



"We've doubled our revenues, improved productivity and process efficiency, and ultimately increased our profits—with the same number of staff."

—DORIN RADU, CORPORATE MANAGING DIRECTOR, NELSON INDUSTRIAL

ABOUT THE COMPANY.

Founded in 1973, Nelson Industrial designs and manufactures precision fabricated metal products for customers throughout the world. Its 150,000-square-foot manufacturing and warehouse facility in Pickering, Ontario, Canada, produces a wide range of proprietary and OEM products, and markets them through six divisions: access doors, architectural metals, automotive, contract manufacturing, storage products, and mission critical. Nelson's manufacturing expertise includes fabrication, stamping, welding, finishing, and assembly, supporting industries such as construction, telecommunications, transportation, electronics, and furniture manufacturers. To learn more, visit www.nelsonindust.com.

NELSON INDUSTRIAL DOUBLES REVENUES WITH INFOR ERP VISUAL

SETTING THE STRATEGY.

Nelson Industrial implemented Infor™ ERP VISUAL over 10 years ago to address its challenge of maintaining optimum control over its manufacturing process. A previous ERP platform was unsatisfactory in that respect, according to Dorin Radu, corporate managing director at Nelson Industrial. "Management couldn't rely on the capabilities of the old system, and I was familiar with VISUAL from a previous implementation. The features offered in this package were a perfect match for Nelson Industrial's needs."

The company's top objectives were to fully integrate all company functions and optimize the information flow, especially some data-intensive processes such as material planning and scheduling. "We wanted a package that strongly focused on manufacturing because it's the core of our business. We also wanted a user-friendly system with a modular construction, so that we could implement in multiple phases.

And the system needed to provide full transparency."

GETTING BUSINESS SPECIFIC.

The company has always faced two kinds of competitors: one from outsourcing and another stemming from its customized products. Radu explains: "Other shops are located closer to the point of application or point of sale, and others are smaller job shops with lower overheads. They may lack our overall capabilities to create custom designs, but they can provide common products at a lower price."

Current business challenges go beyond price competition, Radu contends. "More areas of our business are impacted by volatility and uncertainty. First, we have higher demand fluctuation. In the past, our distribution partners and OEMs could predict demand more accurately and forecast more reliably. "Now, if I have a three-week horizon of firm orders, it's a luxury. Customers commit to

lower quantities, expect just-in-time delivery, and release orders more in line with the dynamic conditions of their own markets or capacity to assemble. The frequency of these up-and-down cycles is also more intense.”

Another variable resides in the raw materials costs due to trading on global markets, and another is in currency exchange. “Because we sell at least half of our products in the US, the current conversion rate to US dollars reduces our competitiveness south of the border,” says Radu.

The company also faces the challenge of shrinking markets and narrower segments. “Constantly pursuing new niches of opportunity translates into added discovery costs, but there is no better strategy,” Radu contends. “By acknowledging this new reality, we can improve our ability to respond to frequent changes in the business environment. VISUAL remains a solid platform that provides the needed agility for our operations.”

SEEING RESULTS.

With about 20 VISUAL users in the office and computers connected to the server for bar coding in the plant, Nelson is fully integrated. “Floor operators communicate work order requirements or report material usage and produced quantities, and provide the labor ticket,” notes Radu.

Over the years, VISUAL capabilities have helped Nelson in various ways. “The Throughput module provides senior management with a quick and comprehensive view of how the organization can currently respond to demands,” says Radu. “It’s a central module in our system, and we use it for contention analysis, which detects potential misalignments by showing us bottlenecks on the production floor or performance delays in work centers. With this instant view, management can determine how these factors affect our ability to satisfy customer demands, and they respond by making more informed decisions.”

The manufacturing and engineering managers use the Throughput module to detect planning anomalies and schedule conflicts. Radu adds, “We drill down into these details to see where resources need to be moved or where capacity needs to increase, and we set priorities to process orders and service accounts to the best of our capabilities. It’s a great way of monitoring the overall performance of the

Customer facts

- ▶ *Company*—Nelson Industrial Inc.
- ▶ *Solution*—Infor ERP
- ▶ *Product*—VISUAL
- ▶ *Industry*—Metal Fabrication
- ▶ *Employees*—130
- ▶ *Country*—Canada

company from the top down and optimizing operations throughout the organization.”

