



Steel Manufacturer Welds Custom Inventory Management and Accounting Solution

Overview

Country or Region: Canada

Industry: Manufacturing

Customer Profile

Founded in 1968, Brannon Steel supplies carbon steel parts to OEMs in the off-road construction, railroad, freight, agricultural, and materials handling industries, as well as to custom fabricators in Canada and the U.S.

Business Situation

Recognizing its current technology was no longer meeting its needs, Brannon Steel began a search for a system that would integrate its accounting and inventory management processes.

Solution

Brannon Steel selected Microsoft® Business Solutions–Navision software for its flexibility, price, support, and customizability.

Benefits

- Improved productivity
- Insight into operations
- Out-of-box system

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Dave Brannon, Account Manager, Brannon Steel

Founded in 1968, Brannon Steel is a privately held company that supplies carbon steel parts to original equipment manufacturers (OEMs) for the off-road construction, railroad, agricultural, and materials handling industries, as well as to custom fabricators in Canada and the U.S. Based in Brampton, Ontario, Brannon Steel has more than 100 skilled staff and operates two manufacturing facilities totalling close to 70,000 square feet. In order to improve the efficiency of its inventory management and accounting processes, the company decided it needed to replace its existing ACCPAC system with a new integrated solution. After a thorough selection process, Brannon Steel chose Microsoft® Business Solutions–Navision® software. Since deploying Navision, Brannon Steel has improved inventory management, boosted productivity, and enabled management to gain better insight into day-to-day operations.

Situation

Founded in 1968, Brannon Steel is a privately held company that supplies carbon steel parts to original equipment manufacturers (OEMs) for off-road construction, railroad locomotive and freight cars, agricultural use, and materials handling, as well as to large and small custom fabricators in Canada and the United States. Based in Brampton, Ontario, Brannon Steel has more than 100 skilled staff and operates two manufacturing facilities totaling approximately 70,000 square feet.

For many years, Brannon Steel used ACCPAC and a database using a Microsoft Access front end to manage its accounting processes. However, this system did not integrate with the company's inventory management system, causing inefficiencies within its business processes. The company encountered issues tracking the cost of manufacturing individual parts, forecasting purchase requirements, and scheduling production processes. With little or no integration between the inventory systems and accounting, management personnel were also not able to easily retrieve information on the day-to-day operations, hindering overall decision making.

"This system caused duplication of effort and there was little visibility into operations. The analysis of information, such as sales statistics and customer data, was therefore difficult," says Dave Brannon, Account Manager, Brannon Steel. "Many of our business processes were manual, and this resulted in islands of information and non-value-added work."

Recognizing that the existing technology was no longer meeting its needs, Brannon Steel began searching for a new integrated system that would boost efficiencies within its inventory management and accounting

processes. However, the search for a new solution proved to be a difficult process.

"We always wanted an integrated system, but what was available specific to our industry was limited," says Brannon. "To customize an existing product to our needs seemed to be the best way to go. However, after hearing the horror stories about escalating costs and time delays associated with integrating customized systems, we continued to search."

At one point during the process, the company selected a solution, but encountered difficulties during the implementation. "The code, for example, wasn't completely written. This vendor was saying they could do all these things for us, but when they came to show us a demo, the product wasn't where we wanted it to be," says Brannon.

Brannon Steel looked at a number of options, including ACCPAC add-ons, Visual Manufacturing, Vantage, Microsoft Business Solutions-Navision, and Made 2 Manage. Part of the challenge for the potential vendors was Brannon Steel's inventory tracking and order costing requirements. "We required a system that would handle multidimensional inventory, the one-to-many, many-to-one, and man-to-many relationships between steel plate and profiled parts, while maintaining traceability throughout," says Brannon.

According to Brannon, the company also needed a system that could allocate cost of material to cut parts and to remnants returned to inventory. Tracking the 'heat number' of the plate was also critical. "There were vendors that claimed they could look after all of these requirements for us," says Brannon. "When it came down to it, no one was able to deliver; or if they claimed they could do it, it would require a major

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customization that would forever incur costs at every new release."

