BUSINESS CASE STUDY

Direct *Adhesives*

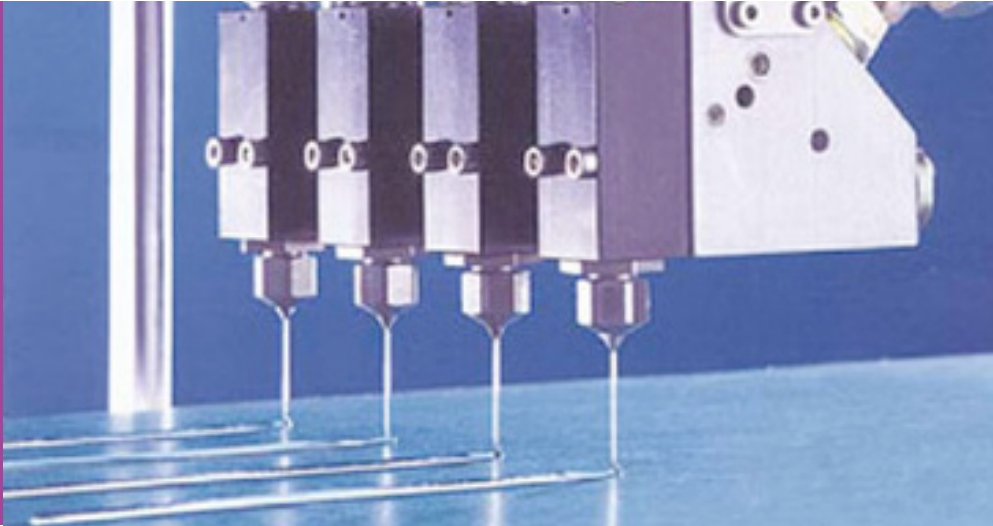K3 FDS — OUTSTANDING SOFTWARE SOLUTIONS

SAGE 1000 v3

How K3FDS supports Direct Adhesives' growing business

CLIENT PROFILE:

Direct Adhesives is a leading distributor working as the UK's premium partner for German-based Henkel Adhesives. They stock over 150 of Henkel brands at their Leighton Buzzard site. These include Technomelt Hotmelt adhesives and, Aquence water based adhesives. In addition, the company is a manufacturer in its own right, having acquired a maker of water-based adhesives in 2001. Based in Coventry, the business produces wood and latex adhesives as well as water-based pressure sensitive acrylics.

Typical applications for these products include case and carton sealing, woodworking, bookbinding, envelopes, tapes and labels.

QUICK VIEW:

PROJECT OBJECTIVES

- Improve efficiency of key manufacturing activities
- Gain faster insights and information from sales order processing systems
- Support a growing business and ensure access to a user-friendly ERP system.

RESULTS

- Sage 1000 v3 enhances critical manufacturing processes and boosts productivity
- Information on customers, orders, payments etc is now at user's fingertips
- Paperless module helps save time and transform the firm into a digital business.

Direct Adhesives approached K3 FDS for help when it was looking to upgrade its previous Sage system to a solution that was more suited for a business of its size. The company has been a user of Sage ERP products for many years and has always found them to support the business operation well.

Upon its last review, it was becoming increasingly clear that the company was outgrowing its previous Sage Line 500 software. In particular, the company's expanding manufacturing operations demanded tools that were designed specifically for this purpose. At the same time, the company was undergoing an overhaul of its hardware, so considered it the perfect opportunity to upgrade.

SOLUTIONS TO SERVE A GROWING BUSINESS

The need for manufacturing tools

A central requirement for Direct Adhesives was that any new solution needed to have a strong manufacturing module in order to handle the business's core activities. In particular, the company needed to have a solution that was capable of storing essential formulas and providing key information.

As part of this, the firm needed to be able to obtain accurate costings for bills of material and note if there was any special instructions or requirements in place for certain jobs - capabilities it had lacked in the past. The bill of materials works essentially as the 'recipe' for Direct Adhesives' manufacturing processes, so having everything needed in one place was a core requirement.

An easy-to-use solution

As part of the goal to deliver greater efficiency and productivity, usability was another primary factor when the business was looking for an upgrade. While the company's previous product provided much of the core functionality needed to run the business, the company was aiming for a solution that would be more intuitive and straightforward for its users. Central to this would be the ability to generate more detailed reports more quickly on areas such as sales, to help the everyday business operation run as effectively as possible.

