



case study

Dynamics NAV gives Guhring the right tools for the job

"In all my previous experience of installing a new computer system, there has been a huge learning curve and the company has taken a step backward before it has gone forward.

On other systems it could take months to migrate the data and to train end-users.

This isn't the case with Microsoft Dynamics NAV.

Instead it was like we didn't just install a new system, we put the company into a new gear straight away."

Mike Dinsdale
Managing Director
Guhring

As a manufacturer, Guhring is constantly striving to remove waste and excess costs involved in their production cycle. One major constraint to improving efficiency was the disparate systems in use across the organisation.

Guhring decided to tackle this problem head-on with an implementation of Microsoft's Dynamics NAV solution.

The Company

Guhring Ltd, the UK subsidiary of the German giant Gottlieb Guhring oHG, is based in Castle Bromwich Business Park near Birmingham. They manufacture and supply high quality, advanced design cutting tools for all kinds of manufacturing businesses.

With over 30,000 standard products, including drills, taps, end mills and tool holders, Guhring is recognised worldwide for excellent quality, precision manufacturing and outstanding tool performance.

The Challenge

Disparate Systems

With three different software systems in use to operate various arms of the business, getting a clear and consistent view of the quantity and production of stock was nearly impossible.

The accounts team used SunSystems, the sales order processing teams relied on DataEase, and the commercial production department used Filemaker to trace orders.

Yvonne Clune, Accounts Manager at Guhring, found managing the accounts and writing reports an ordeal fraught with potential errors.

"We had to import everything from DataEase into SunSystems using a manual process. This resulted in data errors that we had to find and correct, which was time consuming. We could take orders on one system to find that the account was on hold on another."

ISO 9001

To achieve ISO9001, Guhring needed increased levels of control, improved traceability and better accuracy across the business.

The right software solution was critical to realising this goal. Mike Dinsdale, Guhring MD, explains: *"The old IT systems were both running the business and ruining the business."*

The Solution

The Guhring group in Germany made a decision to replace the software in place in its subsidiaries.

After extensive evaluation of SAP and Microsoft Dynamics NAV, formerly Navision, they concluded that SAP was too cumbersome for its operation.

With only 58 people, the UK subsidiary required a system that was easy to adapt and customise, as well as cost-efficient.

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The UK opted to implement Microsoft Dynamics NAV as it met all of these requirements. To install it, they chose Metaphorix, a local UK Top 10 Microsoft Partner with a strong reputation for quality.

Working with a supportive partner was important to Guhring, as the subsidiary had a narrow three month time frame for the project, from original project scoping, through to implementation and go live.

Everyone from Metaphorix gave them confidence that they knew exactly how to implement Dynamics NAV successfully and that they understood Guhring's industry sector. Metaphorix proved to be a very positive one.

Metaphorix showed deep knowledge of the Dynamics NAV product set and worked hard to ensure the install went smoothly.

The Benefits

The company experienced a number of benefits from the implementation.

Stocks

Guhring now produce regular 'special offer' reports, from the system, which are sent out to distributors to promote slow moving goods and hence reduce unnecessary inventory overhead. Clune explained:

"We've reduced our stock holding by more than 5,000, we've been able to identify slow and non-moving items quickly and efficiently and stock accuracy has improved significantly."

Customer Service

While taking an order, Guhring can see the status of that customer's account on the system.

If there is a problem with the account, Guhring can instantly inform the customer and work with them to rectify the situation, such as settling any overdue debt.

The follow-on benefit is that it vastly improves debtor days.

Ease of Use

The solution has touched every department in the company and has fundamentally transformed the way the business operates.

Staff found a big difference in usability between the solutions.



CLIENT PROFILE —Guhring

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Solution

Microsoft Dynamics NAV implemented by Metaphorix.

Benefits

- Faster access to information.
- Reduce costs and stock holding.
- Improved reporting tools for management.
- Reduced workload through automation of previous manual tasks.

Dinsdale again:

"We thought Microsoft Dynamics NAV did exactly the same as SAP, at a lot less cost. But more importantly, it was far more flexible and far less complex to use."

Integration

The shop floor has benefited from a single integrated solution. All work in progress (WIP) can be easily checked 'live'.

"Previously a WIP report took hours to produce and by the time it was complete it was out of date. The same report is now produced in less than five minutes", said production manager Chris Weston.

"This offers us the ability to tell customers exactly where the product is in the manufacturing cycle and the typical time it will take to get it to them."

The order processing department has also benefited from the new system, as it allows the team to track and trace the status of every quote and order.

Quotes can be instantly converted to orders, so Guhring management can easily monitor its conversion rates.

Time and effort

Complex orders are far easier to process on the new system, as they are saved in detail, which saves re-keying the entry each and every time.

This helps when ordering stock from the parent company. The information built up

within order processing automatically produces the requisition worksheets.

Previously this could take more than an hour per day to produce. Now it takes less than 10 minutes.

Clune also found reporting much easier.

"The new solution has freed up a lot more time for me, so I can be a lot more proactive in providing more in-depth analysis and richer information to management."

ISO 9001

As a transformed company, Guhring has achieved its ISO9001 certification.

Improved Profitability

Migrating the data from all three systems and integrating into one solution gave the company one holistic view of its information.

This yielded immediate stock valuation benefits for Guhring.

"The DataEase programme had an error that caused problems with the stock valuation", said Clune.

"When our stock is incorrect, then our profitability is affected. As this had been happening for a number of years, we'd underestimated our profits."

We didn't know how much until we got Dynamics NAV and it turned out to be more than £40,000 over a three-year period."

For more information about our products and services, please call: **01675 432400**, email us at: sales@metaphorix.co.uk or visit our website: www.metaphorix.co.uk

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 Microsoft Dynamics NAV