



| Centor Products

Centor Products, a manufacturer of sliding door tracking, needed to improve the speed and efficiency of its production operations and administration. Instead of being delayed with time-consuming reports and lengthy monitoring, the company chose Navision Axapta Integrated Enterprise Solution – and the results include significant savings in time and money thanks to automatic updated records and immediate, flexible reports.

Queensland based Centor Products began in 1951 as a small, family-run manufacturing business.

Today, Centor has grown to become a nationally recognised brand and the company manufactures a range of high-quality architectural door hardware, specialising in tracking for sliding and bi-folding doors, and produces over 51 tracking systems and 2500 different items. The company has offices in Brisbane, Sydney and Melbourne, and exports to 19 countries. The company's CEO, Mr. Nigel Spork, attributes Centor success to its strong culture of aggressive product and process development.

Situation

Centor recognised that to become a major industry player, it faced a number of problems with its existing computing system, MFG-PRO from QAD, which had to be resolved. Essentially, the system's user capabilities were awkward and difficult to integrate with other company systems, and were also expensive to modify and maintain.

Nigel Spork explains: "The introduction of a GST (Goods & Services Tax) in Australia meant we had to seriously review the functionality of our existing system. We found ourselves viewing our IT

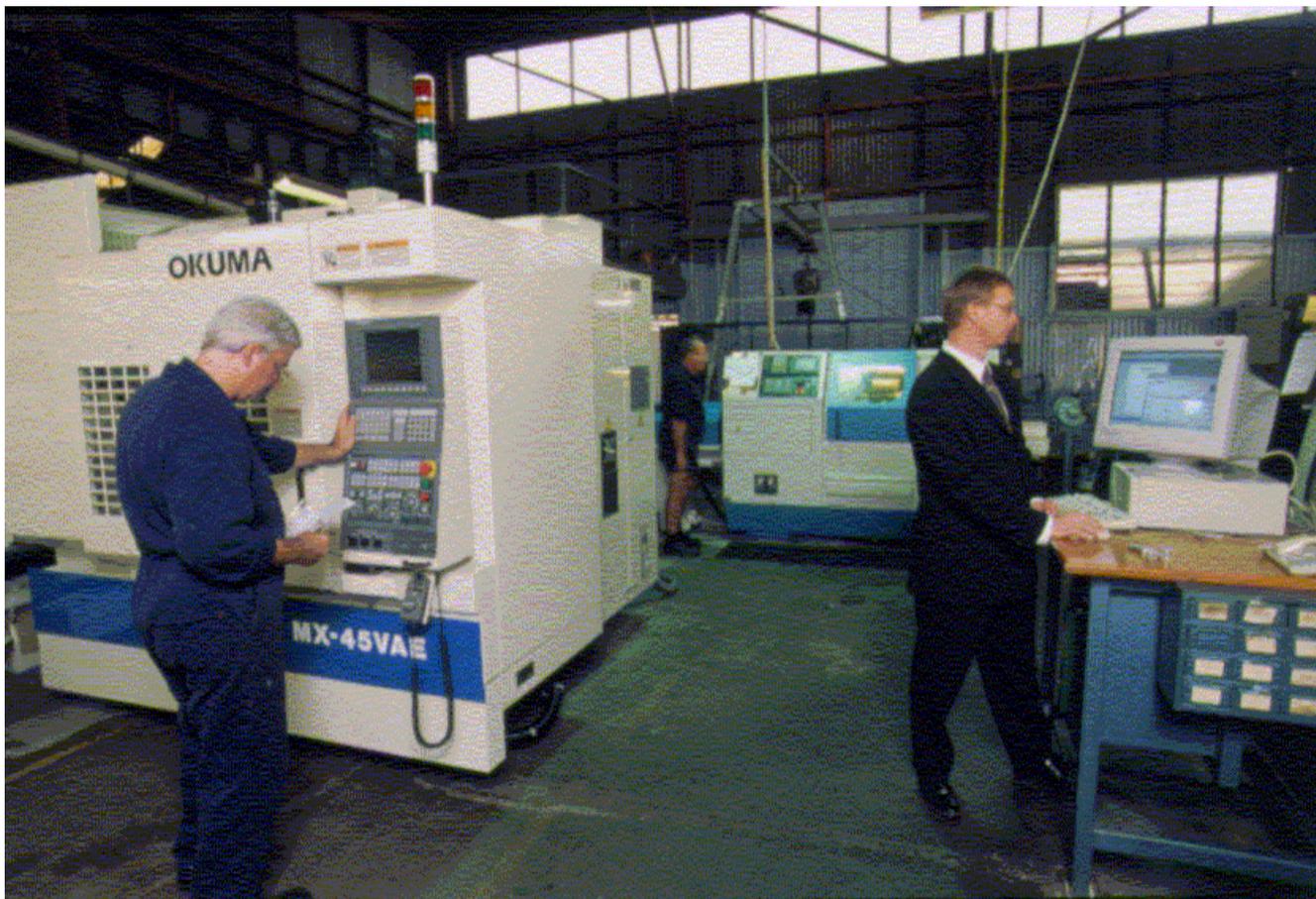
expenditure negatively, as an operating overhead, instead of an enabling, strategic investment."

Objectives

"Because of this and the high costs to upgrade the system, we decided to look for a replacement system that would take us into the future," Mr. Spork says. In doing so, Centor had three main objectives:

- Office integration
- Improved customer service
- Improved tracking and reporting of information.

