

ANM drives expansion with rapid ERP implementation

ANM Electronics Ltd, based in Mountain Ash, Wales provides electronic manufacturing services, mainly to the automotive industry. Managing director, Richard Mollison previously worked at a company that closed at the end of 2009. He founded ANM early 2009 to allow the existing customers a transition period. He also purchased some of the manufacturing equipment along with previous company's electronic data. Having had experience of the former company's AS/400 ERP system he knew that to be successful he would need to implement something similar.

"When we formed ANM we purchased an accounts system that could also manage inventory, however once we started using it we could see it was not up to the task. Also, it was not designed to handle some of the other functions we needed. We started looking at ERP systems in late 2009. Initially we saw 20 systems ranging from a few hundred pounds through to systems costing around £30k. I was shocked at some of the prices. The low end systems were just that - low end, with very basic functionality, showing that you get what you pay for."

During his searches online he came across 123insight and booked to attend an Evaluation Workshop, along with two colleagues; "There were several companies attending, ranging from a one-man operation to a company with 450 staff. It was completely different to the approach of the other companies I was talking to. There



was no pressurised selling and I got to mix with like-minded companies looking for a solution. During the workshop I had a host of questions that I wanted to ask, some of which I did ask, and some of which were asked by others. There were also questions asked that I hadn't thought of. The answers were quite surprising in that I wasn't expecting to have all of the system for the price quoted.

"Another hidden factor was that many other systems required a much higher hardware specification to drive them, and also command large annual maintenance fees; "One company that quoted £15k for the software were also quoting another £12k just for the server and client PCs to be upgraded to run it, whereas 123insight runs on our existing PCs. They also required

maintenance contracts on top of the initial investment plus training costs. It's almost as if once they've hooked you they know you are stuck with them. With 123insight we pay a monthly fee that we know up front. It includes all future upgrades and it's down to me whether I train the staff or send them on the training courses. All the prices are on the website and are at a fraction of the price of other systems."

The decision was made in March 2010 to select 123insight and Richard attended the no obligation training, after which he provided downstream training to the relevant staff using the supplied documentation; "They took it home over a weekend to digest and then we went through chapter by chapter. They picked it up very easily and if you have any Windows or ERP experience it is self-explanatory. You are never more than a couple of clicks away from what you are looking for."

Richard used the 123insight data import kit to import the previous company's 280 BOMs, but has found that it has also delivered an ongoing benefit; "The majority of our customers now send us bills of materials in either Excel spreadsheets or CSV file formats so we can manipulate the formatting and import straight into 123insight. This saves a lot of time and reduces the possibility of typing errors. I wouldn't part with it for the world."

