TrailTech Inc.
Intuitive™ ERP

Intuitive ERP Creates Measurable Improvement for the Trailer Manufacturer

TrailTech Inc. also Sees Marked Improvement in its Ability to Accurately Track its Financial Health

Overview

Since 1985, TrailTech Inc. has provided the agriculture, construction and transportation industries with state-of-the-art trailer equipment. Manufacturing approximately 2,500 units a year, TrailTech's 90 employees were experiencing growing pains. Bill of material (BOM) inaccuracies created inventory discrepancies, material shortages, manufacturing bottlenecks, missed delivery dates and substandard productivity. Employee frustration over BOM inaccuracies created a tense working environment.

The Challenge

TrailTech needed an ERP package that provided accurate, real-time information to keep up with the rapid sales growth. Previous manufacturing software did not provide TrailTech's engineers with an efficient method to create BOMs, resulting in engineering shortcuts. Inaccurately-engineered BOMs negatively affected the entire manufacturing process.

Inventory inaccuracy due to bad BOMs led to material shortages and panic purchasing. Inefficient use of machinery caused unnecessary shop floor bottlenecks and finished goods were not coming off the production line on time, creating consistently-delinquent delivery dates. Resulting financial statements did not accurately reflect a true picture of the company's operations.

The company grew and, without an adequate business system, TrailTech's problems grew as well.

ROI at a Glance:

After implementing Intuitive ERP, TrailTech Inc., a Gravelbourg, Saskatchewan, Canada-based supplier of state-of-the-art trailer equipment, achieved the following returns on investment:

- Reduced book-to-bill cycle by 30 percent.
- Improved inventory accuracy.
- Reduced material shortages and manufacturing cycle time.
- Eliminated manufacturing bottlenecks.
- Improved employee morale.

The Solution

After three months of system evaluation, the selection committee opted for Intuitive's 100 percent Microsoft technology-based solution. The fully-integrated functionality, along with the layout of the user interface, assured TrailTech of a quick and easy learning curve. A diligent reference review provided additional assurance of system reliability and support.

It was imperative for TrailTech to implement a system capable of accurate and timely BOM creation. With accurate BOM information available, dramatic improvements in inventory levels and production on the shop floor were possible.

TrailTech's Reaction

With Intuitive ERP in place, both TrailTech's customers and employees have felt its impact.

"We were experiencing a lot of frustration prior to implementation. Delivery promises to our customers were not being met. This created a tense work environment," said Geoffrion. "All of our customers appreciate the increased reliability of delivery dates. Employee morale has improved. Stress levels throughout the plant are much lower."

The impact has also been felt at the higher levels of the organization. "Senior management is appreciative of the stability of production, the reliability of delivery dates and the increased accuracy of the financials," said Geoffrion. "They often comment that the operation now runs itself."

In addition to the operational benefits, TrailTech's management is now able to accurately track the health of their company with Intuitive ERP's reporting and business intelligence tools. Geoffrion states that "the reports that the system can generate are excellent. The ease at which queries can be created and converted into pivot tables or OLAP cubes is also a great feature."

For TrailTech, implementing Intuitive ERP helped them stabilize and prosper from their growth. Now, they can focus on enabling new business and growth strategies.

"TrailTech is now in the process of beginning a 'lean initiative' in the plant," explained Geoffrion. "Without the information and structure that Intuitive ERP provides us, this would be almost impossible to do."
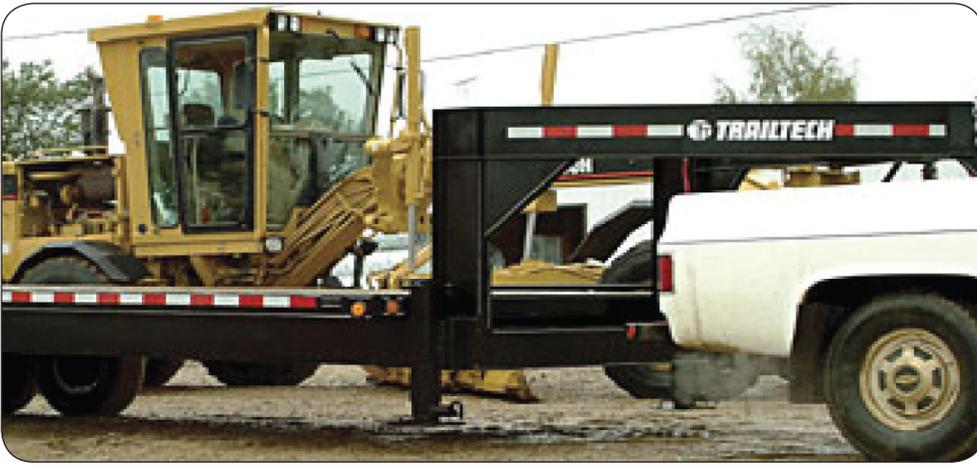
TrailTech's Results

After implementing Intuitive ERP, TrailTech immediately enjoyed a reduction in the manufacturing cycle. Intuitive ERP provided TrailTech's engineers with the ability to create BOMs quickly and accurately, which allowed TrailTech to install an orderly release of work orders to the shop floor, making production more consistent.

"Within a month we could see considerable improvements on shop floor flow," said Gerald Geoffrion, TrailTech's general manager. The production bottlenecks of the past were eliminated.

In addition, TrailTech's delivery dates were shorter and more reliable. "Our book-to-bill cycle, based on a constant order book value, has been reduced by 30 percent," said Geoffrion. "Intuitive has given us the tools to improve shop floor efficiency to that extent."

Additionally, customer complaints of delinquent deliveries have been dramatically reduced, and improved inventory accuracy resulted in reduced inventory shortages and the elimination of panic purchasing.

All of these factors have enabled financial statements to reflect a more accurate view of sales growth and the resulting bottom-line improvement.