



Success Stories

Case: Hydro

How pVelocity Helped Hydro Focus on Product & Customer Mix to Improve Profit Efficiency & Asset Utilization

Hydro — Energy and Aluminum Supplier

Hydro is a global supplier of energy and aluminum products. Based in Norway, the company employs 19,000 people in 40 countries and has activities on all continents.

Business Complexities

Hydro's aluminum extrusion plants were operating various ERP systems, making it difficult to view data consistently across the company's operations. In addition, each location used different reporting and analysis methods to reflect specific plant requirements.

Business Challenges

Hydro's portfolio of customers was weighted towards commodity product pricing, and asset capacity use was low. With both factors affecting customer and product profitability, Hydro wanted to shift its focus from volume driven to value added markets. However, the company had no systematic view of customer, product and asset profitability. It couldn't allocate changing costs to specific customers, or accurately reflect those fluctuations in product pricing.

To learn more about how others have benefited from immediate, precise insight into projected product and customer profitability:

- Visit www.pVelocity.com
- Read more Case Studies
- Sample a Simulation



pVelocity's Profitability & Cost Simulation Software

Hydro used pVelocity's out-of-the-box profitability and cost solution to connect disparate ERP systems and apply one consistent method of analysis to identify profit drivers and destroyers in its customer portfolio. The software's advanced simulation capabilities have helped Hydro's business managers project the effect of planned strategies, and apply realistic pricing accordingly.

By targeting specific variable costs such as labor productivity, freight, packaging and scrap, and maximizing production speeds, the company has been able to improve profit efficiency and asset use. Hydro likes how pVelocity's user specific dashboards and scorecards make the application so easy and informative to use — whether you're the CFO, the Plant General Manager, or a member of the Plant Operations team.

"We have integrated pVelocity into the day-to-day decision-making process, and it is an integral part of the continuous improvement culture."

Thomas Baltzewitsch, CFO,
Hydro Aluminum Extrusion Eurasia