Specialty Products Company | Powered by VAI

VAI
INDUSTRY ERP
WITHOUT LIMITS

The Company

The family-run company Specialty Products Company (SPC) focuses on creating and producing suspension and alignment components for automobiles. SPC began as a specialty automotive tool manufacturer when it was founded in 1971. After buying the business in 1976, Frank Bigelow incorporated it as Niwot Corporation dba Specialty Products Company. When SPC outgrew its 300 square foot warehouse in Denver, where it had only 16 hand tools, the company relocated to Longmont, where it remains today, after multiple moves. More than 1,500 parts and tools are currently sold by SPC to clients all over the world. Many of SPC's parts are still produced in-house at its large mill and lathe facility, which also boasts welding, forming, and laser fabrication capabilities.

Industry
Manufacturing, Durable Goods, Tools

Requirements
Manufacturing, MRP, eCommerce, EDI, Distribution, EDI, Web Portal

The Solution

Managing warehouse and manufacturing facilities is no easy task, especially if the organization is working with inefficient, outdated software. A complicated operating environment requires solutions with the ability to simplify data for ease of consumption and accurate and timely decision-making. To monitor inventory levels and obtain the ability to access sales information that the company knew was trustworthy, SPC needed the help of an experienced solution provider to implement a completely integrated enterprise resource planning (ERP) system.

SPC's daily operations were challenged with the use of an older material requirements planning (MRP) system that was ill-equipped to handle the company's growing business needs. Further, changes to the system proved complicated and cumbersome, and their previous software vendor offered inadequate technical support.

These issues prompted SPC to seek out a solution that could help move the company forward, while providing the outstanding customer support that it had lacked with its prior vendor. Additionally, the company demanded a solution that offered a flexible, feature-rich software package to handle its expanding business needs, streamline warehouse environments and provide an integrated platform to help SPC speed ahead of the competition.

SPC needed to address a variety of warehouse and manufacturing management issues. One important, non-negotiable requirement was that warehouse staff know, in real time, the exact location of every product and the inventory counts for each item. Another key component was a one-step order processing procedure including the ability to pick, pack, and ship product in one easy step. The requirement was to design a procedure whereby staff could simply scan a pick ticket that would automatically capture the freight charges and record all the shipping data in a few easy steps.

In addition, SPC required a system to instantaneously pull up customer orders with attached tracking numbers, link these to its GPS website, and then interface the order with UPS WorldShip™, which is a software tool used by businesses with high-volume shipping needs to notify customers of shipment status.

SPC conducted a thorough search and review process before concluding that only one firm could adequately address its needs- VAI (Vormittag Associates,

Inc.). In fact, Specialty Products was particularly impressed by the fact that VAI's S2K Enterprise software would provide the company with all the ERP capabilities enjoyed by larger manufacturers and distributors.

Specialty Products never imagined that a competitively priced enterprise software package would come equipped with standardized applications necessary to allow the company to compete, on a level playing field, with companies of all sizes. Mina Cox, SPC's Chief Operating Officer, noted, "VAI's comprehensive, sophisticated ERP platform is a world-class system, and I would place it head-to-head with any major software developer. Companies like SAP and Oracle offer similar capabilities, but at a far higher price point."

SPC selected VAI to implement its S2K Enterprise Software. VAI's extensive solution portfolio contained all the capabilities – and more – that SPC required. First and foremost, VAI's solution handles same day shipping – a promise at the core of SPC's philosophy. Additionally, with VAI's ability to incorporate items such as a virtual shop front and electronic data interchange (EDI) capabilities, SPC knew that VAI held the experience and expertise to meet its specific business and warehouse operating needs.

Throughout the implementation process, VAI worked with SPC to customize certain modules to its exact specifications, in particular, the development of its MRP and inventory forecasting applications.

With the addition of VAI's software, SPC gained new technological capabilities including e-Commerce and EDI functionalities. These applications alone have allowed the company to eliminate the tedious, double-check system that employees were completing for every order,

thus saving the company a tremendous amount of time, and improving its overall warehouse efficiency.

Amazingly, the entire ERP implementation process took about four months to complete, and when SPC decided that a second warehouse installation in Tennessee was needed, it took less than one month to bring operations online and begin shipping orders out of the warehouse.

VAI aided the ERP implementation by providing conversions from its older package to the latest version of S2K. The rapid installation process included all the logistics and staff training. This process was made easy due to VAI's product features and in the information that SPC culled from VAI's database. This advanced preparation made the process exceptionally smooth and provided SPC with the necessary resources to run an efficient, flexible operation with direct impacts to their bottom-line.

The Results

With VAI's e-Commerce application, SPC customers can quickly and easily order supplies through a Web portal. Further, VAI's MRP Suggestion Manager makes inventory

management a breeze. SPC's buyers are notified of items that require action – whether it's items to purchase or items to manufacture – the software then determines the appropriate action when inventory counts

go below a pre-established minimum.

VAI's S2K ERP software has helped SPC to get the up-to-date, high-quality information that it needs to run a competitive business.

The Results continued:

Additionally, the company has seen tremendous cost savings. Notably, the cost of maintenance is significantly less than that of its previous vendor. In fact, with the help of S2K for Manufacturing, SPC produces very little scrap, which is a significant cost saver. The company can control excess waste because it can manage its entire manufacturing process from one screen, allowing SPC to prioritize and schedule the total production schedule—a unique feature of VAI's software package.

According to SPC's Mina Cox, "When I speak to other executives and hear about the technical issues they have experienced with other systems, I realize that we just don't have those concerns with VAI. Happily, we are busy running a business, rather than dealing with bad information or down systems. The bottom line is that VAI fundamentally provides a strong and dependable solution with the technical resources to provide back up and support if there is a problem."

VAI Manufacturing Manager, Pete Zimmerman, added, "Quite simply, our S2K solution just works for Specialty Products—period. The company's previous software had too many bugs in the system to provide an efficient enterprise platform from which to run a business, and it provided too little functionality to get the job done."

SPC has reaped the rewards after implementing VAI's S2K ERP software solutions. "Every department has benefited from the implementation," said Mina Co, Chief Operating Officer, Specialty Products Co. "Now, sales information is easier to track, manufacturing processes are streamlined, and shipping and warehouse operations continue to meet, and exceed, the company's goals. Easy access to financial information and the ability to see and understand the total business operation on one screen provide significant benefits for SPC."

Additionally, SPC is better equipped to provide excellent customer service. The company can boast 99.9% on-time shipments, 99.9% inventory accuracy, and a less than .02% error rate. This means that when a customer calls by the 3:30 p.m. cut-off time, SPC can provide the product requested the very same day, even for very large orders. This is rare for a manufacturer, which usually requires a week to 10 days to turn around large orders. Also, an unforeseen benefit realized is that many of the company's departments have gone paperless, a direct result of the S2K implementation.

Since the launch, Specialty Products Company (SPC) has been using VAI's ERP software to:

- Achieve 99.9% on-time shipments and 99.9% inventory accuracy with less than .02% error rate

- Attain cost savings

- Run an efficient, flexible operation with direct impacts to bottom-line

- Manage entire manufacturing process from one screen

- Provide excellent customer service

"The software can be adapted quickly and easily— a real bonus for our fast-paced industry— and the dashboard allows us, as executives, to monitor the performance of all the key areas of our business on one screen."

– Mina Cox, Chief Operating Officer, Specialty Products Co.