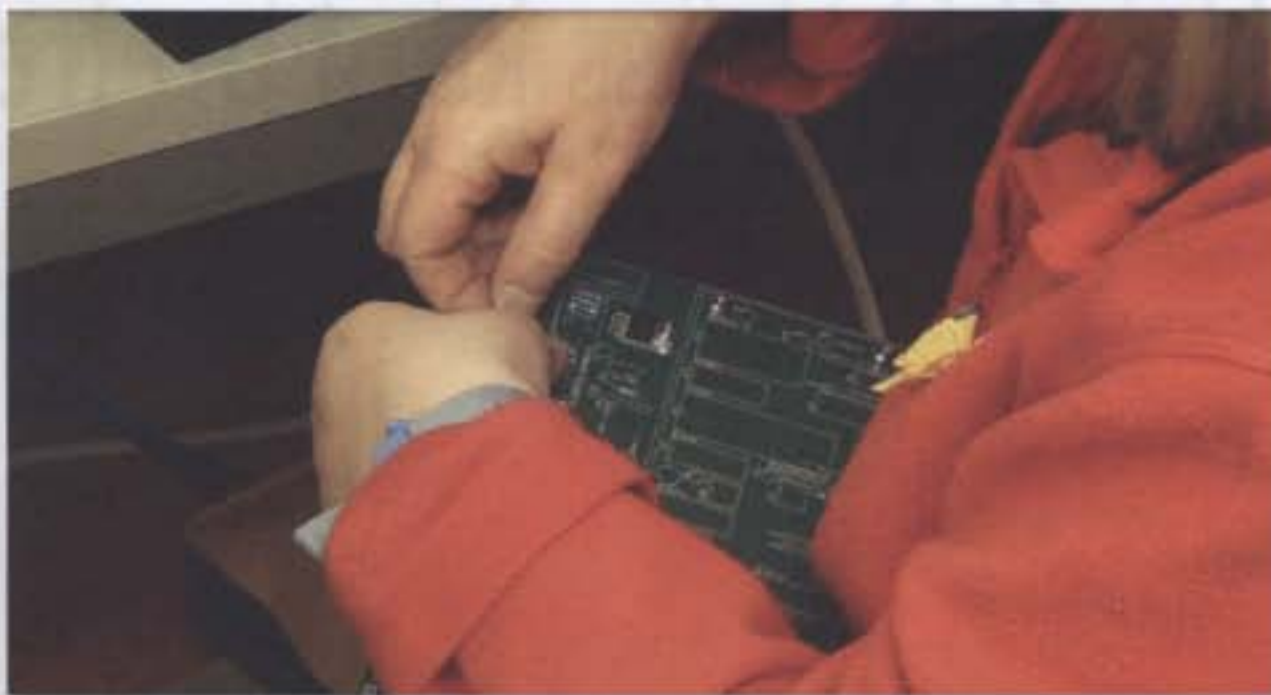
Within three weeks of implementation



planning session ANM went live across stock control, production and despatch. All new orders were loaded onto the system, with 123insight generating purchasing requirements. Staff performed a 'sanity check' and confirmed that all recommendations were correct. For Richard the most noticeable benefit was speed when running MRP. "We used to run the previous system overnight, and even then it could not be used during that time. 123insight runs MRP in a matter of minutes. All in all, going live wasn't a painful process. I can imagine for some businesses that the switchover process is nerve-racking, like being an expectant father at a maternity suite, but for us it was a case of implementing a system early enough so we didn't have the pain of a much larger migration and implementation later."

Stock levels have seen noticeable reductions, with inaccuracies almost disappearing completely. ANM were previously tracking stock using customer/project oriented spreadsheets. Often one component could be common across several projects, resulting in duplicate purchases. Although not significant for low cost parts, overstocking could have a major impact on cashflow for more expensive components, especially those with minimum order quantities. Staff also save time, as they no longer have to scan multiple spreadsheets.

The number of data entry errors across the company was also reduced. Data such as customer or part information is entered just once, rather than different departments having to re-enter the same information further through the production process. Furthermore, staff can only perform functions relevant to their roles such as raising purchase orders or creating parts.



As ANM hold ISO9001:2008 and MET certifications, quality and traceability are paramount. One feature Richard found useful was the ability to set flags at any stage of manufacturing to prompt an action. "Some parts require good inwards inspection, an example being one product that needs to be 'VO rated' for conductivity. When orders for this part arrive into goods inwards, staff are now prompted via a popup window to move them into quarantine for inspection."

In addition to drilling down through a Bill of Material, the ability to 'drill up' from a single component to see all parent parts is a major benefit when a component or child part becomes obsolete. "The system I used before did allow me to put in a top level part number and view the BOM beneath it, but with 123insight I can put in a child component and see every parent that it is on. Previously this would have required several custom reports and visits to multiple screens to achieve, but in 123insight I just select that part and all the information I need is there on screen."

Nearly a year after implementation ANM have only called support four times, two of which Richard cites as relating to the same question. "I can count the number of times I've called on one hand. They either answer my questions on the phone there and then or follow up with an answer via e-mail. I can't fault them."

ANM is now branching out to serve new industries including instrumentation for the oil and marine sectors. In February 2011 they were also nominated as one of Wales' fastest growing companies, which Richard believes is due in part to 123insight; "In terms of ROI it's pretty much instantaneous. I could see that running a business using spreadsheets was time consuming and you have to be on top of things all the time. With 123insight I am one click away from all financial information. The buyer can go into the Enterprise tab and search for what parts are due in and which suppliers are behind and tailor it to meet your needs. The low monthly rental is saving a wage every month, so for me it pays for itself. The product does exactly what it says on the tin. It works. I've proven that it works, and you pay monthly so you can vote with your feet if you don't think it is the case."

123insight provides an award-winning end-to-end solution that is suitable for virtually any manufacturing environment, including EMS (Electronic Manufacturing Services), aerospace, marine, automotive, medical, food, textiles, electronics and oil. It has options for CRM, e-commerce and integration/interfaces into all major accounting systems.

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