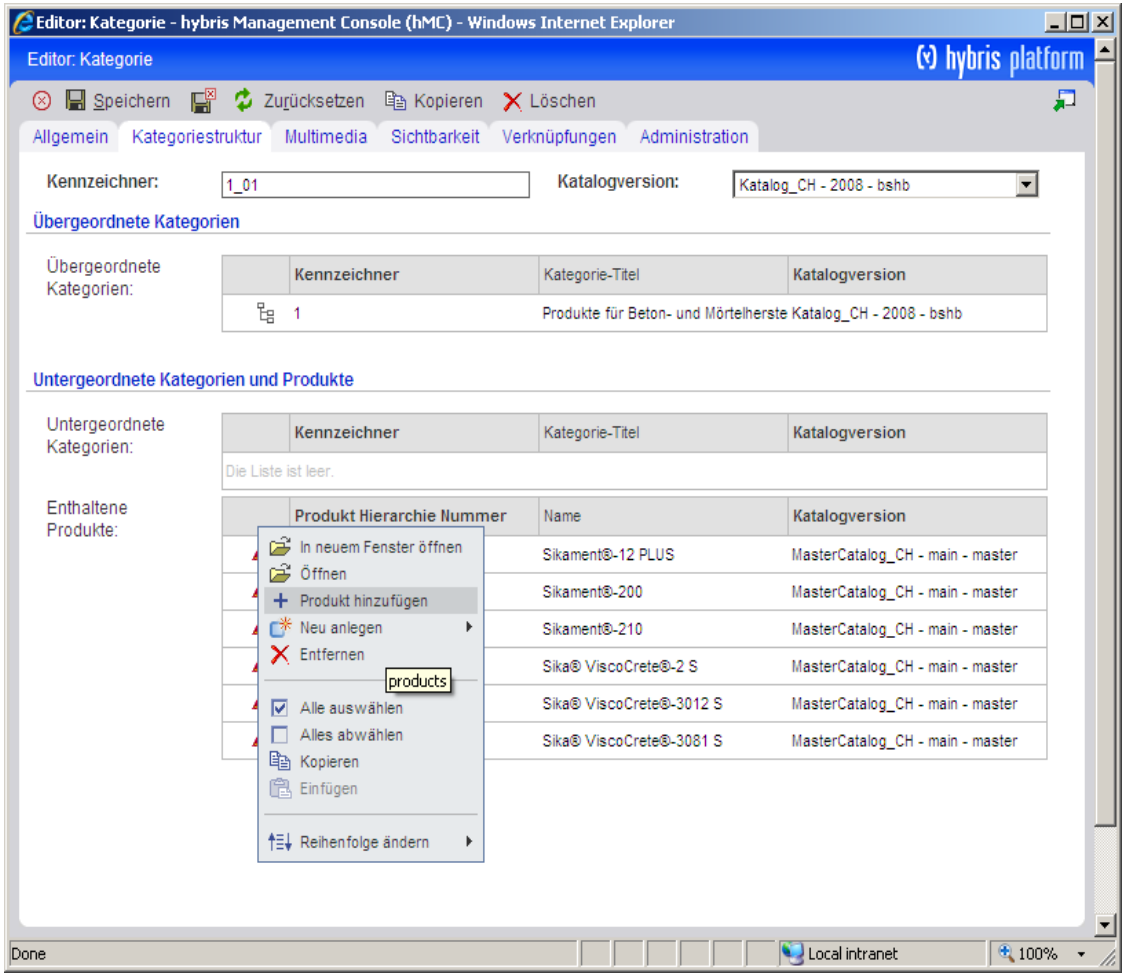
The inside of PIM: Principle of Print



- **Catalogue Chapters are manually created**
- **Chapters based upon products which contain the articles**

