

# OPTIMIZE YOUR GLOBAL SUPPLY CHAIN BY INTEGRATING YOUR LABELING WITH SAP®



## EXECUTIVE SUMMARY

In the past decade business has seen a surge in globalization, new emerging markets and advancing technologies. This dramatic transformation, along with an increase in consumer and B2B customer expectations, has resulted in a highly competitive market. To meet rising demands, today's supply chains must respond, not only to optimize and maximize efficiencies, but also to adapt and remain agile.

In order to manage these dynamics, and stay ahead of the competition, many leading companies have turned to SAP to support their supply chain strategies and ultimately achieve healthier top and bottom lines. Forward-thinking organizations are also recognizing that labeling plays a direct role in achieving these results. This is because it's critical for enterprise companies to be able to keep moving goods to the right place, at the right time – with the right label.

No matter what SAP foundation or supply chain execution solution you may be leveraging to support your business - SAP ECC, SAP Business Suite on HANA, or if you have made the leap to S/4HANA, ME, MII or EWM, companies managing labeling on a global scale are recognizing the benefits of integrating their business applications with a certified, comprehensive Enterprise Labeling Solution. Manually printing labels may be required for specific reasons, however, integrated labeling allows companies to leverage existing business processes and vital data sources, while maximizing existing investments and eliminating the need to retrain users. Drawing data from sources of truth, whether manually triggered "on demand" or triggered directly from SAP, allows companies to respond quickly and efficiently to their customer and regulatory labeling requirements. All while dramatically cutting costs, simplifying maintenance and improving time to market.

This paper will take a look at modern supply chain pressures and explain how Enterprise Labeling can seamlessly integrate with your SAP solution to bring your company's labeling to the next level and make a measurable difference for your business.



## BEST RUN GLOBAL SUPPLY CHAINS TURN TO SAP

Leading companies that want to leverage investments in their SAP systems recognize that labeling plays a critical role in the manufacture and distribution of their products. [Barcode labeling solutions](#), which today entail much more than just the printing of barcodes, can be fully integrated with key SAP processes - accessing the source of truth both manually or by triggering labeling directly from SAP. This allows companies to effectively and efficiently manage labeling across the supply chain, enabling them to meet customer and regulatory requirements, scale globally, enable traceability, improve time to market and enhance supply chain efficiencies.

There are numerous trends that have had a profound and direct impact on today's global supply chains:

- Supply Chain Collaboration - An extended supply chain network requires seamless (or efficient) movement of materials and product across partners, contract manufacturing organizations (CMOs), 3PLs to name a few. This requires enhanced visibility and means that partners, CMOs, and 3PLs, need controlled, secure access to systems and sources of data.
- Globalization – Revenue growth in emerging markets requires new regional distribution strategies to ensure timely delivery. With this, companies must adhere to regional requirements and regulations and contend with language barriers.
- Customer Responsiveness - Supply chain agility is critical to gaining market share and to stay competitive, companies must respond quickly. Companies demand that their suppliers and partners meet specific labeling requirements at the corporate and/or plant level to help them become more efficient.
- E-Commerce – Increased e-commerce volumes are placing unprecedented demand on supply chains across many industries. Supply chain operations including fulfillment and distribution must adapt to these new B2B or B2C channels.
- Traceability – Increasing in importance across a wide range of industries (not only life sciences and food and beverage), traceability across the global supply chain has become critical for brand protection, product recall and consumer safety.

In this dynamic marketplace, companies need comprehensive access to accurate, real-time data and those that rely on SAP to power their supply chain operations need to also consider their approach to labeling. It's become clear that as SAP works to build a foundation for extended supply chain visibility and push the boundaries to support new supply chain strategies with S/4HANA, labeling must also keep pace.

## ENTERPRISE LABELING INTEGRATED WITH SAP EQUALS BEST OF BREED

As the business environment becomes more global and new business models emerge, companies need to look at labeling differently to meet the demands of new multi-faceted, dynamic supply chains. To meet these demands, companies must ensure that today's labeling solutions offer the opportunity to integrate with existing business processes and provide standardization and consistency, as well as the ability to scale. And, a comprehensive Enterprise Labeling Solution, which offers a dynamic, data-driven approach provides the speed and flexibility necessary to compete in today's modern supply chain. This approach offers companies the agility to deal with the nuances of complex labeling requirements and regulations, the ability to support high levels of variability in labeling and the speed and scalability to support global supply chains.