Looking to the future

Another driver for the upgrade was the fact that Direct Adhesives was already looking to upgrade its IT equipment. In 2012, the company underwent a major review of both its hardware and software, which determined that its outdated servers were in need of improvement. This led to the question of whether it was suitable to continue with their existing ERP software on their servers, and it was decided that continuing to use old software on the new equipment would be a backwards step.

> "We find it very easy to use. We've got a couple of new people in the business recently and they've picked it up quickly. It's an easy-to-use product and its internal logic is very easy to follow. So for instance, if someone is working on the sales ledger, going to work on the purchase ledger is very easy because it's the same process, so it's good for the business."
>
> **Simon Walker,**
> **Managing Director**
> **Direct Adhesives**

A flexible IT solution

It was also important for Direct Adhesives to opt for a solution that offered a high degree of flexibility, so that it could be tailored to the company's needs and be integrated with other software solutions throughout the business, such as the company's CRM tools. The ability to import data from Sage into other products, in order to have easier access to information such as sales figures, was something the business had become used to, and it was important not to lose this functionality.

Becoming more digital

In today's digitally-focused environment, the company also wanted to be able to move away from old-fashioned, paper-based solution for activities such as invoicing. As well as looking to become more efficient by moving away from the need to send out physical copies of documents, Direct Adhesives was also seeking a way to make it easier to locate records. So for instance, in the past, if a customer called up asking for a copy of an invoice, this was something that was quite time-consuming.

> "K3 FDS have been a great partner. During the implementation, they were good at talking me through what was needed and how it would work. And if we need help with anything, we can just ring them up and they'll get it sorted quickly. They know their stuff."
>
> **Simon Walker,**
> **Managing Director**
> **Direct Adhesives**

THE SOLUTION:

A natural progression for a growing firm

It quickly became clear to Direct Adhesives that Sage 1000 v3 was the obvious choice. As an existing user with a long history of success with Sage solutions, taking the next step to Sage 1000 v3 was a natural progression. This therefore allows the company to benefit from all the additional capabilities needed by a larger business, without having to worry about issues such as retraining users or getting employee buy-in. As a newer solution than their existing tool, the company was also able to benefit from the latest developments, such as a more user-friendly, Windows-based interface that moved away from keyboard commands and encouraged the use of the mouse - something many employees found came more naturally.

A seamless implementation

As Direct Adhesives was also upgrading its hardware at the same time as the introduction of Sage 1000 v3, it was able to benefit from a very smooth implementation process, led by the expert advisers from K3 FDS. All the deployment work was done on the new servers, so the company was able to continue using its existing software without disruption, and simply switch over to the new servers when they were ready to go. The existing familiarity with Sage also meant there was no need for lengthy training.

A paperless environment

The implementation of Paperless also helps Direct Adhesives meet its efficiency goals. The module replaces paper communications for areas such as invoicing, which cuts down greatly on the time spent dealing with this activity - as well as reducing the expenses associated with mailing out physical documents. The document storage features also makes it very easy for users to locate and share these invoices when requested, again acting as a significant time-saver for the business.

RESULTS:

Allowing the firm to grow

The result of Direct Adhesives' Sage 1000 v3 implementation is that the company's manufacturing processes are much more efficient. With all the necessary data in one place, it is now much simpler for users to gain a full picture of what is going on within their business. This means less time looking for stock and less time asking questions about formulations, while information on creditors and debtors is easy to find.

Therefore, the company is well-positioned to continue its growth for years to come and serve customers quickly and effectively, without having to worry about the burden these additional activities will place on its ERP software.

WHAT IS SAGE 1000?

Sage 1000 is a complete ERP package covering all aspects of a, business from finance to distribution, manufacturing to project services, while being cost effective to deploy and manage.

Sage 1000 enables user to integrate processes and information, creating a concise, accurate and complete view of their business. With a single enterprise-wide source of information and control, companies can manage all the different aspects of their organisation, helping to drive profitability and streamline your operations.

Key features:

• Functionality and information to manage every element of finances

• Complete control over all the financial aspects of projects and their associated budgets

• Manage manufacturing resources and keep tight control of material and processing costs

• Monitor and report on any shop floor issues that could affect productivity

• Improve the way components and materials are sourced, driving down costs and increasing profitability

• Centrally managed, flexible purchasing functions put users in full control of their supply chain.

Web: k3fds.com
Phone: 0870 873 4387
Email: info@k3fds.com

K3 FDS

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