



Dairy for life
e-CAPEX

Electronic Capital Expenditure

Optimizing the capital expenditure approval process to manage risk, return and reliability

Optimize CAPEX process to manage risk, secure return & improve reliability

Capital Investment is a key to any company's innovation and improvement programme. Investment is key to almost every new product, capacity expansion, and cost saving initiatives. Capital expense represents an organisational change and requires inputs, co-ordination and buy-in from stake-holder groups for successful execution.

A simple, automated system to manage company-wide capital investment approvals is ideal for busy decision makers and financial managers.

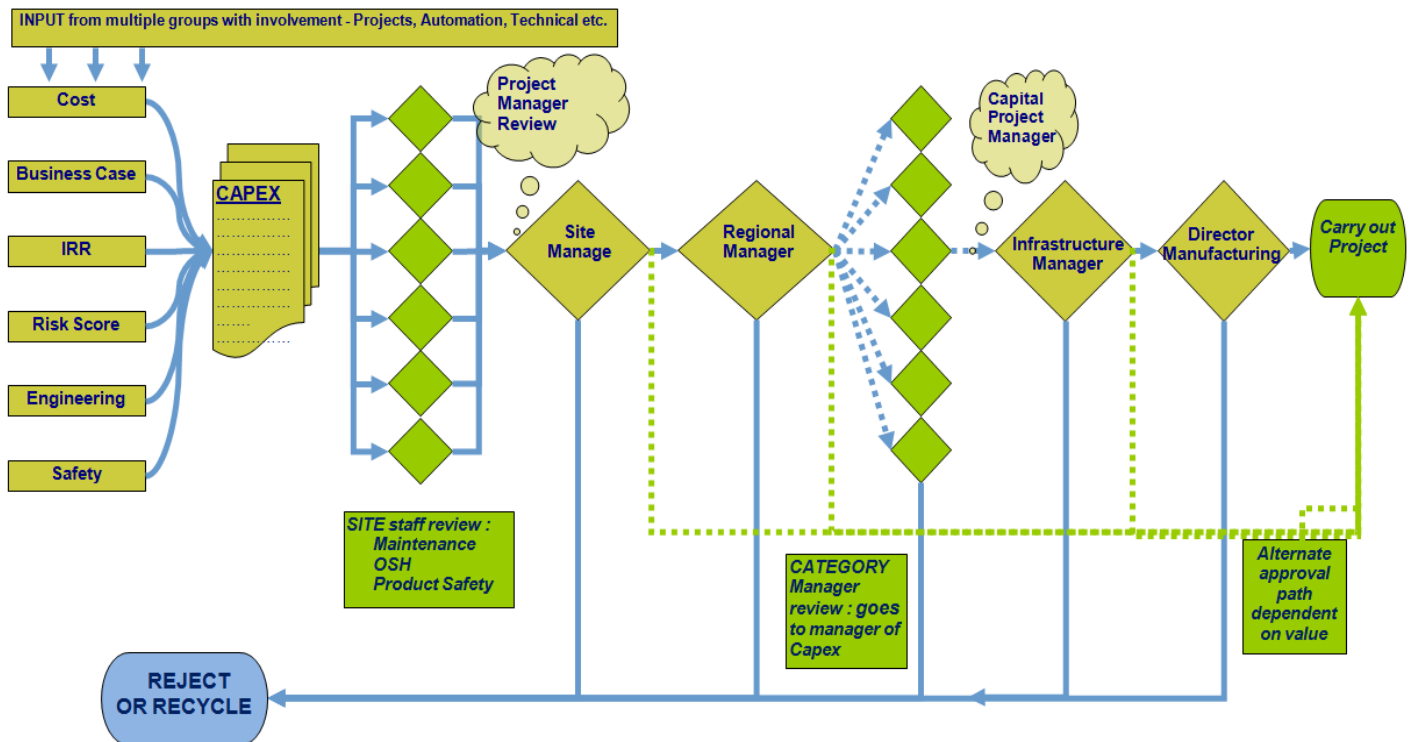
Challenges faced by paper-based system:

- Cumbersome manual system drives long authorisation delays, impacting on timely execution of a project and delayed realization of benefits.
- Control over information quality and documentation is often lost
- CAPEX requests get lost during paper movement
- Difficult for the CAPEX initiator to see progress and identify who needs to be approached to expedite a decision.

Benefits of an e-system:

- **Centralised business process:** A web-based, easy to use electronic CAPEX approval system allows single view of all capital requests and enables reinforcement of business rules and execution across many functional units over either nationally or globally.
- **Time reduction:** Potential reduction in approval time using electronic process flow with automated approval structure and immediate feedback via email.
- **Cost reduction:** Efficient and timely decision making reduces costs associated with paper systems
- **Quality of Projects:** Personnel raising requests have a better understanding of what is required, resulting in improved quality of data.
- **High transparency:** Role based work-flow approval improves accountability, visibility and drives higher decision quality - aligned with organisational delegated authorities.
- **Secure archival:** It comes with an automated archiving feature that allows storage of electronic documents - including technical plans, spreadsheets, images etc and it creates a database of all CAPEX requests across the group.

