

The Sappi Southern Africa division of Sappi (NYSE:SPP), based in Johannesburg, South Africa, produces 1.1 million metric tons of coated, uncoated, packaging and speciality paper products and 2.1 million metric tons of bleached and unbleached paper pulp and chemical cellulose for domestic and global export markets. The company also manages about 540,000 hectares (1.3 million acres) of timber plantation land and houses the Saiccor mill which is the world's largest producer of chemical cellulose used to make textiles as well as consumer and pharmaceutical goods. The Sappi group, with manufacturing facilities on four continents and sales offices in over 50 countries, serves customers in over 100 countries globally.

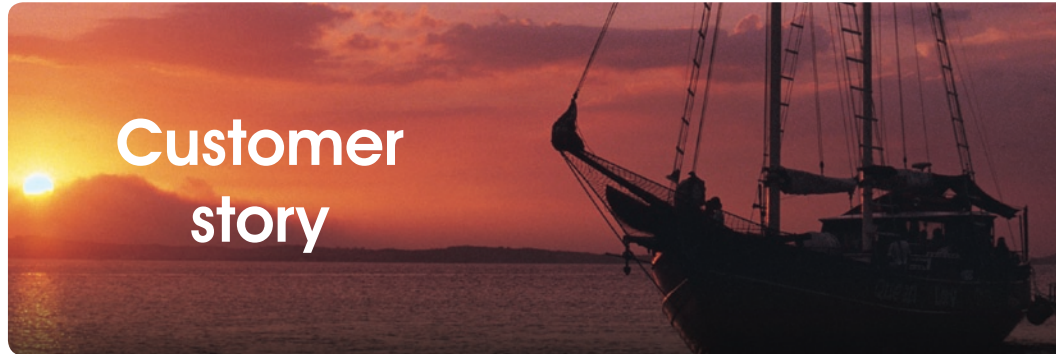
## The Sappi Challenge

The operation's SAP software-based IT system for the Southern Africa region supports about 6,900 employees. Roughly 2,700 employees need to access the system on a regular basis and Sappi's sales offices around the world also access the Southern Africa regional system as needed for sales and delivery support.

In 2002 it became apparent to Sappi's IT managers that the company's complex resource and production management needs had made existing manual change management processes impractical. At that time, an outsourcing partner was developing changes and emailing both changes and adjustments to Sappi's IT specialists for input.



As Sappi grew, this highly manual approach led to ever increasing problems with simple typing errors. "Along the line we were getting typos, transposing a couple digits and that kind of thing," explains Mike Constancon, systems manager in Sappi's Management Services Division. "So we'd move the wrong transports and have to revert, or work to correct the problem with yet another transport. It was wasting time."



## Customer story

The annoyance of frequent manual interventions finally came to a head when a batch operation to import a range of transports accidentally included some unfinished and untested changes. These were sent directly into Production and some effects could not be reversed. They also proved difficult to correct with new transports. The incident underscored the disruptive potential and cost of even simple human errors in a system as extensive as Sappi's.

## Finding the Solution

Constancon was tasked to lead a team to evaluate the various automated change management approaches then available. Though a simple minimum installation was expected, the team wanted the solution to be:

- Automated throughout the process, with a minimum of manual steps where human errors might creep in
- Able to enforce authorizations as needed to prevent casual, unrecorded "tweaks" that could interfere later with smooth transport management
- Completely compatible with the SAP software-based system to prevent becoming a source of additional system complexity
- Capable of complete documentation to determine the state of the system accurately at any time

The team determined that of available change management approaches, only Rev-Trac, by Revelation Software Concepts, fully met their criteria. Its implementation was quickly approved by the responsible Sappi managers.

## The Implementation

Sappi implemented Rev-Trac in 2002, in a limited way as planned. Initially, it was employed solely to manage transports and avoid human error-based problems. It was a rapid implementation with no complications. Once it was in place, the IT team could simply attach a transport and follow what Constancon describes as "a very basic final process" to take it into the Production system. Nothing more was initially needed.

The implementation deepened steadily over time, however, as the team added Rev-Trac functionality to provide more complete automation. Explains Constancon, "What we've done since is utilize Rev-Trac to make sure the right documentation is attached to each transport, and we've expanded the number of strategies we use in terms of document authorizations and signoffs. By increasing segregation of change-related duties, we've used Rev-Trac to implement and fine-tune more governance."