VISUAL provided other benefits to Nelson, Radu contends. “It brought us more discipline and highlighted the need to improve process flow. With automation, we simplified certain functions, but it required more information and more accuracy. We needed to stand back and look at what creates real advantage for our company in improving efficiency and overall output. We followed the VISUAL logic.”

Although the company wanted to reduce overhead and simplify processes to gain the expected ROI when it implemented VISUAL, Nelson was also interested in achieving a greater goal, Radu claims. “We wanted to create a platform so we could grow more confidently, aggressively, and successfully in the future. In the three years following deployment, we doubled the size of the company without increasing the administrative headcount. We grew in a smooth, controlled manner without adding burden. We’ve doubled our revenues, improved productivity and process efficiency, and ultimately increased our profitability—with the same number of staff.”

Radu claims that Nelson realized an array of benefits. “We see improved control of our operations, increased confidence in our numbers, and the ability to make decisions much more effectively because of a fully integrated system. In many companies, creation of the financial statements for upper management takes several weeks after the month ends. In our case, the reports are available for analysis the second day of the next month because every function in our company



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flows so naturally that we get immediate feedback to translate our operations into financial numbers. And we can make extremely quick and effective decisions to correct a problem or accelerate deployment of certain initiatives."

An unexpected business advantage grew out of VISUAL. Radu declares, "We met our goal to automate processes, but this implementation opened up the minds of many in the company because of the wide-ranging benefits we gained from a controlled, disciplined process. The terminology and features embedded in the software created an interest to dig deeper and understand more so we could educate users and expand their capabilities. VISUAL became the backbone of the company and completely changed our language, improving the quality of internal communication and elevating the level of competency and performance inside the organization."

Improved customer satisfaction is another benefit. "Not only are we confident that customer service and account managers can access reliable information to assess our ability to meet demands, but our customers also gain a much higher confidence level," Radu asserts. "We also show our major customers who visit that our methods of control are very sound, and that VISUAL is the system supporting all processes, enhancing the quality of our relationships. On many occasions we've won accounts and new orders because the customer was convinced that we could control the process and costs and deliver on time."

Nelson is involved with Leadership in Energy and Environmental Design (LEED) processes that affect primarily the construction industry. Radu says, "Because we service that industry, all our products in the segment are LEED-qualified. Recently, we evaluated a line of products capable of intercepting fats, oils, and grease (FOG) from water

to improve the quality of the environment. VISUAL allows us to undertake these kinds of initiatives with more confidence."

How do users like the solution? "They cannot live without it," Radu proclaims. "That's the level of support and enthusiasm, and it's the main means of communication for most of our users. Every operator uses VISUAL—in reporting all labor and inventory transactions, and producing the shop reports and scheduled orders. Because of the transparency that VISUAL offers, there's more intense interaction between everyone in the company as people enjoy its benefits every day."

Infor ERP VISUAL has helped Nelson Industrial to:

- ▶ Double its revenues, productivity, efficiency, and profits—with no staff increase.
- ▶ Provide management with an instant view of operations for more effective and fast decision-making.
- ▶ Streamline processes and implement more logical flows, improving efficiency.
- ▶ Improve the quality of internal communication and competence.
- ▶ Increase customer satisfaction and confidence in its ability to deliver.

DOING BUSINESS BETTER.

Nelson has future plans with Infor. "After adding the Quality module a few years after implementation, we're also looking at customer relationship management (CRM). We're so satisfied with Infor's products—VISUAL's stability and capabilities—we're looking to Infor to serve our future needs as we grow."

About Synergy Resources—Synergy Resources is a premier Infor channel partner working with Infor ERP VISUAL. Visit www.synergyresources.net.

THERE IS A BETTER WAY.

At Infor, we work with a core belief. We believe in the customer. We believe that the customer is seeking a better, more collaborative relationship with its business software provider. And a new breed of business software: created for evolution, not revolution. Software that's simple to buy, easy to deploy, and convenient to manage. Our 70,000 customers in more than 100 countries stand with us. We look forward to your sharing in the results of our belief. There is a better way. For additional information, visit www.infor.com.

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The Infor logo consists of the word "INFOR" in a bold, sans-serif font. The letters "I", "N", "F", and "R" are black, while the letter "O" is red. A small trademark symbol (TM) is located to the upper right of the "R".