

Fuelling growth with 123 Insight

Eco-Burner, based in Waterford, Ireland, manufactures the Chafon burner. Although the company was founded in 2004, it was not until 2010 when it received external investment that sales began to grow significantly. At that point, it was making products for stock and using a series of Excel spreadsheets to manage orders, stock and even to print out invoices prior to being entered into its Sage 50 accounts software.

Ciaran Doyle, CFO says: "The key challenges for us with that system was the lack of traceability of components within each batch produced. Each department was working independently of the other, so finance only knew that we bought something when the invoice came in the door. There was no approval or authorisation process in place. There was also difficulty in forecasting the right stock purchase levels for the quantities that we were trying to make. Given the size of the business at the time it was achievable but difficult and frustrating, and there's no way we could have scaled from where we were then to where we are now with that kind of approach."

In 2010 the company set about evaluating ERP systems, considering several costing up to around €200,000, with ongoing annual maintenance of around €13,500. Ciaran found that while most had entry-level systems at lower prices they did not meet their needs.

Ciaran Doyle says: "Most of the competing systems offered five or six different levels of functionality. We quickly discovered that with the lower levels we weren't getting the traceability as part of that. They were very simple transaction-based systems, but they couldn't control all of the component level batch numbers for us. So with those systems we very quickly ended up going from level one to three or four, and the price tag rose



accordingly. One of them quoted €200,000 for a system that in my view wasn't simple to install or user-friendly."

After further online research Ciaran Doyle discovered 123insight and reviewed the Multimedia Disc. He also liked the subscription-based pricing model.

Ciaran Doyle explains: "The SAAS (Software As A Service) model where you are paying a fee monthly rather than paying a significant capital amount up front, created a certain attraction to the point where we decided to find out a bit more about this offering to see whether it would meet our needs."

He attended an Evaluation Workshop in Southampton in September 2011, although he was initially reluctant:

"I have a background in IT and the standard model when you say 'I want to buy a piece of software' is that they will come to your door and show you their wares. I guess I'd been trained into that mindset through previous roles. My initial reaction was 'I don't really want to travel to do an initial evaluation to see whether this was something I wanted to proceed with or not'. It took a little while for me to get over the 'you come and have a look at us rather than

us coming to you' approach to the initial product demonstrations."

Eco-Burner's products require minimal assembly time, so he wanted to ensure that whichever system they selected did not add complex and time-consuming IT-related processes to this. As the company had staff with programming experience they planned to write a bespoke shop floor interface and wanted a system that they could easily connect it to.

Ciaran Doyle explains: "When the product goes through assembly there are a number of components and sub-assemblies involved. The unit itself is serialised and the production labour is around four to five minutes per unit after all of the sub-assemblies have been put together. We needed a process that could accurately and consistently record every component that went into it but that didn't add three to four minutes of processing time onto the assembly time. One of the things that set 123insight apart was the ability to interface via the SDK (Software Development Kit) option. That allowed us to write some very simple screens where staff just have to scan the barcode on the front of the unit and 123insight would, through the SDK, update

all the stock and works orders. Transactions that could have taken a minute or two were reduced to simply waving a barcode under the scanner with all of the stock transactions in the background. The ability to take away any requirement for transaction processing from the operators was quite an appealing concept for both us and them."

The decision was made immediately after the workshop to select 123insight, and the six days of no-obligation training were scheduled in November for two key staff in production and finance.

Once training was complete Eco-Burner used 123insight's Data Import Toolkit to reshape the data from its Excel spreadsheets, which Ciaran Doyle found extremely easy:

"It wasn't a case of trying to go through one at a time to setup your products, as if you've got it in an Excel format it's very easy to see all the fields you need"

Instead of installing 123insight on a server in its offices, he decided to opt for a subscription approach:

"We're a relatively small company. We don't have in-house IT or server support people and decided from the outset that if we were going to take 123insight on as a monthly subscription why not take the same approach for our servers and emails. We'd then have a set IT cost per month without any additional in-house costs. We decided to rent some server space from a company in Manchester, and our 123insight database and applications are hosted there, which we can then access remotely from anywhere."

The decision was made to go live on 2nd April 2012, just eight weeks after implementation was started. The company



stopped production on the Thursday, performed a stock check and transferred data over the weekend.

Reporting has benefited significantly. A minimum stock level 'traffic light' report is generated for the weekly production meeting, instantly highlighting any potential issues. Ciaran Doyle liked the flexibility that 123insight's reporting provided:

"If you have anyone in the business that understands a little bit about SQL or Crystal Reports, within an hour they'll have written the report that they want to have, customised exactly the way they want it. We have a scheduled Crystal Reports app that runs a stock report on month end along with a WIP report, with all of the reports in exactly the format and layout that we want them. When the financial controller comes in on the first working day of the month everything is there in her inbox, customised with groupings for our own product classes."



As Eco-Burner continued to streamline processes, he noticed a further benefit from sending both production and financial staff on training: "We discovered a few things that we'd been doing in the past that we could actually scrap. Department 1 only did things because they thought department two needed it and department two just filed it because department one gave it to them. It gave us some additional benefits that weren't really related to the training, so I definitely recommend that companies should train as many people on as much of the software as possible."

At Eco-Burner's request 123 Insight also developed a feature that became standard within the product. 'Packing and Unpacking' allows Eco-Burner to scan all Chafo units placed in a box and produce a single label for the outer box. When the goods arrive at the distribution depot they simply scan the outer box label to 'unpack' all of the individual serial numbers back into stock.

Eco-Burner has taken advantage of 123insight's scalable licencing, taking as many or as few as required on a monthly basis.

The company has new products on the horizon and is continuing to expand. Ciaran Doyle concludes: "123insight is the cheapest employee we have in the building. We've been on the system for just over four years and our revenue has grown over 100 percent each year without any additional administration to support that growth. To add five production facilities, four overseas warehouses and 800-900 percent growth with the same resources speaks for itself. It's just something that is now simply a part of Eco-Burner - it's just part of the way we do things"

123 Insight Ltd
Tel: 01489 860851
Email: info@123insight.com
www.123insight.com

