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"IN-TIME INFORMATION" ALLOWS MONSANTO TO INTEGRATE MANUFACTURING AND BUSINESS PROCESSES

HP Enterprise Link Helps Achieve State-of-the-art Supply-chain Management

CHICAGO, Oct. 7, 1996 -- Monsanto Company's Pensacola, Fla. chemical plant is ushering in a new era as it switches to an integrated manufacturing solution that relies on Hewlett-Packard Company's "in-time information" software. The software, HP Enterprise Link, enables the Pensacola plant to unify manufacturing processes with SAP's R/3 business system to achieve state-of-the-art supply-chain management.

"A key benefit of combining HP's in-time information software with R/3 is our new ability to manage our resources, inventory and process capabilities, which will enable us to reduce our working-capital requirements and increase our production yields," said Robert E. Barrett, director of Monsanto's Worldwide Operations and Financials program. "In addition, in-time information enables Monsanto to better manage fulfilling orders, integrating processes and building speed and quality within our supply chain."

Monsanto's Pensacola facility is the first chemical manufacturing plant in the world to move to fully integrated manufacturing by linking R/3 enterprise resource planning with real-time process manufacturing systems on the plant floor.

"HP Enterprise Link enables the flow of real-time information to whoever needs it, when they need it," said Paul Rumford, general manager of HP's Lake Steven's Division. "With this installation, the technology has now moved from the experimental stage to everyday production. We and our channel partners are delighted to see Monsanto taking the lead in using our integration technology to improve their business."

"Early on, we realized an integral part of achieving state-of-the-art, supply-chain management lay in using a standard plant-integration enabler (PIE), which we found in HP Enterprise Link," said Son Huynh, integration technology manager for Monsanto.

The teamwork of specialists from Monsanto, SAP, HP, Deloitte & Touche Consulting Group/ICS, Raytheon Engineers & Constructors (Rust Division), Lab Systems and Biles & Associates has succeeded in the design, test and implementation of the integration for live production at the Pensacola plant.

A demonstration that simulates what is happening at the plant will be conducted by the Rust Division at the Instrument Society of America (ISA) trade show from Oct. 7 to 10 at McCormick Place in HP's Booth No. 2642. In addition, HP, Raytheon and SAP will present a project overview during a news conference on Oct. 8 at 9 a.m. at HP's booth.

Monsanto's Pensacola plant, the largest within its Fibers Division, was chosen as the prototype for the company's worldwide operations and financials project. Last year, after extensive evaluation of a number of existing technologies, Monsanto chose HP Enterprise Link to provide its PIE technology. HP Enterprise Link software drives real-time information automatically between the manufacturing floor and Monsanto's enterprise resource planning system, R/3. With HP enterprise Link, workers at the Pensacola plant now can quickly pull product "recipes" from SAP application servers in St. Louis and report material consumption and finished-goods production to R/3 automatically.

By tightly integrating manufacturing and business processes using HP Enterprise Link, companies such as Monsanto can achieve flexibility that helps them do the following:

- Lower working capital -- less inventory requires less investment in materials; in-time information enables real-time updates on materials consumption to eliminate stocking of unnecessary volumes and to reduce waste;
- Improve decision making -- supervisors can see what is actually being produced and what is on order;
- Improve customer service -- real-time order status and actual ship dates are visible so questions can be answered quickly and accurately;
- Realize faster paybacks -- this integration helps shorten the cycle of order fulfillment and payment; and
- Gain insight on expenses -- all materials consumed in the manufacturing process are reported and costed as they are consumed.

HP Enterprise Link

Certified by SAP in July, HP Enterprise Link is object-oriented software that graphically unifies a mix of real-time control system with SAP's PP-PI module. HP has worked closely with SAP's PP-PI development team since 1994.

HP's channel partners include ABBA Industrial Systems, Biles & Associates, Honeywell Industrial Automation & Control, Moore Products, Rockwell Automation/Allen-Bradley Company, Siemens Energy and Automation, Raytheon Engineers & Constructors (Rust Division), Deloitte & Touche Consulting Group/ICS, Computerized Processes Unlimited Inc. And Lab Systems (formerly Fisons Instruments).

Hewlett-Packard Company is a leading global manufacturer of computing, communications and measurement product and services recognized for excellence in quality and support. HP has 110,800 employees and had revenue of \$31.5 billion in its 1995 fiscal year.

Information about HP and its test and measurement products can be found on the World Wide Web at www.hp.com/go/tmdir.

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