



SIJ ACRONI OPTIMIZES SPECIALTY STEEL PRODUCTION WITH DELMIA QUINTIQ

Slovenian manufacturer unlocks its full potential to deliver high-quality products on time, improve customer service and strengthen hold on niche markets

THE CUSTOMER

SIJ Acroni produces flat-rolled steel products. It is a leading producer of stainless steel quarto plates and other specialty steels such as wear-resistant, high-tensile, and tool steel plates.

The company is part of SIJ Group, which is the largest Slovenian vertically integrated metallurgical group and one of the largest producers of stainless and specialty steels in Europe.

THE CHALLENGE

As a specialty steel manufacturer, SIJ Acroni operates based on a high volume of small, customized orders and a diverse portfolio of products, making production planning highly complex. The company wanted to achieve high delivery performance while maintaining profitability and making the best use of its production assets. At the same time, it was a challenge to maintain inventories at an optimized level.

SIJ Acroni's existing planning solution was based on Excel. As planning became a lot more complex, the company's planning team sought a better approach: One that would provide an overview of material flows across the production in processes from the furnace to the plate mill, and from the pickling systems to the cutting lines.

The search for a better planning solution was in line with SIJ Group's mission to be the most successful manufacturer of specialty steel products in Europe. In recent years, the group was able to increase the quota of value-added steel products in its product mix from 55 percent to 70 percent.

SIJ Group began looking for a technology partner to boost SIJ Acroni's production planning and drive the group's effort in sustaining its high-volume growth in specialty steels while continuing to deliver excellent customer service.





THE SOLUTION

The search ended with DELMIA Quintiq's appointment as SIJ Acroni's technology partner.

DELMIA Quintiq was the clear choice. SIJ Acroni was confident of DELMIA Quintiq's expertise in steel production planning, given its track record of successful projects for some of the world's largest steel manufacturers.

"Competition is growing in the steelmaking market, and the winners will be the companies that can consistently offer their customers the highest-quality products and great delivery performance, while optimizing the use of their internal production assets," said Vladimir Arshinov, CIO of SIJ Group.

Arshinov continued, "The goal of this project isn't merely to balance our day-to-day execution to deliver on the above mentioned three areas, but to achieve significant improvements in each one of them. To maintain our market leadership, we turned to DELMIA Quintiq for one of the most advanced planning solutions available. It was the only system robust enough to fulfill our most stringent requirements, yet flexible enough to adapt to our unique production configuration and complicated production steps."

The DELMIA Quintiq solution, Company Planner, is designed to seamlessly integrate all planning activities in SIJ Acroni's steelmaking plant as well as rolling and finishing facilities for optimized production. With the solution, the company is equipped with end-to-end visibility of its operations, from steelmaking to slitting to packaging.

The full visibility enables SIJ Acroni to:

- Integrate and improve medium and short-term planning
- Optimize resource usage
- Quickly identify and eliminate production bottlenecks
- Keep working capital in the supply chain at a healthy level

The solution's implementation took a mere eight months with great budget efficiency — an impressive feat that was made possible through excellent collaboration between the SIJ Acroni and DELMIA Quintiq teams. SIJ Acroni had in-house specialists who were trained by the DELMIA Quintiq team to maintain the system, and would have the know-how to contribute to future joint projects.

With DELMIA Quintiq, disruptions and maintenance have become easier to manage efficiently.

"We're able to rely on the solution to reduce the impact of disruptions and unexpected downtimes, and schedule maintenance according to commercial priorities," said Branko Žerdoner, General Manager at SIJ Acroni.

The solution also provides SIJ Acroni with a game changing capability in the form of KPI-based planning. The company's planning team is able to see how each decision impacts KPIs such as delivery performance, production cycle duration and inventory levels, and make the right call to align with business goals.



THE RESULTS

SIJ Acroni was able to quickly adjust to its new planning solution and was delighted to see a quick return on investment. The improvement in KPI performance was significant, especially in terms of delivery performance and production cycle times:



**On-time, in-full (OTIF)
delivery rate**



**Production cycle from
booking to finished goods**



**Production cycle from
booking to shipping**

The company has not only overcome the complexity of manufacturing niche products, but also gained planning flexibility thanks to the solution. With a sharpened competitive edge, it can now respond swiftly to market changes without compromising on resource usage efficiency and delivery lead times.

“The solution was what we needed to better balance material flows, fulfill orders more quickly and manage inventories more effectively. With DELMIA Quintiq, we’re able to optimize bottleneck resources to make full use of available capacity. In turn, we can expand our production capacity of steel products even further,” said Žerdoner.

Next, SIJ Acroni seeks to align its sales, marketing and production for even better business performance. Based on the successful implementation and results that SIJ Acroni has experienced with DELMIA Quintiq, the company certainly intends to expand this partnership. Both parties are discussing new projects that will bring SIJ Acroni to greater heights in the world of specialty steel products.

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