The inside of PIM: Principle of Print



- **per chapter, products to be selected and assigned**

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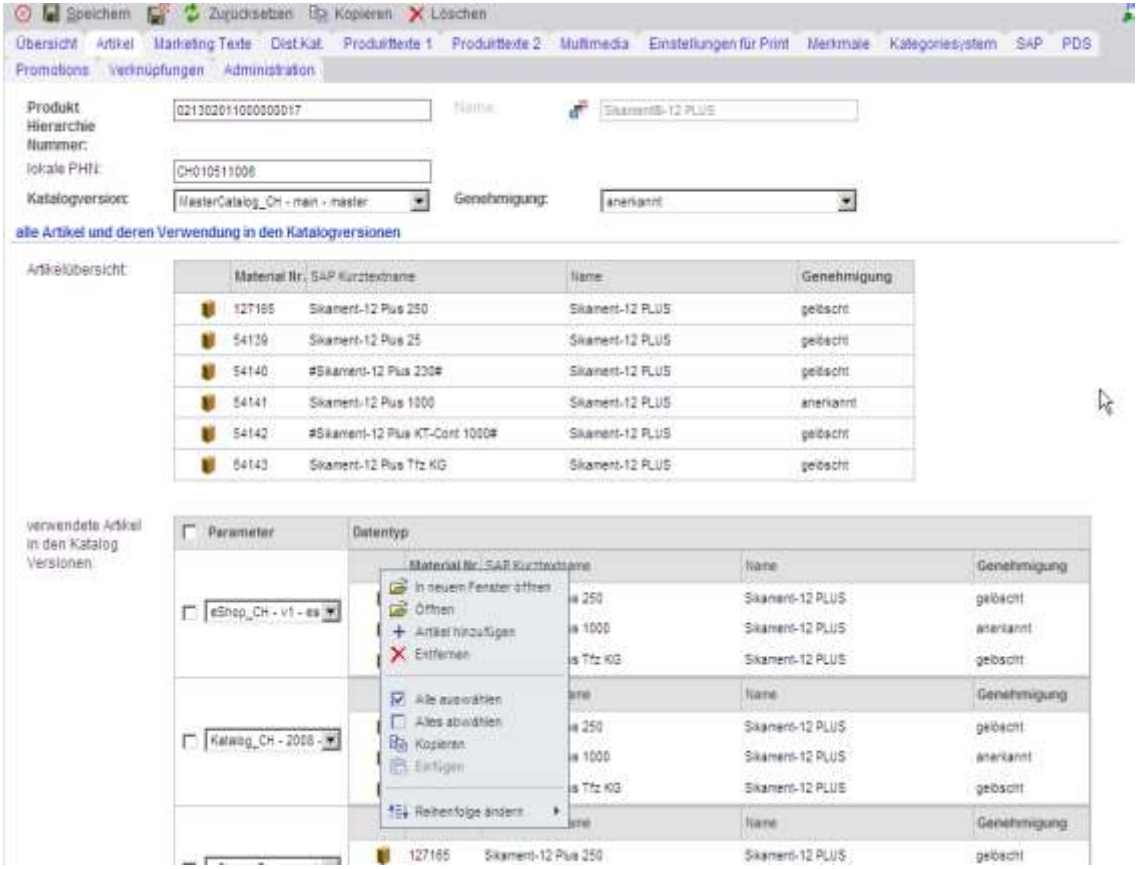
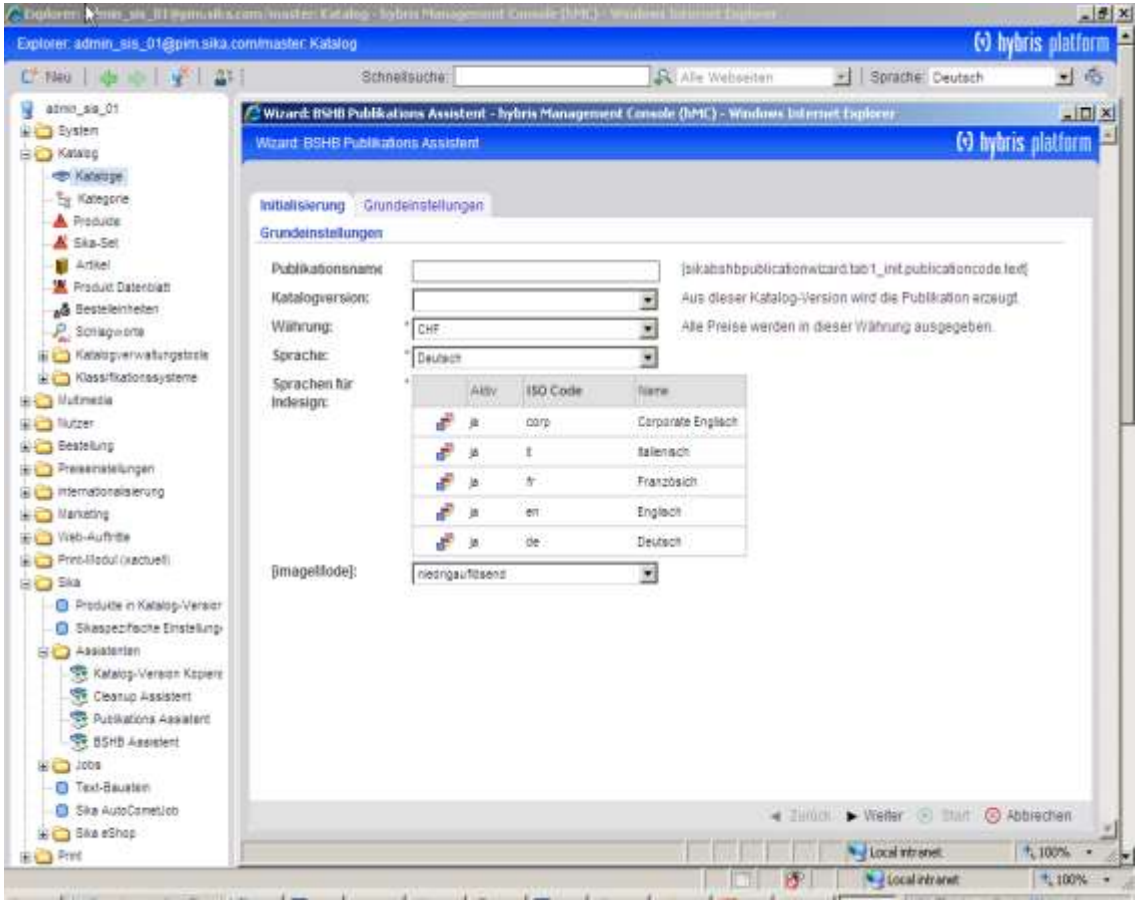
The inside of PIM: Principle of Print



