Customer Stories

Howdens Joinery: Transitioning to digital manufacturing for greater efficiency, visibility, and speed

Supercharging productivity with operational excellence

Manufacturers must balance intensifying customer demands, economic disruptions, and increasing complexity—often while using outdated technology. Howdens Joinery Group Plc, the United Kingdom's leading kitchen supplier, produces around 4.5 million cabinets annually. To remain competitive, the company modernized its manufacturing systems with the SAP Digital Manufacturing solution.

Industry	Region	Company Size	Partner
Retail	London, United Kingdom	~15,000 employees	Engineering Industries eXcellence (IndX)

7

days' reduction in order production lead time, from 21 to 14 days in 2023 to 2024.

99.98%

service level achieved from primary sites to depots in 2024.

"It's very easy to continue doing what you do today. But as technology evolves, we had to be open-minded about which processes and systems could help us innovate and remain on top of our market. SAP Digital Manufacturing offers the power, connectivity, and real-time data and analytics we need to succeed in the future of manufacturing."

David Peacock
IS Manufacturing Systems Technical Lead, Howdens Joinery Group Plc

Preparing for growth by modernizing technology

Founded in 1995, Howdens is a £2.3 billion (€2.6 billion) kitchen and joinery supplier that sells to trade professionals. With five manufacturing sites, three product distribution centers, and 950 depots across the United Kingdom and Europe, Howdens manufactures, sources, and distributes 20,000 products including cabinets, joinery, doors, flooring, hardware, appliances, and solid work surfaces. The depots support long-term customer relationships and provide exceptional service with knowledgeable workers and robust inventories. Last year, Howdens distributed more than 44 million pieces to depots through its extensive supply chain network.

With 30 years of success, Howdens is positioning itself for continued expansion. In the UK, new construction and renovation projects are being driven by a growing population, an increasing number of senior citizens who want to age in place, and older housing stock. Hybrid workforces are allowing more people to work from home, creating more wear and tear on kitchens and increasing the demand for upgrades. What's more, many consumers want to use more sustainable, energy-efficient products in their homes.

Howdens originally deployed manufacturing software to help run the business in 2007. By combining the SAP Manufacturing Execution application with a homegrown manufacturing execution system (MES), the company added automation to its 140 production lines. In 2020, however, leaders realized that the system was no longer sustainable. Make-to-stock production models had become more complex, but the company's existing systems couldn't link production plans with specific sales orders or offer a closed-loop supply chain. The older technology was difficult to scale, and maintenance was time-consuming. Production planning based on sales forecasts and historical demand was often inaccurate.

Based on its positive experience with the manufacturing application from SAP, Howdens chose the on-premises SAP Manufacturing Integration and Intelligence (SAP MII) application to run its new lamination product line. "The project was a success, but we didn't have a lot of experience," says David Peacock, IS manufacturing systems technical lead. "To make sure we understood and could evolve the product, we needed a long-term partner. We chose global systems integrator Engineering Industries eXcellence. Their experts gave us great insights into the cloud-based SAP Digital Manufacturing solution that helped us start our digital transformation journey."

"We worked with Engineering Industries eXcellence on a proof-of-concept project for digital manufacturing on our existing lamination line. I think that was a good turning point for us. It helped us realize that SAP Digital Manufacturing is so vast that we needed help and support. But it also gave us great insight into the product's capabilities."

David Peacock
IS Manufacturing Systems Technical Lead, Howdens Joinery Group Plc

Improving manufacturing performance through integration

Howdens worked with Engineering Industries eXcellence (IndX) to explore how the SAP Digital Manufacturing solution could support its current and future manufacturing plans. After deploying the solution in a proof of concept for its lamination production line, the company decided to move forward with other projects. Over 12 months, Howdens also deployed SAP Digital Manufacturing in its work surface plant and in its paint-to-order facility, which allows customers to choose custom cabinet paint colors. "We took our experience with the on-premises manufacturing software from SAP and configured SAP Digital Manufacturing to meet Howdens' needs for both make-to-stock and make-to-order production models," explains Dieter Laevers, managing partner at IndX.

As part of that effort, the teams identified a few functionality gaps. Using SAP Business Technology Platform (SAP BTP), Howdens built a scanning capability and a plug-in that connected sales orders with production orders. "We leveraged the capabilities of SAP Digital Manufacturing at the time and added other tools to make a solution that worked for us," adds Peacock. "Now, SAP Digital Manufacturing has these capabilities built in, but being able to add features we needed to the solution and integrate with other tools was reassuring."

Having one central manufacturing solution, with integration between SAP Digital Manufacturing and SAP MII, allowed Howdens to include new facilities in the network without extensive software rewrites. "We simply changed some of the configuration within SAP Digital Manufacturing to allow us to send the orders from a different plant," says Peacock. "Once you've set up the initial framework, rolling out the software to new plants is quite simple."

