



Embrace ERP drives immediate business value for Powertrain Truck Spares

“The biggest benefit of Embrace is the level of stock control, the reliability and system stability. We have been able to reduce our stockholding and still meet customer demand. We have not lost a single sale due to parts being out of stock since using Embrace Auto Procurement.”

Pierre Schoeman - Managing Director - Powertrain Truck Spares



Embrace enables Powertrain Truck Spares to successfully



Industry Sector



The Challenge



The Solution



The Benefits



Why Embrace?

- ✓ Manage in excess of 4 000 line items
- ✓ Reduce shipment ordering time by 75%
- ✓ Achieve 100% order fulfilment
- ✓ Increase sales and revenue

- Sales & Distribution
- Truck Spares | Gearbox & Diff Parts

- Separate systems with no visibility into stock status or stock location
- Excessive stockholding
- Balancing supply and demand at individual branches

- Embrace ERP end-to-end real time solution
- Integrated Forecasting and automated Procurement
- Complex part number management

- Reduce working capital and increase sales and revenue
- Reduce stockholding and still meet customer demand
- Streamline and automate business processes

- Local ERP solution, local support and availability of implementation resources
- Functionality to support forecasting, automated procurement and distribution

The Company

Powertrain Truck Spares has been supplying the South African Trucking industry with OEM (Original Equipment Manufacturer) and genuine equivalent replacement truck spares, at competitive prices, since 1999. With a network of branches and distributors throughout South Africa they are able to provide their customers with the level of support they need to succeed in a very competitive industry.

Powertrain maintains a comprehensive catalogue which includes gearbox and diff parts for Volvo, Scania, Mercedes, ZF, Eaton, Fuller and Rockwell. Parts for older models, the latest models and everything in between are provided for, enabling their customers to keep their fleet vehicles on the road.

With an extensive stockholding country-wide, Powertrain relies on Embrace to ensure their customers get the right part at the best price, when and where they need it. This combined with excellent service enables them to offer unbeatable value.

The Challenge

To achieve their business goals Powertrain needed a robust, reliable and integrated system that catered for their unique industry and business requirements.

The system would need to streamline and automate critical processes, grow and adapt with the business and help optimise customer service.

Previous system presents multiple challenges

Their previous system was unreliable, would hang and regularly drop users, causing them to lose everything they were working on. This resulted in employee frustration, wasted time and erroneous data.

Finance and operations were not integrated which meant that information across the business had to be merged and updated in Excel. The many manual processes led to challenges in productivity, efficiency, cost management and customer service.



Implementing an ERP system during COVID-19 lockdown presented a unique set of challenges, but the results were well worth it.

Liezel De Fouw - Finance Manager
Powertrain Truck Spares



Excessive stockholding

Powertrain purchases and distributes over 4,000 different line items per month. Previously this process was time consuming and inaccurate. Orders were placed based on sales history, feedback from the different branches and other unreliable data.





This, combined with no visibility of lost sales and inaccurate stock levels, led to wrong parts, obsolete parts and incorrect quantities being ordered which left the company with excessive stockholding.

“Forecasting and procurement processes needed to be streamlined and automated and this was the driving force behind sourcing and implementing a new system”, explains Clayton Landman, Procurement Director, Powertrain.

Zoom in on a lockdown implementation

Implementing an ERP system, company-wide, during the COVID-19 pandemic and various lockdown levels presented a unique set of challenges. Everything, from the needs analysis, system setup, implementation and user training needed to be done remotely, leveraging virtual conferencing platforms. The team could not implement Embrace using their ideal methodology and the whole process took longer than originally anticipated. ***“Everyone pulled together, we went live and the results were well worth it”***, says Liezel De Fouw Finance Manager, Powertrain.

The Solution

A fully integrated, single ERP system

Powertrain implemented the reliable, robust and fully integrated Embrace business management solution. The system, straight out of the box, met their complex industry specific and business requirements. Most importantly, the software is modular, modern and scalable, able to easily grow with the company and help it to realise its long-term vision. Other advantages include barcoding, scanning and e-commerce support.

Complex Part Number Management

Critical functionality includes alternate part numbers, substitutes, supersessions and an extensive catalogue. Their previous system only supported OEM part numbers.

Now, with Embrace, Powertrain are able to create their own part numbers and linked them to the OEM part number. All customer quotes list their unique part numbers which has helped with customers who are price fishing. De Fouw explains ***“using our unique number, customers cannot find the part cheaper elsewhere and this has helped to increase sales.”***

With access to accurate, real-time information users are able to track unfulfilled orders, reserved or ordered stock. Embrace provides clear visibility of what parts are at which branch as well as all goods in transit.

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Pierre Schoeman - Managing Director
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The Benefits

While Embrace has given Powertrain Truck Spares a relatively smooth ERP ride, making the company more efficient across all levels, Landman believes that ***“Embrace’s forecasting and automatic procurement capabilities have been a real game changer!”***

Automated forecasting, procurement and distribution power profitability and efficiency

Embrace advanced Distribution Requirements Planning (DRP), Forecasting and Auto Procurement have saved Powertrain a lot of time and a lot of money. Landman describes how it used to take an entire month to prepare and place orders. As he finished he had to start the process all over again for the following month. All the information would be loaded into Excel, where the data would be manipulated and the orders generated but the data was never accurate and the wrong parts were often ordered.

“Now, with Embrace, the whole process takes one week, which translates to a 75% time saving, every month!”