Enterprise Labeling enables customers to view the organization's labeling process globally, taking into account the full breadth of the labeling landscape. It replaces multiple, disparate, locally controlled data sources with data from centralized, trusted sources such as SAP. Most importantly, this approach offers the ability to respond quickly to evolving customer and regulatory demands. This type of accurate and consistent labeling reduces the need for time-consuming and costly relabeling and results in improved traceability, the elimination of mislabeling, fewer delays encountered through customs, and improved customer and regulatory compliance.

### INTEGRATION WITHOUT THE ADDED COSTS

A robust Enterprise Labeling Solution will not add additional costs or risks to integrate with SAP, across its wide portfolio of solutions, including S/4HANA or EWM. Look for multiple ways to integrate with current SAP Certified Integrations, so you have the choice of integration options. Companies who are implementing S/4HANA and even those developing their roadmaps, need to be sure that their chosen Enterprise Labeling Solution has a proven, successful track record integrating with simple as well as complex SAP landscapes.

### DRAW DATA FROM THE SOURCE OF TRUTH

Integrating labeling with SAP and other business applications allows companies to leverage existing business processes and vital data sources, while eliminating the need to retrain users. To achieve accuracy and consistency integrating to the sources of truth for label data is far more efficient than having multiple, possibly duplicative, sources of data. Whether your master or transactional data is from one or multiple versions of SAP solutions, a best in breed Enterprise Labeling Solution does not replicate label content data, regardless of how labeling is triggered (either on-demand or triggered via SAP business process).

## **STANDARDIZE TO SIMPLIFY**

Standardizing on an Enterprise Labeling Solution provides label accuracy and consistency. While it simplifies systems maintenance and deployment, lowering overall IT costs, it does not sacrifice reliability or performance. Standardizing doesn't mean one size fits all – it means that systems can be deployed in a centralized, distributed, or hybrid model for complete flexibility. A comprehensive Enterprise Labeling Solution enables customers to leverage a single deployment across multiple geographies and remote facilities while synchronizing with a central location. Business users at facilities including manufacturing plants, warehouses and distribution centers may manage labeling independently when desired. The focus even when deploying solutions in a distributed fashion is to continue to maintain the ability to leverage common data sources, templates and configurations across sites. This offers a significant advantage over using multiple solutions which increase the risk of labeling issues and impact the company's ability to stay agile.

## **CONTROLLED AGILITY**

It is critical that a labeling solution across a global enterprise has the ability to control user access and manage change control and versioning to ensure that the correct label is printed. An Enterprise Labeling Solution integrated with SAP, offers companies the agility to meet customer and regulatory requirements, without sacrificing the appropriate change control required. Some companies want to configure workflows and approvals within their labeling solution, while many highly-regulated industries require eSignature, a comprehensive audit trail and 21CFR Part 11 compliance. An Enterprise Labeling Solution integrated with SAP and other System(s) of Record, provides companies a range of options to control changes and access to efficiently comply with corporate standards, customer and global requirements.

## **DRAMATICALLY CUT COSTS AND STREAMLINE MAINTENANCE**

An Enterprise Labeling Solution provides customers with ultimate labeling flexibility. An organization can dramatically reduce the number of label templates required by leveraging a configurable business rules engine. Rather than writing code or having to develop a separate template for each label, with Enterprise Labeling, an organization can dynamically populate a template with the correct label content, such as required languages, images, plant address or barcodes based on configurable parameters including SAP data such as Customer, Material, Country of Origin, or Ship-to Address. These parameters can be easily changed by business users, enhancing timeliness and offload from IT.

## **ENABLING CUSTOMER RESPONSIVENESS**

Companies today are faced with complexities and variations in labeling that they didn't need to deal with in the past. Companies, as well as manufacturing partners and others along the supply chain, are looking for immediate action to respond to these requirements. Being able to respond to customer labeling demands quickly can give an organization a competitive edge. An Enterprise Labeling Solution integrated with SAP offers the agility and speed needed to meet this growing demand. Changes in label design do not require technical resources. In fact, IT can empower business users with controlled access, enabling users to update the most complex labels in minutes instead of weeks or months to ensure customer compliance and satisfaction.

## **REGULATORY PROBLEMS**

Mislabeling is a frequent cause of regulatory compliance issues even for companies using SAP. With new regulations emerging continually, a local organization may lack the ability and compliance expertise to keep on top of all the changes required to provide accurate labeling. Adhering to these regulations that define how products are developed, marketed, shipped, and disposed of is essential for all corporate facilities, including remote locations, but this can be challenging without access to label data that is maintained centrally.

