

How to Cut it in the Metal Fabrication Industry

The Fabricated Metal Landscape

We don't have to tell you that the metal fabrication industry is facing challenges. From volatile commodity prices to shrinking markets, offshore price cutting and higher expectations in terms of quality and speed of delivery, you are no doubt increasingly finding yourself having to reassess the way you operate.

To stay ahead of the game, companies have to be increasingly innovative, tech-savvy, agile, flexible, responsive and customer-centric.

Today, more than ever, the right ERP solution could mean the difference between the success and failure of your operation. It will help you plan, execute, control and radically improve production in your manufacturing environment.

To get the most out of your ERP solution, it should be one that has been designed, implemented and supported by a company that understands your business as well as you do - one that has the specialist skills to help you deliver unfailing continuity and consistency throughout the entire value chain, from initial RFQ to final delivery.



ERP Requirements for Fabricated Metal Manufacturing Processes

Increasing manufacturing efficiency means finding the right balance between supply and demand, optimizing capacity, improving throughput, streamlining processes, cutting costs and reducing waste. Fabrication companies that meet, and even predict, their customers' needs, and become an invaluable source of their success will succeed where others fail.

Custom (Job Shop) Fabricators

If your shop predominantly services local manufacturing industries with specialized requirements or one-off jobs, simplicity in your systems is essential to your success. The perfect ERP solution will allow you to:

- **Quote quickly and accurately**
 - ▶ Customers often need same-day jobs and so quote turnaround time is short and must be accurate or it will affect profitability.
- **Increase profitability**
 - ▶ With real-time insight into material and labor usage. As you may not have repeat orders from the same customer, ensuring each job is profitable is imperative to the bottom line.
- **Perform ad-hoc scheduling and CTP**
 - ▶ Customers may walk in with a rush job that needs to be completed the same day – can you meet your deadlines and does it impact other work?
 - ▶ Using a CTP system allows you to create a balance between what you can produce and what customers and clients are requesting.
- **Sub-contract with confidence**
 - ▶ Because this is a capital-intensive industry, many custom metal fabricators are not big enough to own specialty machinery, thus having to rely on sub-contracting to provide a 'full' service/end result for their customers (coating, specialized cutting, etc.).

Project Fabricators

As a project fabricator, you might specialize in servicing a specific industry such as construction, aerospace, forestry, oil and gas. You may have a custom fabrication department that services individual customers, but your primary business is servicing the needs of a specific industry. You therefore have more sophisticated requirements and want a solution that facilitates:

- **Accurate quoting**
 - ▶ Having larger contracts, you need the quote to be complete and accurate up front in order to maintain profitability.
- **Creating BOMs/Jobs based on customer CAD drawings**
 - ▶ It is a time-consuming task to capture complicated CAD details into BOMs into an ERP. CADTalk helps alleviate this.
- **Profitability**
 - ▶ Dependent on material availability and the production processes.
- **Compliance and quality as they often have to adhere to standards stipulated by the industries you serve (such as Aerospace)**
 - ▶ Heat-tracking and the ability to do quick recalls (mock for compliance) is important.
 - ▶ Your ability to provide documentation that validates inspections throughout the manufacturing process and meets quality specifications with the final product is often needed.

JOB SHOP NEEDS		PROJECT NEEDS	
■ Job/cost control.		■ Project control – costs, time, resources, management, monitoring and reporting.	
■ Quotes/estimates.		■ CRM – customer involvement, long sales cycle.	
■ CAD integration.		■ CAD integration.	
■ CRM - customer involvement.		■ Tend to be capital items – field service, warranty.	
■ Capacity planning and sequencing.		■ Quotes and estimates control.	
■ Waste/utilization of raw materials.		■ High degree of engineering involvement.	
■ Nesting.		■ Variable overhead recovery.	
■ High degree of engineering involvement.			
■ May be capital items, competitive market - margin/cost management.			
■ Variable overhead recovery.			
COMMON NEEDS			
Inventory Control	Production Control	MRP	Serial Tracking



Optimize Production Capacity, Improve Service Levels and Increase Manufacturing Efficiency with the Right ERP Solution

The table below highlights how SYSPRO is uniquely equipped to resolve some of the more prevalent challenges facing the metal fabrication industry.