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"We are able to access trading information such as invoiced sales, outstanding orders and inventory levels in real-time. This has dramatically increased our ability to meet our goal of 100 percent same-day delivery because we can see issues arise and deal with them before they can impact on a customer", Mr. Spork says.

To achieve these objectives, Centor needed a new software program with a smooth user interface, easy integration with Microsoft applications and operating systems, faster transaction processing, flexible reporting capabilities, and low system maintenance costs.

Solution

An authorised Navision business partner, Scalable Data Systems (SDS), introduced Centor to such a product: Navision Axapta Integrated Enterprise Solution.

Nigel Spork was immediately impressed with the Navision Axapta solution. "In our CAD/CAM experience, we discovered that a software package with the right architecture would soon overtake competitive products which may or may not have more features. That's because the right architecture means rapid deployment and reduced maintenance overheads," he says.

One part of the Navision Axapta integrated ERP solution addressed Centor need for remote processing without exorbitant WAN costs, and the

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company selected the Navision Axapta two-tier client/server system. This provides easy integration and remote processing – and massive improvements in customer response time – via a Windows 2000 server, to Centor interstate branches.

The Right Solution

Even greater customer service improvements came when linking the Navision Axapta ERP Solution to the company's Kanban and other production systems, including a CAD/CAM system used by engineering, and the customer interface including fax and email.

Mr Spork explains: "For example, we now print a Kanban production control card – which contains the item number, the Kanban parameters such as minimum stock, order quantity and lead time, the Bill of Material and Routings as well as photograph of the part and a barcode – all from a Microsoft Access table that's directly linked to Navision Axapta. Any change to the information (e.g. BOM) inside Navision Axapta is reflected in the latest print of a Kanban card."

Kanban parameters are used to control inventory from both micro- and macro- economic perspectives. By managing the parameters, Centor's management team can effectively control inventory cost – yet individual supervisors retain the flexibility to set stock levels item by item.

When the part is due to be manufactured, the machine operator scans the barcode and a copy of the latest drawing automatically prints from the CAD/CAM database to a shop-floor laser printer. "This is an essential part of our quality control," says Mr Spork, "and we only manufacture from the latest drawing."

The operator then records the process times on the drawings and these are entered into Navision Axapta, which automatically adjusts inventory and the general ledger.

"Navision Axapta's design philosophy of stringently complying with Microsoft's specifications makes this whole process surprisingly easy for us," Mr Spork says. "We are free to focus on business processes and parameters, rather than supporting IT."

Implementation of an Integrated System.

During implementation, SDS worked closely with Centor and after only one week of off-site preparation, it took just three weeks to set up and train the 20 staff that uses the new program.

Additionally, SDS had the facilities in Navision Axapta to deal with multiple scripts that needed to be written for Centor's huge amount of data conversion. This effort was highly successful, thanks in large part to Navision Axapta's Microsoft compatibility, which enabled a smooth transition of a million general ledger transactions.

Benefits

Since full implementation of Navision Axapta Integrated Enterprise Solution on March 1, 2000, Centor's business-to-business capabilities have improved enormously and Mr Spork enthuses about the management control and superior speed at which the company now conduct its operations.

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invoiced sales, outstanding orders and inventory levels in real time”, he says. “This has dramatically increased our ability to meet our goal of 100 percent same day delivery because we can see issues arise and deal with them before they can impact on a customer.”

Another benefit is the time saved in compiling information on key performance indicators, such as sales, back orders, inventory, production levels and receivables, that are key to running Centor’s business. Compiling daily statistics used to take Centor staff an hour each day. Using Navision Axapta, information is published automatically by a specially designed ‘Centor Console’, which takes about three seconds to calculate vital data. The information is displayed “live” and updated every two minutes, so users keep it on their screens constantly.

Additionally, it used to take 45 minutes to calculate an inventory valuation report for all company warehouses – then a further half-hour to print the 1.5” thick report. Using Navision Axapta, the warehouse summary is displayed on the ‘Centor Console’ constantly, in real-time.

Savings – The Bottom Line

As a result of these and other improvements, Centor’s customers are receiving a greatly enhanced service – and Centor is saving money from its investment in Navision. Nigel Spork estimates these savings total \$40,000 per annum in labour alone with an additional \$25,000 a year saved in IT overhead and \$10,000 in printing/ mailing costs. Even having only recently implemented Navision Axapta, we are already seeing productivity gains through streamlined inventory

management both in Manufacturing and Distribution. We expect that this will allow us to maintain present levels even with significant sustained annual growth.

These savings leave him without doubt that Navision Axapta solution has opened many new doors for Centor’s business, giving him more comprehensive, as it happens control of his operations and more time to concentrate on strategic planning to take Centor into the future.

“Instead of struggling just to report the company’s vital information on time, Navision Axapta has freed us to focus on continually improving our work practices and adding value to the business.”

About Navision

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Navision a/s a leading provider of end-to-end e-commerce and collaborative business solutions to mid-sized companies. Navision has a global customer base of more than 120,000 installations and a strong international sales channel of more than 2,000 business partners. The company’s main product lines are:

- Navision Axapta
- Navision Financials

Navision was created through the merger of Navision

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Software and Damgaard in December 2000. Its shares are listed at the Copenhagen Stock Exchange (CSE:NAVI). The company is headquartered in Vedbaek, Denmark.

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