

CASE STUDY Odenberg Engineering



MICROSOFT DYNAMICS™ NAV

BACKGROUND

Many companies take the opportunity presented by significant business change to overhaul their IT systems. For Odenberg Engineering, the decision to move production to a facility in Slovakia was the chance it needed to standardise on a single financials and reporting package across the company.

Odenberg has more than thirty years experience in supplying equipment to the food processing industry. The company has operating facilities in the United States, Italy, Holland, Ireland and more recently Slovakia. The Dublin operation is the largest, employing 38 people. Odenberg concentrates its research and engineering resources in developing and manufacturing equipment such as peeling, sorting and freezing and chilling systems.

The machines that it assembles can contain anywhere between 1,000 and 1,500 items, some of which are made in house and some from third party suppliers. The company needed a software package that was up to the task of handling such a large amount of materials, along with a capacity for financials, sales, purchases, inventory,



Charlie Donnelly, Managing Director, Sysco pictured with Gus Phipps, Group IT Manager, Odenberg Engineering at their Dublin operation in the Citywest Business Campus

WHY MICROSOFT DYNAMICS™ NAV

When evaluating its options, Odenberg had four key requirements from any new system. It had to handle manufacturing and purchasing; be flexible enough to be used in different countries; be capable of accommodating different languages and be easily modifiable to suit the company's business needs. Microsoft Dynamics™ NAV was, simply, "best fit to our criteria," says Phipps. The decision was taken early in 2005 and the new system was up and running by early the following year. In Slovakia the system went live in a matter of six weeks.

Odenberg identified Dublin-based Sysco as having the necessary expertise to carry out the installation of the new software across the company sites and to provide training to users for the new package. "They are quick on response times and we're on a first-name basis with their engineers," says Phipps. "Sysco has been very helpful on the rollout of Microsoft Dynamics™ NAV in Slovakia and has been able to quickly solve any problems that we have had."

The application is run on a single machine running Microsoft SQL Server. Dublin users access the software via the desktop client. Users in Slovakia, USA and Holland access the software via terminal services. Three of the Odenberg operations have now been moved in whole or in part to Microsoft Dynamics™ NAV, as Phipps explains. "The Dublin company mostly does trading and there are 10 users. The Slovakian company is manufacturing and has 15 full-time users but others on the production floor will access the system periodically." Rollout is only partly

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**Gus Phipps,
Group IT Manager**



manufacturing, resources, jobs and service management. For managing the inventory and processing purchase orders, Odenberg had been using Avante from Epicor at its Dublin operation in Citywest Business Campus and Great Plains for its US arm. One of the drawbacks of Avante, in particular, was the difficulty in delivering reports to users. "We wanted to take the opportunity to get something new and easy to use," explains Gus Phipps, group IT manager.

completed in the US operation, which had previously been using Great Plains. Currently only the accounting side of Microsoft Dynamics™ NAV is being used. By the end of the second quarter, the manufacturing, spares and service modules will be rolled out. Odenberg is also planning to create a Dutch company, focusing mainly on spares and service, for its customers in the Netherlands.

BENEFITS: Productivity and a better business process

Multiple language capability

"The way we've been able to go global with it has been a huge advantage," Phipps reports. The company has been able to outsource manufacturing to Slovakia, where labour was cheaper, while running the same software as in the rest of the organisation. "One of the reasons we chose Microsoft Dynamics™ NAV is because it was multi-language capable. We got a Slovakian language pack which makes training and usage much easier," Phipps adds.

By virtue of having offices in various countries, Odenberg is subject to different taxation systems, but according to Phipps, Microsoft Dynamics™ NAV can handle all of these. "With a little bit of tweaking we were up and running in the States, no problem."

Ease of upgrade

The upgrade was painless, as most of the PCs in the company were already capable of running the application. It also involved some changes to hardware or operating systems; Odenberg had to procure two new servers and SQL Server software. On the desktop side, five machines were upgraded to Windows XP.

Strong reporting

Phipps is impressed with the reporting features within Microsoft Dynamics™ NAV. "We can easily generate reports that actually give users the data they need, when they need it," he relates. "That it was Microsoft did make it a bit easier. Now I can write a report and the user has it within a day. The old system had no facility for reports. Using SQL as the backend database gives you more possibilities," he says.

Productivity

Phipps estimates that Odenberg's staff, across all departments in the company, have seen major gains in time since Microsoft Dynamics™ NAV was installed. "From a financial point of view they have saved one third of the time usually spent on doing our monthly accounts, mainly because the data is that much more accessible and presented in a more usable format. They're not wasting time reformatting data. As for the purchasing department, they can get through purchase orders much



Odenberg's Titan Sorter

quicker than they used to, with Microsoft Dynamics™ NAV. Our salespeople have found it quite good because they are able to access historical data a lot easier." In addition, with manufacturing now outsourced there have been further improvements. "Since we moved to Slovakia, our production has ramped up at least double what it was in Dublin and we've been able to cope," says Phipps.

Flexibility and adaptability

An old criticism of enterprise software was that it was like concrete: once set, any changes are very difficult to make.

According to Phipps, this wasn't the case with Microsoft Dynamics™ NAV. "Sometimes the tool can mould your process, where the limitations of the product set what you can do with the business process. Because Microsoft Dynamics™ NAV is modifiable, we can talk to Sysco and get the software redefined or tweaked here or there, so the tool fits our process. Because of Microsoft Dynamics™ NAV's modularity, we can change a module which doesn't affect the overall application."

THE FUTURE

Summing up the benefits of the new system, Phipps cites its adaptability and ease of use. "In Microsoft Dynamics™ NAV we found a tool that could be moulded to fit our business needs. From an administrative point of view Microsoft Dynamics™ NAV is easy to maintain and support," he says. From the user point of view it is straightforward, allowing Odenberg employees to quickly grasp the concepts and get the most from the software. "I think it has definitely boosted their productivity," Phipps concludes.

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