



GRANDLUXE:

GROWING A PAPER-BASED FAMILY BUSINESS IN THE DIGITAL AGE

For the past 70 years, Singapore-based stationery manufacturer Grandluxe has designed, manufactured and distributed quality stationery. Launched in 1945, Grandluxe is now a third-generation family-owned enterprise. According to an EY study, this represents a rare tiny 1% of Singaporeans willing to take over a family business.

Grandluxe started out as a family of bookbinders who sold handmade notebooks to customers within Singapore. Today, the company has five lifestyle brands under its umbrella and its products are sold in 30 countries around the world.

Keeping up with the times, the company has moved on from hand-stitching its notebooks to manufacturing them in production plants and facilities in Singapore and Malaysia.

Between 2007 and 2012, the company invested more than US\$5 million in machinery, primarily in premium book-binding machines. Moving from a small family business to a medium-size enterprise posed many challenges, especially in terms of transitioning to the digital age.

For example, most tasks, such as cost computation and inventory tracking, were traditionally done manually. The systems in place were not equipped to handle production requirements, with data needing to be entered multiple times into various standalone systems. Such tedious and complex procedures resulted in many human errors and inefficiencies, with no control points in the operational processes.

The company soon realized that, in order to manage growth and expansion, it needed new abilities such as being able to track information real-time, handle multiple product lines to meet changing customer demands, and integrating departments to streamline operations and reduce cost.

To solve their problems and take the business to the next level, Grandluxe decided to engage SAP as a solution to solving inefficiencies.

“We chose SAP Business One because we needed an automated information flow and integrated system with the capability to scale as our business grows,” says Winnie Chan, the third-generation leader of the family business.

The SAP system proved effective and just right in terms of cost and size, giving an SMB like Grandluxe the power to handle multiple business channels with greater ease and control. Besides automating inventory, accounting and finance, the SAP system is also able to facilitate stock and raw material forecasts, helping the company to identify trends for future business planning and growth.

As an example of reduced inefficiencies, Grandluxe has now seen a lowering of manpower cost as orders placed with their factory in Malaysia are automatically linked to production work order, goods receipt and inventory tracking. Grandluxe is also using its new SAP systems to calculate gross profit for each work order, and is able to identify high value customers, enabling it to focus its resources on retaining and growing these customers.

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