CHEMICAL MANUFACTURER EXPERIENCES THE BENEFITS OF FULL INTEGRATION WITH THE HELP OF TECTURA

Electrochemical Products, Incorporated (EPI) is a leader in the development and manufacture of chemicals used for the metal plating and metal finishing industries, from outdoor statues to motorcycle and airplane parts. In addition to offering more than 200 ready-made products, EPI develops proprietary chemical formulae and processes, which it then sells to customers. Some of the company's prominent customers include Boeing and Harley-Davidson Motor Company.

EPI operates a 30,000 square-foot facility near Milwaukee, Wisconsin. Despite a sharp decline in U.S. manufacturing output over the last several decades, the company has achieved steady expansion, realizing a cumulative growth in its annual revenue of 35 percent between 2002 and 2007.

BUSINESS/IT CHALLENGE(S)

A research entity, custom manufacturer, and global supplier of chemical products, EPI experienced significant growth over a short period of time, making integration of complex tasks and production processes, as well as overall information management across its departmental units challenging. In addition, previous processes and systems were not providing the integration of information and ease of use that EPI needed.

In an industry so dependent upon easily accessing critical information, EPI desired to acquire its information and data in a timelier manner. Previous processes required employees to navigate several modules and search numerous files of paper-work in order to find needed information.

This lack of integration seriously affected EPI's confidence in the hypothetical scenario of a product recall – which would require immediate and complete access to product information from concept to shipment. Tracking raw materials and products was a difficult process that often involved confusion.

In addition to improving information accessibility for traceability, EPI wanted to vastly improve its inventory management processes which were also affected by the same cumbersome processes. For example, determining whether EPI had a certain raw material on hand required an employee to conduct physical inventory checks, often utilizing the time of multiple employees.

Establishing more effective data management in the R&D department was of interest to EPI as well, since existing processes hampered not only productivity, but overall quality

"Anyone involved in the chemical industry is concerned with traceability and the ability to respond quickly to a possible product recall. This requires a means of controlling and tracking information efficiently and effectively – that's what I was looking for and have gotten in a system from Tectura."

Eric Olander
CEO
EPI

control. Employees oftentimes had to enter the same information into numerous parts of the system in order to move forward with a process. "If we made a product and had to place it into multiple size containers, in order to print out the corresponding paperwork, we had to enter results for every sized container we desired to ship in, even though the information was the same for all. This took a lot of time," recalls Mark Kulas, Chemist for EPI.

"It was clear we desperately needed a single system to manage and integrate all of this information so that we could continue to grow," says Eric Olander, CEO of Electrochemical Products, Incorporated.

SOLUTION

EPI's growth and increasing need to integrate more information, meant a more sophisticated system had to be leveraged to more easily fulfill its mission, to "meet or surpass the needs of our loyal metal finishing customers through superior and innovative products, exceptional sales, technical support and customer service."

EPI engaged Microsoft Gold Certified Partner, Tectura, to facilitate the implementation of Tectura® Process Manufacturing solution with Microsoft Dynamics® NAV. "Since implementing this solution, we've improved our performance in virtually every area, from production to quality control to accounting, which has helped us accelerate time to market for our products and pursue new business more aggressively," says Olander.

BENEFITS

Increased Productivity

Before the new solution, sharing data and creating reports often involved reentry of information and paper-based workflow, which occasionally led to data entry errors and substantial delays. Using Microsoft Dynamics NAV, employees are able to complete tasks more quickly, leading to a companywide gain in productivity of more than 25 percent.

One example of immediate improvement involves an annual industry report, which traditionally proved to be a burdensome task. However, Tectura developed a reporting solution, fully integrated with the ERP system, which now enables EPI to quickly produce a major compliance report, such as the EPA SARA Tier II.

"Collecting the information for this report, which includes, pulling inventory history, orders over time, and other detailed information, used to take up to two days. With Tectura's customized reporting solution, we can pull that information in minutes and produce the entire report in a half hour," says Olander.

The overall increase in productivity has eliminated the need to add at least one full-time production staff member, resulting in annual savings of approximately $75,000 USD. "We've been able to dramatically reduce the amount of time it takes to complete day-to-day tasks - from processing orders to managing quality control data - by using Microsoft Dynamics NAV with Tectura Process Manufacturing," says Olander.

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"The system is running so smoothly, we've forgotten the trials and tribulations we had before. Instead, we're looking to launch our company to the next level. That's why we have engaged with Tectura; a solid, long-term solution partner who can help us achieve this."

