

## **Mitsubishi Motors Philippines Corporation partners IBM for business expansion**

### **Adoption of SAP S/4HANA technology underpins digital transformation**

**MANILA, 17 January 2022:** IBM (NYSE: [IBM](#)) announced that it has successfully implemented a Vehicle Management System (VMS) on SAP S/4HANA at Mitsubishi Motors Philippines Corporation (MMPC) as part of the automobile manufacturer's digital transformation strategy.

The implementation of VMS on SAP S/4HANA by IBM Consulting was preceded by the migration out of the AS/400 platform. The VMS, consisting of financial, logistics and vehicle sales operations; has enabled MMPC to transform processes across the operation and vehicle supply chain. A centralized view of its business operations gives MMPC faster access to critical business data and faster processing, with end-to-end visibility of vehicle data from production to end customer and at the same time, be compliant with regulatory reporting requirements.

In addition, the unified financial and management accounting also reduced MMPC's manual finance operations, which results in lower operational cost.

"The deployment of SAP S/4HANA has provided us a comprehensive roadmap to enhance and evolve our operations as we continue to digitize our processes to support the expansion of vehicle sales and plans to export to other markets," said **Takeshi Hara, President and CEO, MMPC**. "It has set the stage for us to accelerate our digital transformation journey to enhance client experience with our brand, acquire new customers and drive greater collaboration with the ecosystem and beyond for future growth."

An IBM study of the automotive industry rated collaboration with other industries as the best opportunity for industry growth with 75% citing non-traditional industry partnerships having a key role in the automotive ecosystem by 2025<sup>1</sup>.

MMPC is also taking its first steps in its journey to the cloud with SAP S/4HANA implementation. The modernization of its legacy applications from on-premises to a cloud environment is designed to help the automaker create operational efficiencies by simplifying internal processes.

“MMPC is an industry beacon in executing change management and digital transformation during the pandemic, through the best use of technology that optimises cost and improves efficiency. Transitioning to a new system during enhanced community quarantine was fraught with challenges and IBM was privileged to have the trust and confidence of MMPC that we would get the job done. And we did,” **said Aileen Judan-Jiao, President and Country General Manager of IBM Philippines.** “The system migration and implementation has equipped MMPC with the ability to analyze data needed for enterprise resource planning and production to gain economies of scale.”

SAP S/4HANA is a complete enterprise resource planning (ERP) system for organisations to create custom roadmaps in order to lower cost, increase agility and improve business results. It is designed to deliver intelligent workflows that enables continuous process orchestration across applications for better data insights, predictive capabilities and automation that drives business outcomes.

MMPC is one of the manufacturing facilities of Mitsubishi Motors Corporation outside Japan and the second largest automobile seller in the Philippines. According to the ASEAN Automotive Federation, the Philippines posted the second fastest automotive sales recovery in the region at 29.5 % in the first nine months. to 191,605 units from 148,012 units in the same period in 2020<sup>2</sup>.

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## References:

[1] <https://www.ibm.com/thought-leadership/institute-business-value/auto2025>

[2] <https://manilastandard.net/business/economy-trade/369043/ph-posts-second-fastest-car-sales-growth-in-asean.html>

## About Mitsubishi Motors Philippines Corporation:

For more information about Mitsubishi Motors Philippines Corporation, please visit <https://www.mitsubishi-motors.com.ph>.

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