## **COMPLY WITH REGULATIONS AND INDUSTRY STANDARDS**

The effect of evolving regulations and emerging standards can have a significant impact on today's supply chain and often labeling is affected. Efficiently and quickly complying requires an Enterprise Labeling Solution which enables accurate and consistent label data to support existing customer and regulatory requirements that define how products are developed, marketed, shipped, and disposed. With an integrated Enterprise Labeling Solution, companies can avoid supply chain interruption, potential fines and enter new markets more efficiently.

## **SCALE GLOBALLY**

A robust Enterprise Labeling Solution that integrates with SAP enables an organization to leverage the value of their SAP deployment more fully and is designed to support a global deployment. It's critical that a company's labeling can easily scale as an organization's needs grow, whether it's adding new sites or increasing manufacturing to meet increasing demand. It's also important to communicate across an organization's full printer landscape, which may include thousands of different printers – all of which need to work with a centralized labeling solution. An integrated Enterprise Labeling Solution must have high reliability and performance across a heterogeneous global printer landscape to protect an organization from business interruption stemming from labeling system failures.

## **IMPROVED TIME TO MARKET**

Many organizations are retooling with new technologies – the Internet of Things, RFID, advanced analytics, robotics, together with SAP S/4HANA – that enable them to run a fast-paced, real-time supply chain. This is speeding up manufacturing, and labeling needs to stay in step. The pressure is on for manufacturers to improve efficiency, quality, and time to market. An Enterprise Labeling Solution integrated with SAP business processes can prove to be a means to these ends. This integrated approach can provide organizations with the ability to rapidly and dynamically manage labeling and support the extensive variability brought on by the global complexity of products, new technologies, geographies, languages, and standards.

## INTEGRATE, AUTOMATE AND OPTIMIZE YOUR LABELING WITH SAP

Today, enterprises are attempting to streamline the flow of products and information across channel, network, and organizational boundaries to create flexible and demand-driven supply chains—while also meeting their profitability objectives. However, it's a challenge to stay agile and adapt to expanding supply chain collaboration, globalization and e-commerce. There also is a continued focus on traceability and increasing customer demands. To achieve these goals, companies must be able to meet the rigors of evolving regulations and customers' global requirements. To do so, they must be able to manage labeling variability across multiple regions, including variability in languages, data, images, and formats.

Integrating labeling with an SAP certified solution offers Best of Breed capabilities for meeting these labeling challenges. This is because implementing an Enterprise Labeling Solution, which was specifically designed to integrate with SAP and other business applications, can proactively and quickly accommodate the widest range of customer requests by offering automated, integrated, optimized, data-driven labeling. Ultimately this makes it easier to update labels, avoid costly mistakes that lead to relabeling and returns, and meet customer and regulatory requirements in a timely fashion.

*Software [Spectrum](#)® is an SAP certified enterprise labeling solution that is specifically designed to work with S/4HANA, SAP Business Suite on HANA and SAP ECC. Spectrum supports global deployment, offering great efficiencies across the extended supply chain, enabling companies to dramatically cut costs, streamline maintenance and improve time to market. When accessing data from key sources of truth such as SAP, whether done manually for on demand label printing or through triggering labeling directly from business processes - organizations can achieve an unprecedented level of speed, flexibility and power to create, manage, and print mission-critical barcode labels across today's complex global supply chain.*

### THE VDC SPECIAL REPORT

For more information on Enterprise Labeling, including integrating your labeling with SAP, download our free [Special Report](#) co-sponsored by [VDC Research](#) today.


Also, hear first-hand how you can "[Optimize Barcode Labeling Across Your Global SAP Landscape](#)" with our on-demand customer [webinar](#) Q&A hosted by [SAPinsider](#). Or if you'd like to speak directly with a Software expert to find out how global companies are leveraging Software's Enterprise Labeling Solutions with SAP please contact [labelingsolutions@software.com](mailto:labelingsolutions@software.com).





An Enterprise Labeling Solution, employing a powerful business rules applications enables companies to manage the most complex, regular





engine integrated with SAP  
andatory labeling requirements.



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Loftware, Inc. ([www.loftware.com](http://www.loftware.com)) is the global market leader in Enterprise Labeling Solutions with more than 5,000 customers in over 100 countries. Offering the industry's most comprehensive labeling solution, Loftware's enterprise software integrates SAP® and other enterprise applications to produce mission-critical barcode labels, documents, and RFID Smart tags across the supply chain. Loftware's design, native print, and built-in business rules functionality drives topline revenue, increases customer satisfaction, and maximizes supply chain efficiency for customers. With over 25 years of industry leadership, Loftware's Enterprise Labeling Solutions and best practices enable leading companies to meet their customer-specific and regulatory requirements with unprecedented speed and agility.

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