

15 Years of Partnership for Innovation, Efficiency and Growth

Vertical

Manufacturing

Location

Ditzingen, Germany

Size

- Employees: approx. 18,000
- Revenue: €4.3 billion (2024/25)

Featured Product Families

-  JAGGAER One Platform
-  Supply Chain Collaboration
-  Supplier Intelligence
-  Sourcing
-  Invoicing

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About TRUMPF

TRUMPF is a leading high-tech company in the fields of machine tools, laser technology, and EUV.

Challenge

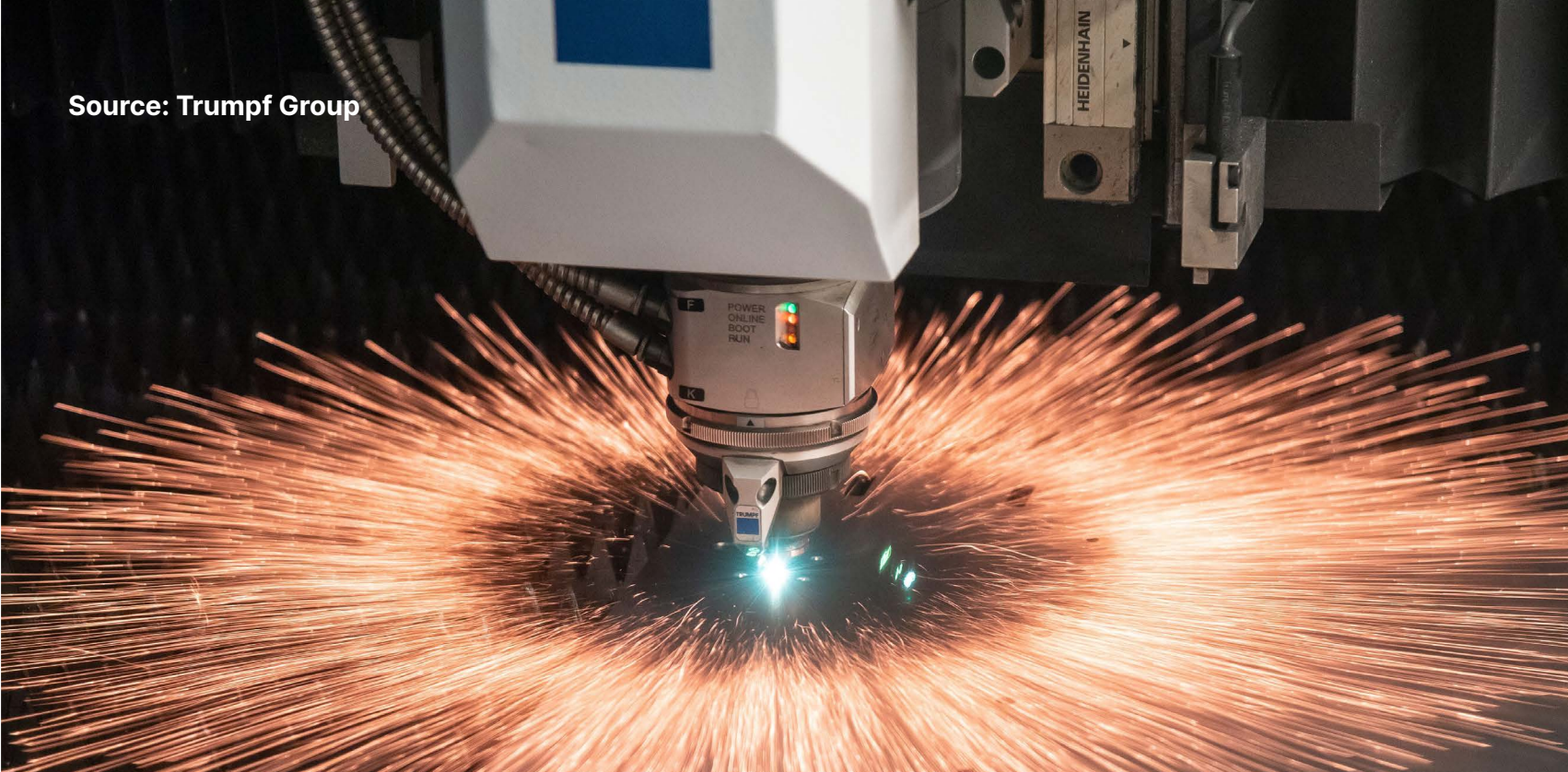
Digitization of processes in operational and strategic purchasing.

Executive Summary

Those who work closely together for many years get to know each other well and understand each other's value. This is also the case in the partnership between TRUMPF's procurement and JAGGAER. For this internationally leading engineering company, it's about much more than just optimizing procurement processes, working more efficiently, and reducing costs. The long-term cooperation plays a decisive role in achieving strategic goals. Thanks to this, TRUMPF can operate innovatively and growth-oriented in a dynamic and often unpredictable market environment without losing sight of cost control.

