How is the Cloud Transforming Procurement for Tire and Rubber Companies?

Operating tire production in 18 factories in 9 countries

The Yokohama Rubber Company is one of the world’s leading producers of automotive tires and other rubber products. With 18 factories dedicated to the production of tires alone, the company relies on an efficient, responsive procurement system to increase productivity and reduce costs across the enterprise. The Yokohama Rubber Company saw the need to upgrade this system to take advantage of cloud-based technology and global connectivity.
The Yokohama Rubber Company aims to **increase productivity and cut costs** in moving to cloud-based procurement processes on Ariba® Network.

**Transitioning from on-premise SAP® Ariba solutions to Ariba Network, The Yokohama Rubber Company:**

- Reinforced the high level of trust in its SAP software and its long-term relationship with SAP
- Enhanced procurement options with a powerful search function and global reach
- Reduced procurement errors to speed production and freed up time to concentrate on customer satisfaction
- Made internal authorization processes more accurate to suit business purposes precisely
- Increased business efficiency through the use of the PunchOut feature and customized procurement catalogs
- Continues to grow while attending to environmental issues, compliance, and corporate social responsibility
- Expects annual cost savings of US$9 million through improved efficiency in the procurement process

"In considering the transition to Ariba Network, we were motivated by a desire to move to a higher level in the areas of **productivity in procurement, procurement costs, and internal dynamism.**"

Yasuo Hirokawa, General Manager, Indirect Materials Procurement Department, Global Procurement Division, The Yokohama Rubber Company