**We've had no problem with our annual SOX audit since we applied Rev-Trac reporting and documentation. Our audits are clean and add little overhead onto the team's time.**

Mike Constancon, Business Systems Manager, Sappi Management Services

This became necessary because, though Sappi is headquartered in Johannesburg and has a primary listing on the Johannesburg Stock Exchange, its secondary listing on the New York Stock Exchange brought it under the stringent public company management and

reporting standards set by the U.S. Sarbanes-Oxley Act of 2002, known as SOX. Sappi clearly needed smoother and more automated governance for SOX compliance and brought additional Rev-Trac functionality online to provide it.

As part of SOX-mandated segregation of duties, Rev-Trac allowed finer determination of who can authorize and who can actually implement importation of transports into Production, based on the types of changes being made. Rev-Trac also now automates and enforces collection of authorizations, eliminating both errors and manual process bottlenecks as it integrates the approval process into its normal documentation.

From the viewpoint of a gradual, evolutionary process, additional Rev-Trac configuration options are still being implemented as change control requirements increase with system complexity over time.

### Rev-Trac Result

Rev-Trac successfully eliminated the specific initial problem – error-prone transport importations – from the start. “We haven’t had a problem like that since we installed,” says Constancon. In that respect, it was a complete success.

**Everything is visible and easier to manage with Rev-Trac. We’ve sharpened our governance. Our audits are clean and Rev-Trac’s process assurance results in fewer business disruptions and lower change implementation costs.**

Mike Constancon, Business Systems Manager, Sappi Management Services

As when implementing planned increases in system governance, Sappi followed SOX regulations, making audit compliance automatic and easy to demonstrate. During the most recent annual SOX audit, says Constancon, there were no findings. “We had a clean audit,” he notes.

The Sappi team has put together a series of report templates to allow them to review all

pending, current and recent changes during a weekly on-line change meeting. Fast-track changes are now possible with minimum risk and are reviewed at the weekly meeting after being imported, allowing the team to be more nimble when needed.

Time saved from this alone has freed up approximately 2 hours per week for other tasks.



During implementation, the Forest Products division had used separate Rev-Trac instances to support the ERP, SCM and BW functions of their SAP software-based ERP solution. To obtain a single, comprehensive view of change and to further increase operational efficiencies, the team then consolidated these Rev-Trac instances into one. They now control change and the movement of transports for the entire SAP Environment, as well as any cross-application dependencies between them, from one place.

As Constancon explains, “We moved it all onto our Solution Manager box. This is quite useful because it gives us a consolidated picture. You see everything in one place, not in pieces.”

He adds, “We’ve had Solution Manager running in a fairly basic format for probably three years but we’re really using it more for SAP support to come in and look at the system rather than for any specific tools. For change control and reporting, Rev-Trac does what we need our change control system to do.”

### Working with RSC

**Once Rev-Trac is running, it runs. We don’t have any problems. We don’t even talk to RSC support people unless we’re upgrading.**

Mike Constancon, Business Systems Manager, Sappi Management Services

Constancon says his team talks with RSC support as needed and RSC is very responsive. However, he adds, support hasn’t been needed very often.

“Our experience has been that once it’s running, it runs. We don’t have any problems.”

When Sappi is upgrading its systems or bringing complicated patches into play, the team does consult RSC about any challenges they experience. There has been no need to bring an RSC technician on-site, and support requirements have been minimal.

### The Bottom Line on Benefits

Though specific returns on improved change control can be indirect and hard to measure, Constancon says the IT team has been able to accomplish more work in less time as automation and governance increased.

“The real return is in the tighter control, risk mitigation and automation,” he explains. “There is formal segregation now, and also a fully documented and controlled traceability of evidence of what has happened throughout our process. Tighter control with increased governance.”

With Rev-Trac’s tighter system control, automated process assurance, uniform policy enforcement and elimination of transport errors and conflicts, Sappi has experienced less downtime, faster trouble-free audits, smoother development cycles and increased change control efficiencies.

Most of all, the system runs smoothly and is much more trouble-free, Constancon explains, “Everything is visible. All the documentation is in one place, which makes it very easy to find, so audits are much easier to manage than in the past. If you want to look at the time we’ve saved on that alone, it’s a significant ROI.”



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**We’ve not had a single production system incident due to transport errors since implementing Rev-Trac.**

Mike Constancon, Systems Manager, Sappi Management Services