Fifteen years ago, when TRUMPF started evaluating procurement platforms, purchasing tasks were still being handled manually via an internal solution and EDI. However, this process proved increasingly inefficient, as suppliers worked with different ERP systems. Many of them could not or would not invest in paid procurement systems, which further complicated the process.

Source: Trumpf Group



“With the help of JAGGAER, we were able to make our supplier relationships more transparent and achieve significant efficiency gains in various regions and functions—from raw materials procurement to logistics and transport.”

Michael D'Alessandro, Head of Purchasing Excellence, TRUMPF SE + Co. KG

Why JAGGAER

JAGGAER One is an intelligent source-to-pay and supplier collaboration platform, and the catalyst for enhancing human decision-making to accelerate business outcomes. Transparency and automation at all international locations were intended to enable extensive savings in procurement.

TRUMPF had a clear vision of what a future procurement platform had to deliver: it needed to efficiently manage supplier relationships, provide transparency, and support all purchasing activities, both operational and strategic. The high-tech company thus required a solution capable of integrating with a wide range of systems, while remaining system-independent.

After extensive evaluation of available tools, TRUMPF chose JAGGAER. The platform impressed with its

scalability across international sites, cost efficiency, and the benefit that suppliers didn't have to pay additional fees.

Automation Creates Freedom

Initially, the use of JAGGAER focused on supplier evaluations and complaint management. However, additional operational areas such as the entire Order-to-Pay process quickly followed. Today, TRUMPF processes around 80 percent of its orders worldwide via JAGGAER. “With JAGGAER's Purchase Order



Management and Invoicing, we have gained enormous transparency and speed throughout the process,” confirms Michael D’Alessandro, Head of Purchasing Excellence at TRUMPF. It’s about much more than just sending orders with the necessary technical documents. Buyers can also track supplier responses. Furthermore, more than two-thirds of incoming digital order confirmations can be automatically processed. This means that production can be sure that goods will arrive when needed—without the need for time-consuming queries or manual data entry. Orderers can then focus on cases that need special attention, such as changes or questions about prices and dates.

Advance Shipping Notices provide additional security in supply chain collaboration. This way, TRUMPF knows when the ordered goods are ready for shipment at the supplier. On this basis, logistics can optimize routes and delivery times. Additionally, processes for goods receipt can be planned more easily and the necessary personnel resources can be provided.

Onboarding: Patience Pays Off

The number of suppliers connected to the system has steadily grown over the years. “You need a lot of patience; it makes no sense to force a system on suppliers,” confirms D’Alessandro. His recipe for success: establish internal ambassadors. At TRUMPF, some dispatchers recognized the great transparency and higher accuracy of delivery dates—and in turn made working with JAGGAER attractive to suppliers. “But it took five to six years to reach the current high level of over 5,000 connected suppliers,” D’Alessandro admits.

Sourcing Running Smoothly

For drawing-based production, TRUMPF also uses JAGGAER’s Sourcing. This allows buyers, via an SAP interface, to automatically provide potential suppliers with drawings and bills of materials. “Doing this manually is a huge effort. With us, the provision of

relevant documents runs automatically in the background. This means colleagues can quickly contact many more potential or existing suppliers. This creates additional competition in the market and helps us save costs here as well,” says D’Alessandro.

Continuous Improvement and Innovation

For TRUMPF, cost reduction has always been important—but not just to cut spending. The goal is rather to reinvest the achieved savings in innovation and growth. Over the years, the company has repeatedly faced particular challenges, such as supply chain disruptions during the COVID-19 pandemic or the sudden surge in inflation. Despite these difficulties, procurement managed to efficiently control costs and thus support investments in innovation and growth. A key element in this has been, and remains, the definition of specific targets for various categories. In addition, TRUMPF regularly adapts its supplier structure to political and global economic changes. “Today, almost every three years, a new procurement strategy is needed,” emphasizes Michael D’Alessandro. TRUMPF’s procurement with JAGGAER can also map this dynamism very well.

