

Salco Products

Made2Manage® ERP

Salco Products Generates Huge Time Savings with Made2Manage Customizations



Time-Consuming Processes

Salco Products, Inc. (Salco) designs and assembles a unique product line for the loading and unloading of liquid and dry bulk commodities. These components made of plastic or metal are used on tank and hopper railcars, containers, locomotives and over the road trailers. Customers of Salco ship these commodities throughout North America, principally from large chemical or processing facilities to end customers or break bulk locations.

In 2001, Salco had 2,000 line items, sales of \$16M and employed over 110 people. The company had ambitious plans for the future, but management felt the company needed to improve efficiency to achieve its goals.

One particular challenge for Salco was related to processing consignment sales orders. Salco owned inventory resides at multiple industrial plant sites, where monthly visits produce the invoicing and reorder cycles.

Customization Saves Significant Time

Salco IT staff members and Made2Manage consulting services worked together to streamline the consignment program accounting. Today, consignment personnel are supplied with an iPad containing a Microsoft® Excel spreadsheet of last cycle counts and current physical counts. When the consignment representative enters the current physical count, a simple formula computes usage since the last count. When the count is complete, the consignment representative gives the customer a copy of the spreadsheet on a USB memory card that shows the before and after inventory counts and reorder quantity.



ROI at a Glance:

Made2Manage ERP helped Salco Products, a supplier of products and services to rail-related industries, improve its competitive position. Specifically, Salco Products has achieved the following results:

- Increased sales by more than 70 percent over eight years, while reducing staffing levels by 10 percent through attrition.
- Reduced the time required to generate sales orders and internal sales orders from 3-4 days to 30 minutes.
- Drastically reduced the time required to generate purchase orders.

“We selected Made2Manage ERP in 2001 because the program is extremely flexible and provides the ability to be customized at a reasonable cost to automate business processes and address other special needs.”

— *Dave Oestermeyer*, President, Salco Products

The consignment representative then launches a VPN connection, and the iPad communicates with Salco headquarters via a wireless 3G network. The spreadsheet links directly to the item master in Made2Manage ERP. Additionally, Made2Manage customization services created a Visual Basic program that imports the count sheet data directly in Made2Manage, creating an SO with all line items.

“In only 10 minutes, the customization automatically generates all of the transactions that had to be created manually in the past,” said Terry Weaver, Information Technology Manager for Salco. “With about 25 of these transactions per month, which include creating the SO and associated ISO’s as well as shipper and invoice which could easily exceed 100 line items each, total time savings equals 200 hours per month.”

Made2Manage customization services also created a Visual Basic program that automatically detects buy items and generates purchase orders—replacing manual purchase order generation for each of the buy items. These efficiencies streamlined headcount and improved customer service, while increasing the timeliness and accounting of internal financial reporting.

“The consignment accounting customization is just one of several that have saved time and reduced costs at Salco,” Weaver said.

Joint Process for Creating Major Customizations

Salco and Made2Manage have evolved a joint process for creating major customizations. Because they understand the business requirements and users best, Salco IT team members create forms using Made2Manage tools. In turn, Made2Manage consultants do the Visual Basic coding. The Salco IT team, though, can create many of their own small customizations.

“Our business has changed drastically in the time since we implemented Made2Manage,” Oestermeyer concluded. “The industry we serve has become much more automated. Our product line has increased six-fold to 12,000 items. Sales have increased by over 70 percent to \$27.5 million in 2009, and we are projecting another 20 percent increase in 2010. But thanks to Made2Manage and various business process improvements, we have actually reduced our staffing levels by 10 percent through attrition to 100 employees.”

“It’s important to note that we have had very little turnover during this period, which has been a key factor in our success. It’s also important to note that we are working with exactly the same team of people at Made2Manage as when we started. Our success is a tribute to the strong relationship that has grown over the years between the two companies.”

About Consona ERP

Consona Corporation is a worldwide leader in providing customer relationship management (CRM) and enterprise resource planning (ERP) software and services for companies of all sizes. Consona serves more than 4,500 customers worldwide and across a variety of industries.

Consona Corporation
450 East 96th Street, Suite 300
Indianapolis, IN 46240

P: (888) 826-6766 or (317) 249-1700
F: (317) 249-1999

info@made2manage.com
consona.com
made2manage.consona.com