Solution

After conducting a thorough selection process and recognizing the strengths of the system, Brannon Steel chose Microsoft Business Solutions-Navision to help it handle its inventory management and accounting processes. Working with Microsoft technology partner, Sidler Clarke Inc., the company began the deployment of Navision in late 2003.

"We chose Microsoft Navision for price and support," says Brannon. "We were also impressed with the architecture of Navision in that it allowed you to tailor the system at one level with minimal impact to the core product and future releases."

Sidler Clarke demonstrated a clear understanding of Brannon's requirements. Having experience in the steel industry, a thorough understanding of business practices, and a solid team of IT professionals, Sidler Clarke was able to customize Navision to the needs of Brannon Steel.

The company introduced Navision first in its accounting department to handle the general ledger and accounts payable and receivable. Following the successful deployment, the company then transitioned its inventory management to Navision in November 2003.

"This worked well. There were no major hiccups involved with the implementation," says Brannon.

"Our company found it easier to upgrade to Navision from ACCPAC than it was upgrading from ACCPAC to ACCPAC," says Ron Colasanti, Controller, Brannon Steel.

With its Microsoft-based IT environment that included Microsoft Windows Server System™ integrated server software and Microsoft Exchange Server, the implementation of Navision at Brannon Steel brought with it a number of immediate benefits. "Choosing Navision made for easier integration within our existing IT environment. It also helped that our team was already working with Microsoft products," says Brannon. "Today, reporting is easier, as we can extract information from Navision and put the information into a spreadsheet using Microsoft Excel® and manipulate it from there without having to customize a report."

Benefits

Since deploying Navision, Brannon Steel has been able to improve a number of processes related to inventory and accounting. Inventory tracking is more visible and managed in near real time. Costing information is available at the work order or item level. Financial reporting has improved with the ability to customize reports and quickly drill down to analyze results.

"The implementation of Navision to date has not adversely affected our ability to operate the business, all during a time when volumes have increased significantly," says Brannon. "We've been extremely pleased with how the implementation has gone and what we've been able to achieve so far with Navision and Sidler Clarke."

Visibility into the Business

Thanks to Navision, the company has been able to gain better insight into its operations, providing management with the information they need to make better business decisions. At any point during the day, for example, management can access the system and obtain accurate information on current inventory and production costing information.

For More Information

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For more information about Sidler Clarke Inc. products and services, call (905) 821-9476 or visit the Web site at: www.sidlersolutions.ca

For more information about Brannon Steel products and services, call (905) 453-4730 or visit the Web site at: www.brannonsteel.com

"Having real-time visibility and inventory availability is crucial. What Sidler Clarke has done with the Microsoft .NET connection software has been fantastic," says Brannon. "By using .NET, we have been able to roll out a real-time view of inventory without having to incur all the expenses of licenses for people who are not going to be using the full-blown software."

"We've got all our information in one box now," Brannon continues. "We're getting more real-time, more accurate information. In the past, one of our staff would field a call from a customer, hang up the phone, and have to talk to someone in the shop to find an answer. This is no longer the case today. They can do it all from their desktop computer."

Looking Ahead

Having already realized a number of business benefits with Navision in its accounting and inventory management system, Brannon Steel is planning to deploy the software to handle the manufacturing side of its business in October 2004. This is where the company expects to gain the most benefit.

"The big productivity improvements will come when we fully implement Navision for our manufacturing side," says Brannon. "With Navision, we now have a solid, integrated platform which we can use to tackle any part of our business."

Microsoft Business Solutions

Microsoft Business Solutions offer integrated business applications and services that allow small and midsize organizations and divisions of large enterprises to connect employees, customers, and suppliers for improved efficiency. The financial management, customer relationship management, supply chain management, and analytics applications work with other Microsoft software, including the Microsoft Office System and the Windows operating system, to streamline processes across an entire organization. This gives businesses insight to respond rapidly, plan strategically, and execute quickly. Microsoft Business Solutions are delivered through a worldwide network of channel partners that provide specialized services and local support tailored to a company's needs.

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Partners

- Sidler Clarke Inc.

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