

At a Glance

The Company

Astore Keymak

A MEMBER OF THE **Hudaco** GROUP

Industry Sector

Kitting and Manufacturing

Thermoplastic pipe fittings
Valves
Pipeline accessories
Plastic welding equipment
Plastic pressure fittings
Mining and irrigation hose & accessories

The Challenge

Rapid Growth

An ERP solution capable of meeting current needs and accommodating future plans

On-line, real-time access to information throughout the company

The Solution

Embrace end-to-end ERP Solution

Embrace a simple and managed manufacturing process

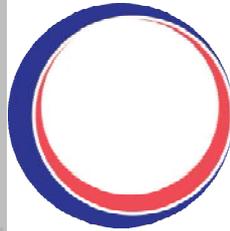
The Benefits

The Embrace Reorder report resolves all procurement challenges

IBT'S are now better and more efficiently managed than ever before

Streamline business process and consolidate financial reporting

Astore Keymak embrace improved performance, profitability and growth!



Astore Keymak

a member of the HUDACO Group

"Driven by quality; Delivered by experience!"

The Company

Astore Keymak – a member of the **Hudaco Group** - is the leading supplier in Southern Africa of the most comprehensive range of thermoplastic pipe fittings, valves, pipeline accessories and plastic welding equipment. Quality products are supplied to most industries including mining, manufacturing, chemical, irrigation as well as all industries utilising pressured piping systems.

The company also manufactures quality plastic pressure fittings under the KEYFIT brand name which conforms to recognised local and international standards, and includes compliance with the ISO9001 standards.

Keymak, recently acquired by the group, manufactures PVC mining hose, anti-static hose, gas hose, fire reel hose and dragline hose - for use in mining, industrial and agricultural applications and holds both SABS and ISO certifications.

The company's success has been achieved through forging close relationships with customers and by providing integrated solutions which combine product excellence, complete technical support and dedicated customer service. The company's marketing strategy has been based on the principle of analysing customer needs and maintaining adequate stock to supply the right material for an application at the right price, without sacrificing quality and performance for the end user.



The Challenge

Prior to Embrace

Prior to implementing Embrace, Astore were using two separate systems - an ERP and stand-alone Point-of-Sale system. The two systems were manually updated at night and the day-end was run the following morning, which meant that users could not transact until it was complete. As it was not an on-line, real-time system management and users did not have access to live sales, stock, debtors and other critical data.

The company performs many inter-branch transfers (IBTs) and users never had a true reflection of up-to-date stock status or stock location. Branches were often out of stock on their "bread and butter items", causing customer frustration and loss of revenue.

Rapid Growth

Astore Keymak were expanding their branch networks and acquiring new customers. This rapid growth brought increased pressure and Management realised that its systems were no longer suitable and that a lack of control and flexibility were, in fact, starting to restrict growth.

"We reviewed our old systems and, in terms of running a modern business, their deficiencies were evident," says Andrew Smith – Financial Director. **"For instance,"** he notes, **"we did not have access to real-time information, nor visibility into stock status which prevented us from making critical business decisions."**

Meet current needs and accommodate future growth

The company sought a single, centralised and integrated manufacturing, kitting, distribution, sales and financial application that was configurable, customisable, quick to implement and scalable for both current and future operations.



“The biggest benefit to Astore Keymak is that Embrace is real-time, comprehensive and fully integrated!”

“We have access to accurate, reliable, real-time data at any time!”

“The Embrace Reorder Report has resolved all our procurement challenges and enabled us to cut time for shipment ordering by 75%!”

Shane Rheeder
IT / Systems & SHEQ Manager

The Solution

A fully integrated, single, centralised “live” system

To provide the crucial management control required, Astore Keymak selected the Embrace end-to-end, fully integrated ERP system and implemented all the modules to embrace financials, forecasting, procurement, manufacturing, sales and distribution, along with a 64 concurrent user license.

“Many different systems were considered but no single standard package could meet the company’s complex requirements. Embrace was the closest fit and had the most comprehensive functionality, but the biggest plus was that it could be configured, customised and tailored to an exact fit for our business, easily and cost effectively”, explains Shane Rheeder – IT / Systems & SHEQ Manager.

Embrace a simple and managed manufacturing process

Within Astore Keymak, several components are combined to produce one product, such as a valve or hose. The company did not need a complex manufacturing solution, but rather a simple and managed process that combines several components, packaging and labour, with all the costs rolled up into the finished product.

The Embrace Reconfigures/Kitting module met these requirements. Users are able to set up a BOM (Bill of Material) beforehand, which immediately pulls into the transaction and when issued goods are not sufficient, Embrace produces an “exceptions report”. Typically there are no “exceptions”, as Embrace Forecasting uses the demand created by the components rather than the final product for procurement planning and produces reliable suggested reorder reports which are easily converted into orders.

The Benefits

“The biggest benefit to Astore Keymak is that Embrace is real-time, comprehensive and fully integrated! We no longer need to wait until after hours to run a sales report, a stock status report or any other report. We have access to accurate, reliable, real-time data at any time!” – Shane Rheeder – IT / Systems & SHEQ Manager

Embrace Reorder Report resolves all procurement challenges

Embrace provides a suggested reorder report for both international and local suppliers and is run on a weekly basis. This used to be run on Excel – which was cumbersome, inaccurate and time-consuming. The company carries in excess of 12,000 line items and can receive any one product from three different international suppliers. Embrace tracks preferred suppliers, alternative suppliers and their lead times. **“The Embrace Reorder Report has resolved all our procurement challenges and enabled us to cut time for shipment ordering by 75%!”** notes Rheeder.