Eric Olander
CEO
EPI

Effective Traceability Practices

Efficiently tracking raw materials throughout its lifespan is of extreme importance to EPI. With Microsoft Dynamics NAV and Tectura Process Manufacturing, EPI has gained greater confidence in its ability to control and manage where materials come from, how they are used and where they are headed. "Having a traceable organization is about retrieving data quickly – we can do that now," states, Kulas.

In the hypothetical scenario that EPI had a defective raw material enter the production line, previous processes required looking through numerous purchase orders followed by a search of individual batch tickets to determine where the raw material was used.

The solution's unique lot numbering process assists employees in easily tracking products that have been created and the materials used for these products. Previously, employees manually entered lot numbers in a month and day format. As Kulas recounts, "On a given day, we might make 14 products; all 14 products were assigned the same identification number due to our manual tracking method. This made tracking and reporting extremely difficult." Kulas continues, "The new solution automatically assigns each product a unique lot number. This has helped immensely with accessing information we need regarding a particular product."

With the new solution's tracking module, the user, through quick and easy navigation, finds the original purchase order and all relevant information. By entering the unique lot number, all relevant information – from cradle to grave - can be seen on one screen, helping EPI at every end of a recall. Whether it is a recall for raw materials, or a product they have created, EPI can now easily access critical information.

Accurate Inventory Management

All elements of inventory management have become easier for EPI; from raw material acquisition to order processing, employees confidently rely on Tectura's Process Manufacturing solution. "Controlling on-time inventory is a lot easier, due to requisition worksheets and order planning. We are getting orders shipped on time more frequently than we ever have," says Kulas.

In the past, EPI employees were able to post negative inventory. If a particular material was unavailable and a production order consuming that product was placed, employees could continue with the order, even if the product was not accounted for. This not only caused immediate confusion, but severely disrupted inventory accuracy. "In our new system, if I don't have something it won't let me post. It causes us to monitor and correct inventory as we go," says Kulas.

EPI employees conducting a sales order no longer need to physically check inventory in order to move forward with the

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"In the past, inventory control would be off, and off by a lot. We still do one annual physical inventory as a precaution, but the last couple have been right on."

Mark Kulas
Chemist
EPI

process. When a sales order is entered into the system, it will indicate whether that raw material is available. "Instead of going through the process of talking to five individuals to get one piece of information- all the information is located in one place," states Kulas.

Up-to-date inventory monitoring has enabled EPI to decrease its need to conduct physical inventories. "We used to take two physical inventories each year, resulting in significant resource allocation each time. Now we're down to one, the accuracy is that good –it's a good system," says Olander.

Efficient R&D Management

As an innovative Research and Development laboratory, EPI has embraced the use of the Tectura Process Manufacturing R&D Module. "Traditionally, chemists want their 'note book' in the lab while they're engaged in R&D, but Tectura's industry-specific solution makes it easier to accomplish our R&D objectives," says Olander.

ISO certification is a regular part of the R&D process which has traditionally involved a lot of paperwork. However, Tectura's R&D module automates a majority of the process. Throughout the design, development and verification processes, employees can record critical information in the system for easy access in the future. "My people are finding the benefits of using this aspect of the system – it helps us especially as an ISO9002 company where everything we do needs to be documented. Microsoft Dynamics NAV with Tectura Process Manufacturing helps that process be more efficient from the beginning" says Olander.

POSITIONED FOR CONTINUED GROWTH

Since its implementation, Tectura Process Manufacturing built on Microsoft Dynamics NAV has proven to be a reliable and easy to use system that has integrated EPI's day-to-day processes. "Really, it comes down to having a good system and the right people – then things work well. This is what we've experienced; we have a system that is bullet-proof," states Olander.

As a result of integrated processes and easily accessible information, EPI is able to not only effectively meet industry-specific demands, but to strategically position itself for continued growth. "The system is running so smoothly, we've forgotten the trials and tribulations we had before. Instead, we're looking to launch our company to the next level. That's why we have engaged with Tectura; a solid, long-term solution partner who can help us achieve this," says Olander.

ABOUT TECTURA

Tectura is a worldwide provider of business consulting services providing sustainable value through consulting, software and IT implementation. Our clientele include mid-sized companies and larger enterprises throughout the Americas, EMEA, and Asia Pacific. With team members in 20+ countries, Tectura applies its comprehensive industry knowledge and unparalleled experience in collaboration with our clients to deliver business and technology strategies and solutions designed to achieve their business performance goals.

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