Capital Expenditures requires active inputs from multiple Stakeholders



Example Capital Application Screening Process using E-CAPEX system

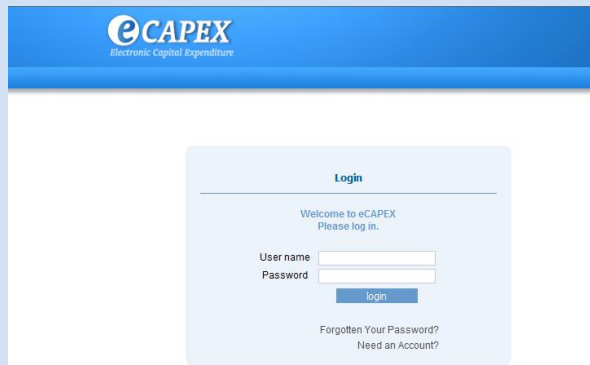
Contact Us Now: technical.services@fonterra.com

[Click Here To Watch A Video On How It Works](#)

For any question, please email: Rajesh.Chatterjee@fonterra.com

GO TO: <http://vimeo.com/37332952>

Do You Wish To Try Demo E-Capex System?



**Request Username & Password from:
technical.services@fonterra.com**

Technical Specification

Web browser application, captures all relevant information required to present the business case for capital expenditure & approval work-flow system.

- IBM Informix database
- Apache
- Red Hat Linux
- Perl

Yes! We may be able to customise this to satisfy your needs.

Contact Us Now: technical.services@fonterra.com

Screenshot # 1: Robust and intuitive design enables easy navigation through the system

The screenshot shows the CAPEX system search interface. At the top, there is a navigation bar with 'Home', 'New', 'Search', 'Reports', 'Help', 'Log Out', and the user name 'Marlene Dietrich'. Below this is a search section titled 'Select Search Parameters' with a 'Run Search' button. The search parameters include:

- Business Unit: [text input] [clear]
- Funding Year: [-Any Funding Year-]
- Project Name: [text input]
- Project Number: [text input]
- Status: [-Select Status- open fixed shelved]
- Fin System Proj. No.: [text input]
- SAP Cost Center: [text input]
- Category: [- Select Categories - Automation Capacity Computer Hardware Computer Software]
- Search these ...: [- All Sections - Business Case Executive Summary Comments]
- People: [- Both - Initiators Project Managers]
- Names ...: [- Any -]

 Below the search parameters is a 'Search Results (13)' table with columns: Business Unit, Project Name, Cost, Initiator, Status, and Project #.

Business Unit	Project Name	Cost	Initiator	Status	Project #
Auckland Bottling Plant	Chill Out Room Extension	\$1,522,500	Kadir Wijaya	open	400020
Auckland Bottling Plant	Lollipop Factory Extension	\$101,500,000	Marlene Dietrich	open	400013
Auckland Bottling Plant	Pump Replacement	\$10,500	Marlene Dietrich	open	400006
Auckland Bottling Plant	Workshop Gantry	\$99,850	Marlene Dietrich	open	400008
Christchurch Office	Boardroom chairs	\$11,950	Marlene Dietrich	open	400018
Christchurch Office	Computer Hardware	\$8,000	Marlene Dietrich	open	400010
Christchurch Office	New 4WD vehicle	\$30,000	Marlene Dietrich	open	400019

Screenshot # 2: Each CAPEX approval request provides structured and condensed high quality supporting information for busy decision makers

The screenshot shows the CAPEX system project details page for 'Packing Line Upgrade'. At the top, there is a navigation bar with 'Home', 'New', 'Search', 'Reports', 'Help', 'Log Out', and the user name 'Marlene Dietrich'. Below this is a tabbed interface with tabs for 'Summary', 'Basics', 'Dates', 'Costs', 'Assets', 'Funds', 'Business Case', 'Cost Benefits', 'Risk Score', 'Engineering', 'Safety', 'Attachments', and 'Comments'. The 'Summary' tab is selected.

Project: Packing Line Upgrade | Number: 400003 | Business Unit: Auckland Bottling Plant | Status: approved

Summary

Budget	Total Required	Amount Budgeted	Funding Year	Categories
	\$ 117,570.00	-	2012	Health & Safety
Unbudgeted				

Cost Benefits	NPV@15.00%	IRR (%)	1st Year Benefits	Disposals/Write Offs
	-\$ 117,570.00	-	-	\$ 0.00

Risk Assessment	Risk Score	Score After Capex	Supplementary Capexes
People	17	1	No Supplementary Capex
Plant	5	1	
Product Safety	5	1	

Project Accounting: Fin System Project No. [text input] FAR Category [dropdown] SAP Cost Center [text input] SAP Project No. [text input] [save]

Executive Summary: Safety assesment carried out on packing line. Guarding needs to be replaced to meet safety standards. Where possible hazards will be eliminated, rather than isolated with guarding. The equipment requiring

Screenshot # 3: Roles and delegated authorities (DA) based work-flow achieves unambiguous approval faster

Validation Information

Completed?