The ability to set “buyer limits”, on Embrace, has provided the company with better control. Limits are set per supplier, per category and per order, preventing buyers from placing orders above specified values, and should they exceed this limit an authorisation code is required.

Another key strength is that management has complete visibility, real-time, throughout the system, with drill down to source documents, and are able to see stock on order, shipment and expected arrival dates, along with stock status, per warehouse, per branch or for the entire company. Quick access to accurate information enables informed mission-critical business decisions to be made, ultimately affecting the bottom line.



“Embrace Reports are comprehensive and one of the biggest benefits, enabling us to manage the entire business.

“We are able to get all the information we need from Embrace and in the format we need it.

The information is accurate and consistent, and with real-time actionable visibility into warehouse, branch and business operations has enabled us to improve overall operational effectiveness!”

**Andrew Smith
Financial Director
Astore Keymak**



IBTs' are now better and more efficiently managed than ever before

Embrace has enabled Astore Keymak to ensure that there is always sufficient stock on hand. “Before implementing Embrace we were always out of stock, especially on our bread and butter items,” explains Rheeder. “Thanks to Embrace, that is now a problem of the past!”

The movement of goods between the different branches was a frequent activity for Astore Keymak. Embrace provides the company with superior management of its inventory with goods in transit controls, stock enquiries across multiple warehouses and branches as well as inter-branch transfer (IBT) functionality.

With the previous system, IBT's were difficult to control and if a branch sent stock to another branch by mistake or without the goods being requested, the branch receiving the goods, took the loss. Now, with Embrace “in transit returns” functionality, these costs are correctly allocated.

Ensure the right stock at the right place at the right time and at the right price

The Embrace “overstocked” report helps ensure that the right stock is in the right place at the right time and as each branch has the correct stock levels of all products, IBT costs have been significantly reduced.

In the event that a branch is out of stock of a particular product, Embrace “alternative stock” identifies which branch has the required stock and enables the product to be sold and delivered directly from that branch – saving the company costs and providing the customer with superior service.

Streamline business process and consolidate financial reporting

“Embrace Reports are comprehensive and one of the biggest benefits, enabling us to manage the entire business,” states Smith. The reports are scripted into the day-end and relevant reports automatically emailed to the correct people every evening, saving a lot time, putting critical information at their fingertips and reducing paper usage by at least 70%! **“We are able to get all the information we need from Embrace and in the format we need it. The information is accurate and consistent, and with real-time actionable visibility into warehouse, branch and business operations has enabled us to improve overall operational effectiveness,”** continues Smith.

Superior service and support

Embrace has helped improve internal processes, along with key customer performance measures such as lead time, order fill and delivery performance, enabling Astore Keymak to exceed customer expectations and expand market share.

“Embrace has assisted us to transform our business into a well process driven business with process structures and balancing to ensure we meet our customer demands in offering a Quality product as well as a Quality service,” adds Rheeder.



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Shane Rheeder
IT / Systems & SHEQ Manager
Astore Keymak

User-friendly. flexible and intuitive

When first implementing Embrace, there was, as can be expected, a lot of resistance to change. However, due to the level of training received, users were able to quickly and easily master the Embrace system and have now been successfully converted. **“All new staff love Embrace! They like the interface of the screen and the ease of access to information and the reporting,”** states Rheeder. He further explains that during a short 2 hour training session, new users are taken through the entire system, shown how to use it and how to perform their job functions. After that they are fully trained and fully productive. Embrace is extremely user friendly!

Return on Investment

In terms of return on investment, Embrace has more than paid for itself! There has been significant time savings and overall operational efficiency has improved. **“Embrace is a sophisticated system with endless possibilities and has provided Astore Keymak with a competitive advantage that has allowed us to grow and expand,”** lauds Rheeder. We are almost totally self-sufficient and are able to bring new users, divisions and branches onto the system ourselves,” adds Rheeder.

The Future

Astore Keymak is currently in the process of upgrading to the latest release of Embrace, i.e. Version 14. There are many enhancements and new features that the company will benefit from, including the enhanced Cashbook module with a consolidated view of all cashbook accounts and integrated EFT output as well as the VAT IT14SD functionality, which will help save time, ensure



compliance and accurately record, report and balance VAT related transactions. To further ensure faster processes and ease-of-use, the revised and enhanced screens will allow users to see all the information they need, presented on one screen, for example, they will be able to do a stock status enquiry, a debtors' enquiry, notations, etc. without having to move between screens. Another huge benefit are the “user exits” in Version 14 which will help reduce future costs of all upgrades and service packs.

Upgrading to Embrace Version 14 will ensure that the company continues to grow and expand by taking advantage of the latest technology and innovations, keep business processes up-to-date and extend business capabilities – **“the possibilities are endless!”**

“Apart from improving the overall running of the business, Embrace has also had a major impact on the overall management of the business and has enabled us to meet customer needs and deliver dedicated customer service! Embrace helps us ensure that we maintain adequate stock to supply the right material for an application at the right price, without sacrificing quality and performance for the end user,” concludes Pranesh Maniraj - Managing Director - Astore Keymak

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