



Hella

Corporate Profile

A Leading Global Automotive Parts Supplier

Hella develops and manufactures components and systems for lighting technology and electronics for the automotive industry. In addition, joint venture companies also produce complete vehicle modules, air conditioning systems and vehicle electric systems. Hella is one of the top 50 automotive parts suppliers in the world and one of the 100 largest industrial companies in Germany. More than 23,000 people work in 70 manufacturing facilities, production subsidiaries and joint ventures all over the world. Customers include all leading vehicle and system manufacturers, as well as the automotive parts aftermarket. The consolidated turnover of the Hella Group is around 3.3 billion euros.

Business Challenge

Centralising B2B to Improve Performance

Hella has one of the largest aftermarket organisations in the world for automotive parts and accessories, with its own sales companies and partners in more than 100 countries. The company does business with a wide variety of OEMs, dealers and parts specialists across the world.

In recent years, Hella has undertaken a major project to streamline and centralise its IT resources. A major goal was to reduce the number of systems that the company was supporting, so helping to drive down support and maintenance costs.

The global demands of the company's operations means that Hella has more than 60 ERP systems in use. The company decided to make strenuous efforts to reduce the complexity of its business-to-business (B2B) e-commerce infrastructure and wherever possible relocate and centralise B2B operations to the company's headquarters in Lippstadt, Germany.

The company wanted a flexible, robust and secure solution. It was particularly important that the chosen platform could cope with the demands of different partners around the world, some of whom are large OEMs with substantial B2B experience, while others are relatively unsophisticated with little B2B knowledge.

The Solution

A Standardised B2B Infrastructure

Hella maintains point-to-point connections for B2B transactions with some strategic customers and uses GXS Trading Grid® for the rest of its partners.

There is a clear geographical variance. In Europe, approximately 75 percent of Hella's partners use point-to-point connections, with the remaining 25 percent using the GXS Trading Grid®. In other parts of the world, including North America and



South America, these ratios are reversed, with around 75 per cent of supplier connections via the GXS Trading Grid.

GXS Trading Grid is the preferred route for OEM's do not use point-to-point and suppliers who can't or don't want to maintain their own B2B in-house expertise and resources. This applies, for example, to many partners in India and China.

GXS Trading Grid ensures that Hella can B2B enable any partner and consolidate electronic transactions onto a truly global B2B e-commerce network. Hella experiences real-time data exchange and can rely on GXS to mediate on any differences between required communication methods.

The Results

New Connections Every Day

"No business at Hella could be conducted without EDI," says Udo Thienelt, who manages integrated applications in Hella's Lippstadt headquarters.

GXS enables Hella to be an Active Business, able to take advantage of the information inside and outside the enterprise. An Active Business such as Hella engages with its trading partners and provides a broad and diverse suite of B2B capabilities, making it easy for trading partners to do business with.

The company estimates that it exchanges 35,000 EDI transactions each day with customers, suppliers and third-party logistics companies.

According to Udo Thienelt, the usage of EDI is still growing in the automotive industry, and he reports that the company is still setting up new connections every day. He notes that in many parts of Asia the relatively cheap cost of labour means that companies do not always see the benefit of adopting automated B2B technology, but he expects this to change and evolve as these markets mature.

Hella sees the major benefit of GXS and EDI as being cost saving. The automation offered ensures that they have the correct information in a timely manner avoiding the errors that inevitably creep into manually maintained information.

Centralising B2B operations and adopting GXS Trading Grid as the standard network for B2B e-commerce connections has allowed the company to reduce the costs of maintaining disparate EDI networks around the world. This has allowed the company to streamline and improve its support services. Hella has been able to successfully implement a 'follow the sun' support strategy, in line with the global expansion of the company's business.



About GXS

GXS is a leading global provider of B2B e-commerce solutions that simplify and enhance business process integration and collaboration among trading partners. Organisations worldwide, including more than 70 percent of the Fortune 500, leverage the on-demand services on GXS Trading Grid® to extend supply chain networks, optimise product launches, automate warehouse receiving, manage electronic payments and gain supply chain visibility. GXS Managed Services, GXS' B2B outsourcing solution, empowers customers with the expertise, technical infrastructure and program support to conduct B2B e-commerce with trading partners globally. Based in Gaithersburg, Md., GXS has an extensive global network and has local offices in the Americas, Europe and Asia-Pacific regions. GXS can be found on the Web at www.gxs.eu.

EUROPE, MIDDLE EAST AND AFRICA

18 Station Road
Sunbury-on-Thames
Middlesex TW16 6SU
United Kingdom
+44 (0)1932 776047 t
+44 (0)1932 776216 f
www.gxs.eu

NORTH AMERICA AND GLOBAL HEADQUARTERS

9711 Washingtonian Blvd.
Gaithersburg, MD 20878, US
+1-800-560-4347 t
+1-301-340-4000 t
+1-301-340-5299 f
www.gxs.com

UNITED KINGDOM

18 Station Road
Sunbury-on-Thames
Middlesex TW16 6SU
United Kingdom
+44 (0)1932 776047 t
+44 (0)1932 776216 f
www.gxs.co.uk

FRANCE

Cachan Porte Sud
191, av. Aristide Briand
94230 Cachan
France
+33 1 46 73 16 00 t
+33 1 46 73 16 01 f
www.gxs.fr

GERMANY

Leyboldstrasse 16
50354 Hürth-Efferen
Germany
+49 2233 609 0 t
+49 2233 609 205 f
www.gxs-gmbh.de

ASIA PACIFIC

Room 1609-10
16/F China Resources Building
26 Harbour Road, Wanchai
Hong Kong
+852 2884-6088 t
+852 2513-0650 f
www.gxs.asia.com