Sign Off

Rajesh Chatterjee Project Administrator	approved	2012-02-22 17:50:35	
Kadir Wijaya * Test	approved	2012-02-22 17:48:41	
John Kennedy GM New Zealand	approved	2012-02-22 17:46:47	
Mickey Rooney North Is Regional Manager	approved	2012-02-22 17:46:12	I fully support this project. Important H&S concerns being addressed
John Wayne Plant Manager	approved	2012-02-22 17:45:07	
Fred Astaire Engineer	approved	2012-02-22 17:44:40	
Jane Russell * Funds Owner	approved	2012-02-22 17:44:08	
Fred Astaire * Project Manager	approved	2012-02-22 17:35:59	
Michelle Kennedy * Initiator	approved	2012-02-22 17:35:27	

(*) = Mandatory Approver.

Screenshot # 4: Reporting by various metrics helps efficient portfolio management for group wide capital investments



Home New Search Reports
Help Log Out
Marlene Dietrich

Capex Reports - Excel Reports Run

Select Excel Report:

Start Date: ...

Finish Date: ...

Funding Year: (comma seperated, leave blank for all)

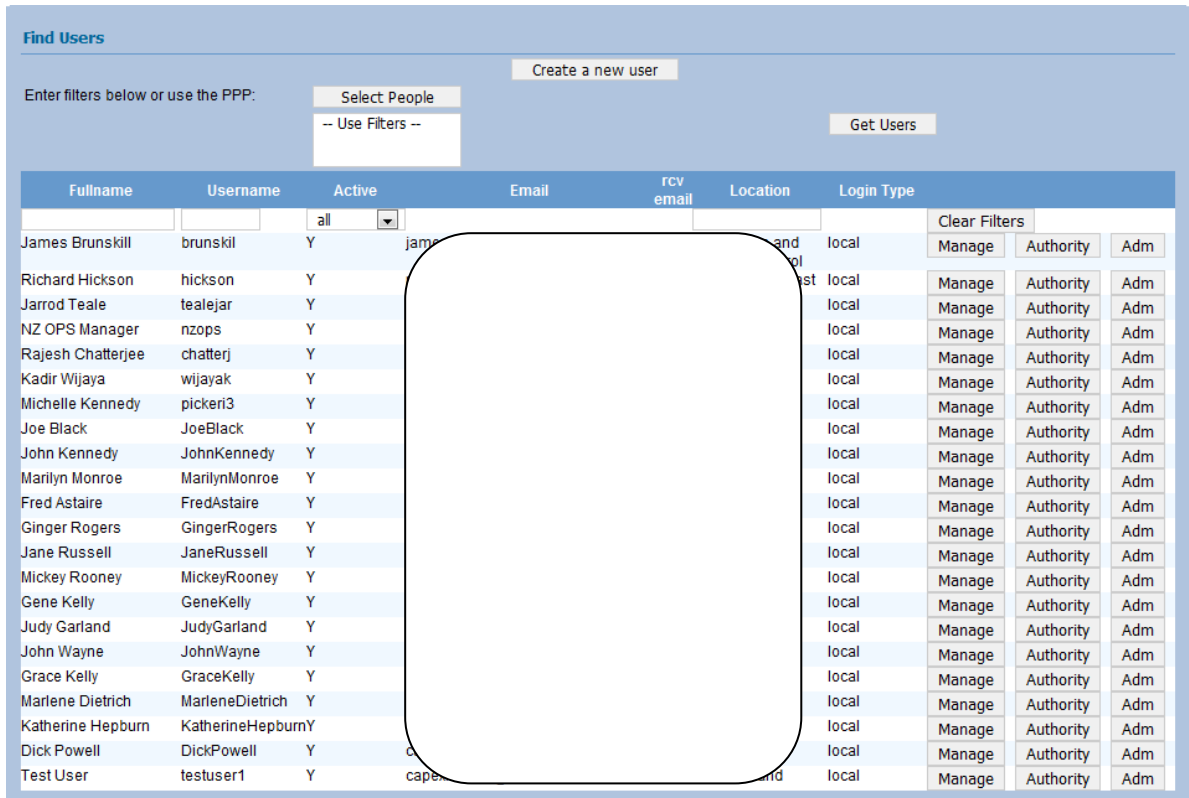
Business Unit: ...

Category:

- Automation
- Capacity
- Computer Hardware
- Computer Software
- Energy
- Environment
- Farms
- Health & Safety
- Insurance/Risk

Capex Numbers: (comma seperated, leave blank for all)

Screenshot # 5: Admin backend allows easy management of users and authority levels



Screenshot # 6: Organisational Structure and Roles and Authorities can be set easily

