

Media Release

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No Surprises for Lorient Australia

In less than a decade, Lorient Australia has rapidly grown to become one of the leading manufacturers of smoke and containment products for the door industry in Australia. Demand for the Lorient products has seen export services rise and they have expanded in to Dubai, Hong Kong and the United Kingdom. Lorient Australia have two manufacturing sites in Australia, offices in Melbourne, Sydney and Brisbane and over 50 staff employed in the business.

According to Mr Tony Tapper, Managing Director, Lorient Australia, the growth in the last five years has seen 500 product lines and configurations increase to over 5000.

"When your business increases product configurations so significantly in a short period of time it puts a strain on your business. Not only in terms of managing the manufacturing and production flow, but also internally through your inventory management tools," Mr Tapper said.

"Lorient was using MYOB to manage our inventory and the system simply could not handle the growth of the product configurations within our business. We needed an inventory management tool that was designed specifically for manufacturers, not a financial package that could be adapted,"

"The way we used to order was pretty simple. If you didn't trip over it in the manufacturing site you needed to place an order for more material. We had no control over our inventory and we had surprises every month,"

Before selecting an inventory management tool (ERP system) the senior management at Lorient developed a critical list of requirements for the system. This included:

- A system designed specifically for manufacturers
- A system specifically for Inventory control and management

- Visibility for all sites – domestically and internationally
- The ability to track raw materials, components and finished goods
- Bill of Materials – including flexibility for multi-levels
- Work in progress capabilities
- Modules for Accounting

“Accounting and General Ledger was not as crucial to us when we selected the system. You can easily add General Ledger to a manufacturing system but not the other way around,”



In 2002, SYSPRO was chosen as the most efficient, flexible and adaptable mid-market ERP system available in the market and Syspro Victoria was selected as the implementation partner in Melbourne with **ProActive Integrators** supporting Lorient’s Queensland operations.

SYSPRO's outstanding flexibility accommodates an extensive range of production methods - enabling manufacturing and distribution companies to efficiently plan, manage and forecast their business operations in an increasingly dynamic and competitive marketplace.

Lorient Australia are using a number of SYSPRO modules including Inventory, Purchasing, Sales Orders/Analysis, SRS reporting services, Bill of Materials, Work in Progress, Factory Documentation, General Ledger and Product Configurator.

The SYSPRO **Bill of Materials** supports up to 15 levels, has an intuitive tree-view display with operational Gantt Charts, analyses BOM and ‘what-if’ costs and compares BOM costs to current Inventory costs.

The SYSPRO **Work in Progress** module supports mixed-mode manufacturing environments and tracks and manages material and operational costs per job. It identifies overloaded work centres, automatically creates jobs from Sales Orders, Quotations and MRP and links Purchase Orders to Jobs to expedite receiving.

The SYSPRO **Inventory Control** module provides effective control of supply and demand. It offers powerful queries including transaction history and graphics and provides flexible pricing and costing options. Standard functionality includes serial-tracking, multiple warehouses and bin numbers. Inventory Optimisation and Forecasting modules are also available.

Lorient Australia went live with the Bill of Materials and Inventory modules immediately and then implemented the General Ledger and financial modules at a later stage. After training from Syspro Victoria the go-live transition was handled internally by two staff and was seamless.

Benefits for Lorient

- Lorient Australia now has a target KPI of 1% and is currently running at 0.4% due to the accuracy of the SYSPRO system.
- They have eliminated annual stocktakes and just do perpetual stocktakes.
- Manufacturing and inventory costs are now controlled.
- Visibility at all levels of manufacturing
- Accurate, flexible and easy-to-use Inventory management system
- Predictability in Work in Progress and Bill of Materials
- Alerts and Flags on any variances – can track variances
- The Bill of Materials maintains up to 15 levels.
- Multi-level trial kitting identifies materials shortages.
- Supports planning parts, kit parts, phantom parts and sub-contract operations.
- Tracks component levels of effectivity dates.
- Flexible reporting.
- Full BOM costing reports.
- A virtual warehouse where all the components, ingredients and raw materials are kept.

“With SYSPRO there are no surprises. It really is that simple. We know what is going to happen month in month out, our inventory is controlled so well that I know exactly who is doing what every moment on the day. I often joke with the staff that SYSPRO is kind of like Big Brother and it is watching everything they do,”

“SYSPRO works for us, rather than us working for the system and I recommend this inventory management tool to anyone in manufacturing.” Mr Tapper said.

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