Business Challenges	How SYSPRO ERP can help you resolve them
<ul style="list-style-type: none"> ■ Increased volatility in raw material price fluctuations. 	<ul style="list-style-type: none"> ■ SYSPRO's extensive toolset provides the flexibility to integrate LME spot pricing with your costing processes, allowing you to better manage your input cost pressures. This ensures greater flexibility in your what-if costing during quotation and estimating processes.
<ul style="list-style-type: none"> ■ Fabrication shop environment requires multi-skilled operators. 	<ul style="list-style-type: none"> ■ Factor labor, scrap, utilization and optimization capabilities into your costing models.
<ul style="list-style-type: none"> ■ Integration with your CAD design package is imperative to maximize design to quote/estimation time as well as delivery time. 	<ul style="list-style-type: none"> ■ Work collaboratively with your customers to provide them with a turnkey solution. ■ Multi-level bills of material for designs modeled on CAD systems can be imported into SYSPRO, thereby reducing double-entry and the margin for error as well as providing a solid basis on which to calculate costs and lead times for quoting to the customer.
<ul style="list-style-type: none"> ■ Job sequencing and grouping of similar products to reduce scrap and improve efficiencies. 	<ul style="list-style-type: none"> ■ Integrate directly from design to quote and estimation for accurate project costs.
<ul style="list-style-type: none"> ■ Some metal fabricators require hot-roll and lot tracing. 	<ul style="list-style-type: none"> ■ Track and trace metal hot-roll batches, providing recall and traceability requirements for the industries you serve.
<ul style="list-style-type: none"> ■ Raw material nesting requires integration with multiple jobs to optimize material usage and reduce recording time of actual labor and material usage. 	<ul style="list-style-type: none"> ■ Optimize your utilization and capacity of expensive assets. ■ Manage outsourcing and subcontract operations as integrated processes to your production. ■ Accurately track the actual costs of your nesting job. ■ Accurately and efficiently record and consume remainder sheet offcuts.

10 Ways SYSPRO can optimize your supply chain and help you get the most value from your overall ERP experience

Because we have nearly 40 years' experience of specializing in the manufacturing environment, we can provide you with a fully integrated solution that comes with a comprehensive set of tools especially suited to help you plan, execute, control, streamline and expand production in your specialized manufacturing environments.

1. Optimizing the Quotation Process

For you to improve turnaround times and provide a better service to your customers, your quotations system should provide you with a single source of the truth for accuracy and review purposes and enable you to easily share updated information. As more and more services are outsourced to gain manufacturing and cost efficiencies, costs for material, labor and outside services continue to be an important part of your quoting process. SYSPRO's Quoting and Estimating capabilities allow you to create professional and comprehensive quotations. A highly flexible interface provides you with all the information you need to give your customers timely quotes and estimates as well as the ability to incorporate vendor-related service costs that can be marked up as a part of your estimate.

2. Streamlining the Planning Process

For more efficient operations, SYSPRO Requirements Planning uses projected demand and supply to assist you with planning and creating realistic production, purchasing and supply transfer schedules. It also identifies capacity constraints and maintains optimal stock holdings in a multi-site and multi-warehouse environment.

3. Synchronize Supply with Demand

Smart Manager MES (manufacturing execution system) for SYSPRO helps manufacturers compete in today's market. Planning Manager, Workforce Manager and Factory Manager have been designed to help you increase output and reduce costs by automating your business processes and connecting your factory.

Particularly for component and material suppliers to original equipment manufacturers (OEM's), synchronizing supply with customer demand is a key requirement to prevent costly line stoppages in assembly plants. This involves not only automating order processing and other processes in the supply chain, but also executing production plans using LEAN principles.

4. Design and Engineering Collaboration

To improve efficiencies, SYSPRO solutions foster the centralized management and control of the product design process, while its comprehensive security, customization and multi-lingual capabilities enable you to provide tailored access to external collaborative partners around the globe.

Import facilities and SYSPRO e.net Solutions facilitate improved electronic collaboration with your customers for the creation of customer-specified designs, while the Contact Management System provides a central area for the recording and querying of all communications regarding collaborative activities.

In addition, other product-related data such as technical drawings can be imported and linked to the relevant products in SYSPRO, while photographs, video clips and other multimedia files can be linked and viewed on-demand.

SYSPRO's powerful Engineering Change Control (ECC) features enable the creation of user-defined workflows to control the product development process and ensure electronic sign-off.

5. Manage Inventory

For improved customer service and profitable management, effective inventory management should be a priority for every manufacturing or distribution business. These businesses need a unified view of inventory, which requires real-time data at each stocking location – in transit, at the finished goods warehouse, on the factory floor, expected components and raw material from suppliers, and outstanding orders from customers.

SYSPRO provides comprehensive inventory management tools to ensure there is visibility of inventory across the supply chain to meet the demands of the business, helping to eliminate over-stocking and tying up of capital.



6. Manage Product and Part Traceability

To ensure operational efficiencies and meet the critical compliance requirements of this industry, SYSPRO provides traceability from material origins through manufacture to final destination. Our Lot Traceability and Serial Tracking functionality affords full visibility to the origins, build and sales destination of products, thereby providing the means to easily trace and analyze the source of defects should they occur.