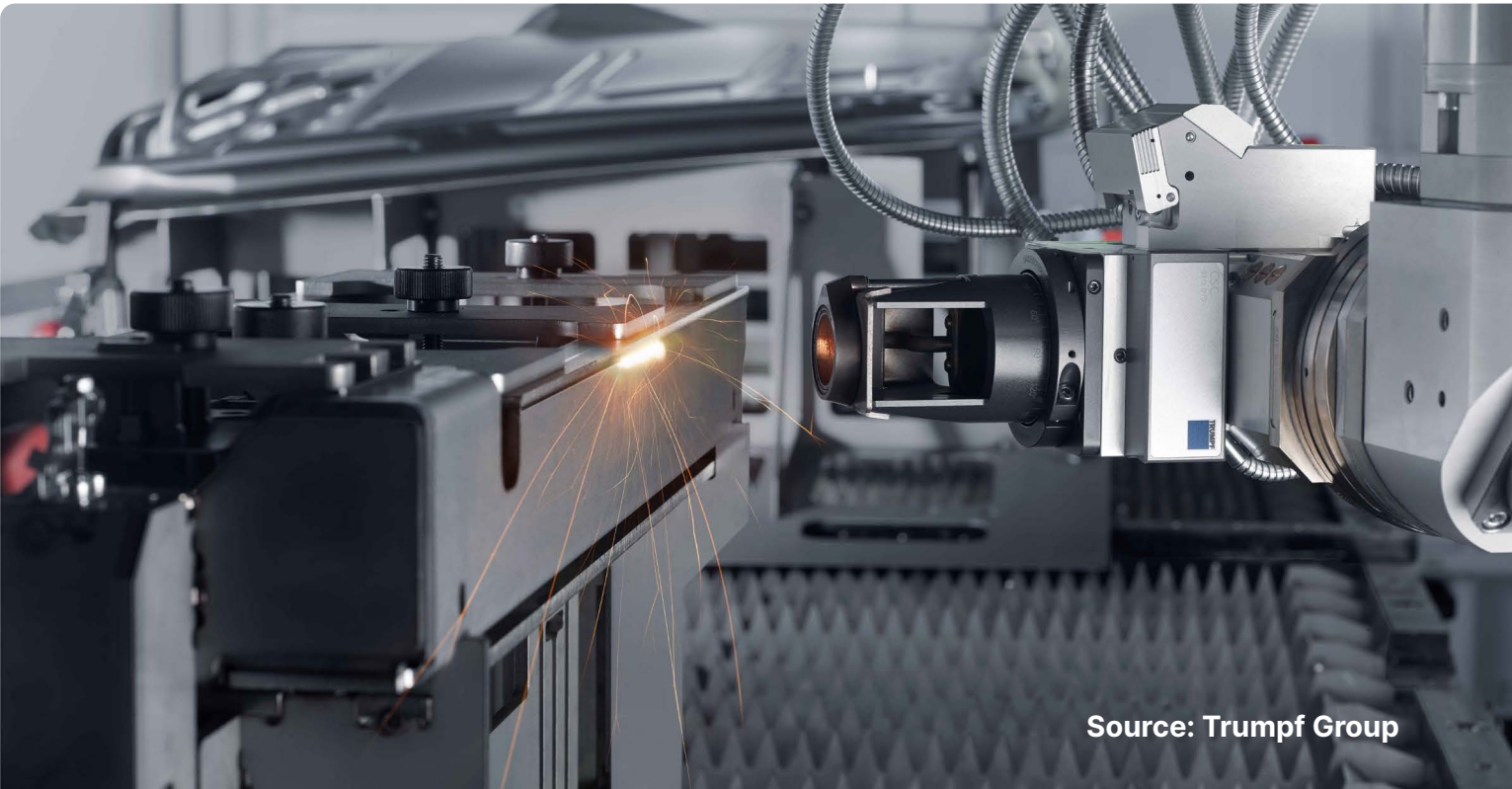
A Strategic View to the Future

In the coming years, TRUMPF plans to use JAGGAER even more strategically. Supplier Relationship Management will be used to handle ever higher industry standards and regulatory requirements as efficiently as possible—be it CBAM, EUDR, or other future frameworks. “Thanks to JAGGAER, we’re able to achieve this today without having to employ an army of new staff to collect information,” says D’Alessandro, Head of Purchasing Excellence at TRUMPF. TRUMPF also relies on JAGGAER to achieve its own environmental, social, and governance (ESG) goals. Thanks to the flexibility of the platform, TRUMPF can seamlessly adapt to new and

evolving requirements. JAGGAER helps ensure compliance and establish and deepen long-term supplier relationships.

Michael D’Alessandro summarizes: “For companies like ours, operating internationally in the manufacturing sector, procurement plays an absolutely strategic role. TRUMPF works with over 5,000 suppliers worldwide and processes around 600,000 transactions per year. This generates a huge amount of

data in procurement. To manage supplier relationships, handle complaints efficiently, and optimize procurement processes, we have relied on JAGGAER’s intelligent automation platform since 2009. With the help of JAGGAER, we have made our supplier relationships more transparent and achieved significant efficiency gains in various regions and functions—from raw materials procurement to logistics and transport. In total, we have achieved savings of €9.4 million.”



Source: Trumpf Group

With JAGGAER, TRUMPF achieved remarkable successes:

- Savings of €9.4 million
- More than 600,000 orders processed annually with over 5,400 connected suppliers
- More than 200,000 invoices managed



Ready to chat about the impact we can make together?

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