- **On article level:**
  decided whether printed or not in catalogue

The inside of PIM: Principle of Print



- **Select finished Catalog for Print preparation**

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The inside of PIM: Principle of Print

Demo Movie

Lessons learned Project Management

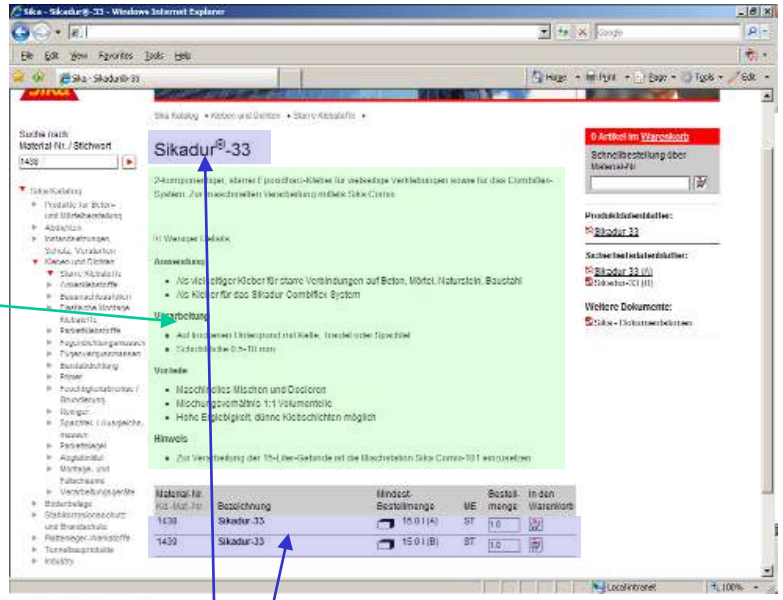
- Specifications: stronger focus on (lived) business process(es) – understand and document underlying processes detailed
- Never underestimate SAP (time & costs) – involve them at early stage
- No “project management by email and/or Black Berry”
- IT Security – ensure that they are on your side
- Documentation of the realized system: must be part of the project

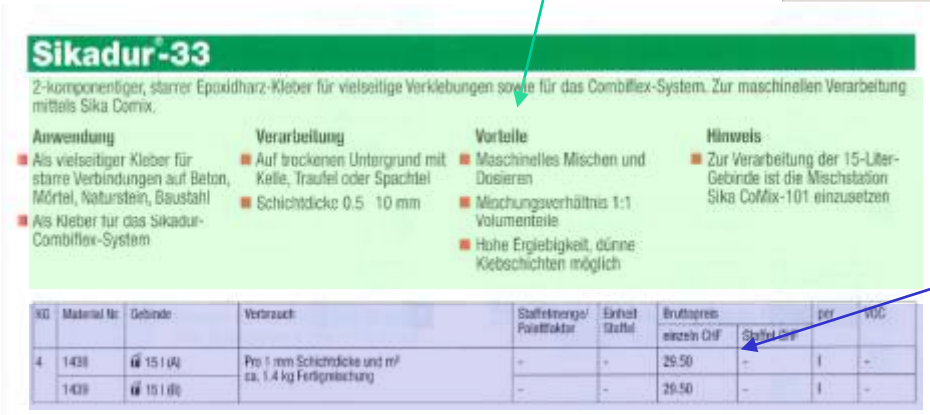
Benefits

- **Consistent Data structure among publications (Re-usability of data)**
- **Personalization in Print**
- **Cost / Time Savings in Print**
- **Better control of accuracy / actuality in Product Data Sheets**
- **Clearly defined lead systems, clearly defined responsibilities of updating process of relevant data**

Benefit: Principle of Re-usability

- **PIM is lead for “Master” marketing text Data on Product level**





- **SAP Lead for Article Master Data**

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