7. Reduce Time-to-Market

In industries that require customizable end products, flexibility, speed and accuracy in meeting customer demand are essential to remaining competitive. SYSPRO provides you with the tools to manage your business successfully, ensuring a healthy profit while staying competitive.

8. Customer Relationships and Service

Providing the kind of service that builds solid relationships requires that every client-facing person in your company has immediate access to information that allows them to keep track of customers, analyze the market and make informed business decisions quickly and confidently. SYSPRO's Contact Management provides all this and more.

9. Improved Electronic Collaboration with Trading Partners

SYSPRO enhances your ability to harness e-Commerce technologies effectively, giving you the potential to transform your business and accelerate commercial success and growth.

10. Linking your Supply Chain with SYSPRO

Increasingly, organizations want to connect external devices, such as tablets and scanners, to their business software. The objectives of integration are to improve information sharing, reduce duplicate data entry and enable data to be stored in one place for consolidated reporting and analysis.

SYSPRO Integration Framework enables you to extend your SYSPRO ERP application to work with other systems within the enterprise, and to extend beyond the enterprise. It encourages integration with other line-of-business third-party products; information interchange with external devices; access to applications via the web; easier collaboration and information sharing with business partners; and improvements to the user interface.

Some of the Metal Fabrication Companies that have chosen SYSPRO as their ERP Solution

Benchmade Knife Company Sharpens Operations with SYSPRO

- A leading designer and manufacturer of world-class sports cutlery and edged tools.
- Chose SYSPRO for its high level of integration between modules, and to provide the scalability required for the company's growth.
- Improved customer service and overall efficiency.
- Delivered consistency in the manufacturing process and reliable financial data.
- SYSPRO Point of Sale has enhanced Benchmade's retail fulfilment capabilities, so that the company can sell effectively from a retail brick-and-mortar environment as well as online.

Metaltech Saves £200,000 a Year with Integrated SYSPRO Solution

- Engineering and fabrication specialist Metaltech chose SYSPRO for its integration capabilities, scalability and reporting functionality.
- Replaced several spreadsheets which hindered the generation of substantial reports and measurement of Key Performance Indicators.
- With SYSPRO, Metaltech has produced reports that measure financial performance, job performance, quote accuracy, market performance and sales.
- Saves £200,000 a year on average, saving time on administrative duties by up to 40%.
- A key enabler of the company's recent growth, SYSPRO has evolved into a central, critical business application.

B&R Enclosures Leverages Off SYSPRO's Flexibility

- A metal fabrication specialist with manufacturing facilities in Brisbane, Sydney, Adelaide and Suzhou, China.
- Chose SYSPRO to replace legacy ERP software based on the solution's family business culture and full integration capabilities.
- Gained real-time visibility across its consolidated group, and its financial data is always current thanks to real-time integration.
- Eliminated large volumes of month-end journal entries, which has significantly reduced the time required to produce month-end financial reporting.
- SYSPRO is a major step in B&R's ongoing strategy to delight its customers through outstanding customer service supported by innovative systems.



Hall Longmore Implements SYSPRO for More Accurate Costing Models

- A major engineering enterprise which exports to more than 30 countries.
- Chose SYSPRO as a value-for-money system that provides a simple, user-friendly solution.
- Significantly enhanced access to information.
- Reports are easier to compile and distribute, and Accounts Receivable can be entered without clicking through multiple screens.
- SYSPRO's responsiveness to queries has taken the guesswork out of ERP.

About SYSPRO

Established in 1978, SYSPRO is an industry-built Enterprise Resource Planning (ERP) solution designed to simplify business complexity for manufacturers and distributors worldwide. SYSPRO provides an end-to-end business solution for optimized cost control, streamlined business processes, improved productivity, and real-time data analysis for comprehensive reporting and decision-making. SYSPRO is highly scalable and can be deployed either in the cloud, on-premise, or accessed via any mobile device.

What sets SYSPRO apart is an unwavering, sustained focus on the manufacturing and distribution sectors. Combined with a practical approach to technology and a passionate commitment to simplifying business processes, SYSPRO dedicates itself to the success of its partners and customers alike.

SYSPRO dedicates its resources to the advancement and improvement of the complex and changing needs of its customers. Recognized as a leader in customer service, SYSPRO has one of the highest customer retention rates in the industry.



SYSPRO's intuitive product features, business intelligence capabilities, and easy deployment methodology are unmatched in the marketplace. The depth of software functionality and targeted industry knowledge makes SYSPRO an excellent fit for a number of select manufacturing and distribution industries, including food and beverage, machinery and equipment, electronics, fabricated metals, automotive, and many more.

SYSPRO has more than 15,000 licensed companies in over 60 countries. For more information, visit www.syspro.com.





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