As Howdens' experience grows, the team is integrating other operational technology (OT) and automation into digital manufacturing processes. At the work surface facility, custom processes in SAP BTP allow SAP Digital Manufacturing to talk to a bespoke OT control system. Using the production connector for SAP Digital Manufacturing, the solution sends text files to a machine with cutting patterns. "Given the heterogeneous nature of manufacturing, the tools in SAP Digital Manufacturing are essential to overcome integration challenges," says Laevers. "You just have to pick the ones that work for you."

"With SAP Digital Manufacturing, we gained operational excellence in our supply chain processes, leading to more efficient planning and an enormous increase in production. We will continue this journey of continuous improvement to deliver the best products for our customers."

David Peacock
IS Manufacturing Systems Technical Lead, Howdens Joinery Group Plc

Boosting business value and strategic innovation

Using SAP Digital Manufacturing helped Howdens realize multiple valuable results. The company now has greater visibility into shop-floor capacity, floor activity, manufacturing timing, and raw material stock. Manufacturing operations are more efficient thanks to continuous performance monitoring, automatic sharing of product information, and advanced analytics. The solution helped the team expand the company's product customization capabilities while connecting the supply chain with real-time product traceability.

Greater efficiency has increased production volumes. When SAP Digital Manufacturing went live at the end of 2023, the paint-to-order plant was producing about 3,000 pieces for 100 unique customer orders. In 2024, the plant produced 130,000 pieces for more than 5,000 unique customer orders. "That's all due to the capabilities of SAP Digital Manufacturing," explains Peacock. "We were able to take those orders from customers in our depots and process them in our typical 14-day lead time. It's a tight timeline, and we wouldn't have been able to achieve that without SAP Digital Manufacturing in the mix."

Despite the significant growth in transaction volumes, SAP Digital Manufacturing continues operating at top speed. "The solution was able to manage the massive increase in transactions without any degradation in performance," notes Laevers.

Other SAP solutions are multiplying the benefits of SAP Digital Manufacturing. Howdens uses the SAP Datasphere solution to extract production data from SAP Digital Manufacturing and produce real-time information and analytics about downtime and manufacturing stoppages. Using a dashboard, factory managers and continuous improvement engineers can view the data instantly rather than generating reports. "Our employees have real-time insights at their fingertips," says Peacock. "That will make a massive difference from a manufacturing perspective. We can change things should they go wrong now and influence production in real time."

"At our work surface site, SAP Digital Manufacturing feeds production information into our customer call center applications. When agents get a customer query about the status of an order, they can access the information without having to go onto the shop floor. I can see this capability extending across our manufacturing landscape."

David Peacock
IS Manufacturing Systems Technical Lead, Howdens Joinery Group Plc

Building a better employee experience with technology

As Howdens continues its digital transformation journey, its IT team is working to create a simpler, more intuitive experience for machine operators. At a facility that produces decorative panels, the company is investigating how SAP Digital Manufacturing can orchestrate a complete process. In an early project, the SAP solution sends a job to the first machine, collects feedback on various tasks, and then moves the order on to the next production line in the process. "Through these steps, operators are not interacting with the software," explains Peacock. "They launch the job and SAP Digital Manufacturing orchestrates everything, reducing the number of clicks and allowing people to focus on their jobs instead of our systems. That will be an important advantage."

The company also hopes to use AI technologies to identify common patterns and trends. "If we give our manufacturing data to AI engines, what could it tell us?" asks Peacock. "Rather than having people analyze the data, perhaps the AI can send alerts when it spots an issue so we can take faster action. The human in the loop will always be important, but I think there are decisions we can start handing over to AI."

More immediately, Howdens wants to shift its remaining processes to SAP Digital Manufacturing. Within the next 12 to 18 months, the company plans to define core manufacturing processes within the software, possibly designing default templates that can be used and interconnected across production lines. Digitalizing assets such as work instructions, product drawings, and production orders will help machine operators see images without referencing paper resources.

"That's the challenge of digital manufacturing," says Peacock. "It's so big and there as so many ways to proceed. It's a fantastic opportunity. My advice is to find something you really want to go after and do that first. Once you have that process working, then bite off another piece."

Want to know more about Howdens?

- Transitioning from a Legacy Make-to-Stock Model to Agile Make-to-Order Production with SAP Digital Manufacturing (SAP Customer Reference Slide)

Featured partner

Engineering Industries eXcellence (IndX) is a long-standing trusted SAP partner and strategic advisor for digital transformation that helps businesses connect their manufacturing operations and improve productivity. Its team of Industry 4.0, digital manufacturing, and supply chain specialists has cross-industry expertise and provides support at each stage of the journey, from assessment and road map building to implementation and customization. IndX was a key partner in helping set the manufacturing strategy at Howdens and will remain a strategic partner for future manufacturing expansions.