“What’s more, our orders are right! We have complete visibility, with drill down, and the graphics are impressive. Embrace prevents us from ordering the wrong parts which has resulted in a huge cost saving”, states Landman.

This has also led to a reduction in working capital. ***“It’s still early days but we can confidently state we have already achieved a capital saving of least 5%”***, declares De Fouw.

“Embrace’s forecasting and automatic procurement capabilities have been a real game changer.

We have benefitted from a 75% time saving and a huge cost saving.

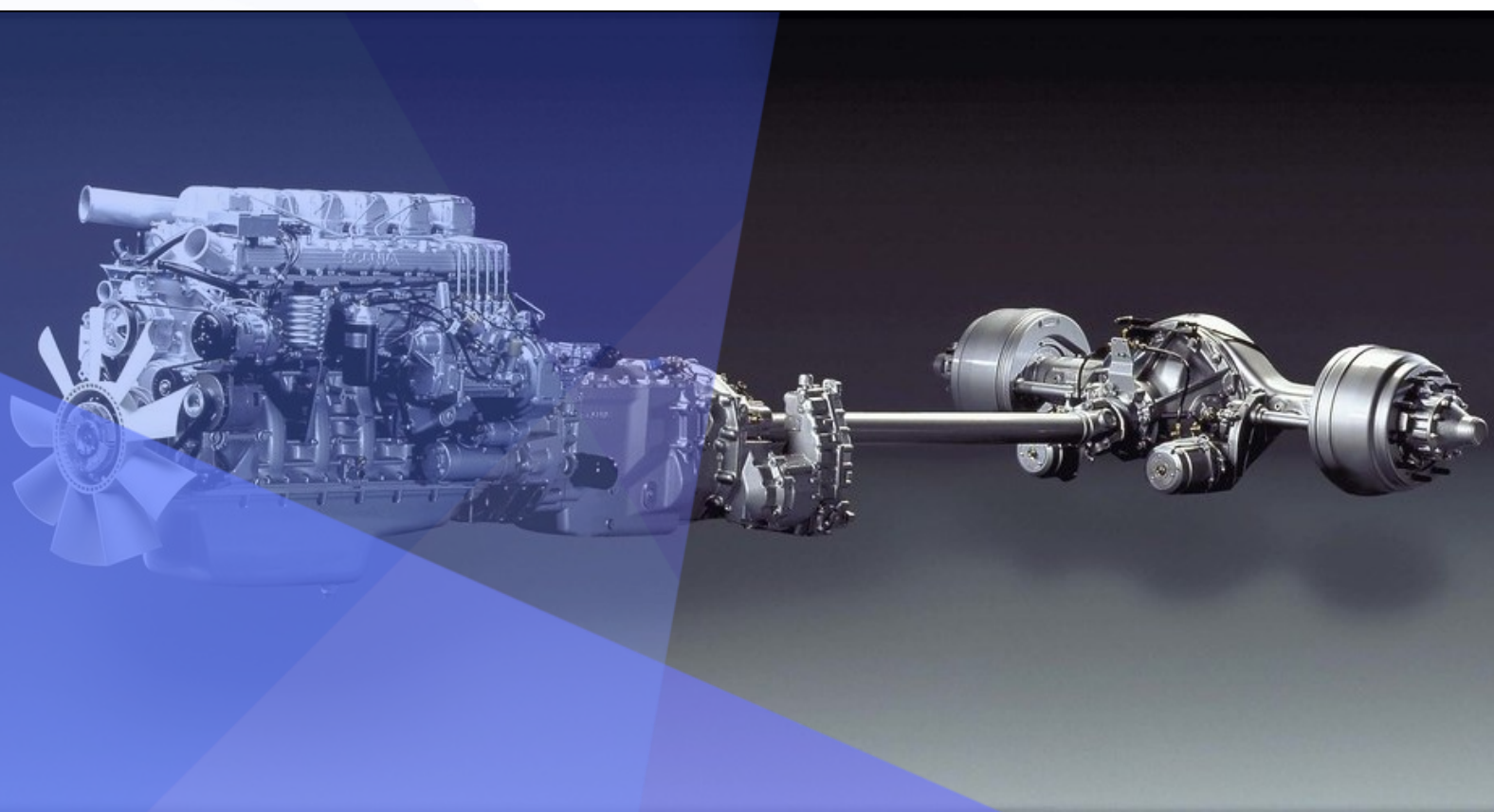
Clayton Landman - Procurement Manager
Powertrain Truck Spares



When the company runs low on critical items, Embrace takes lead times into account and recommends which items should be ordered via air or sea freight, ensuring all parts arrive timeously. Previously out of stock parts were purchased from local suppliers at a premium price.

“Now that Embrace takes care of this, we no longer need to buy locally and this too has saved the company a lot of money,” adds Landman.

During the course of the pandemic, manufacturers lead times changed and there was a shortage of parts which necessitated some manual intervention. With full visibility into stock status countrywide, alternative suppliers worldwide and the ability to update lead times, the entire process was easier to manage and Embrace prevented the company from under or over-ordering.



Accurately balance supply and demand to boost sales

Pierre Schoeman, Managing Director at Powertrain describes how one of their biggest challenges was ensuring that they had enough of the right stock at each branch and one of their biggest costs was using an overnight courier service to get the required parts to them.

Embrace has changed that. The company now has visibility into which parts the different branches are selling as well as sales lost due to insufficient or no stock. Based on this, each branch receives the stock they actually need and this has helped to dramatically cut costs, increase sales and improve customer service.

“Because we have the parts in stock, we can supply immediately, which means we have a happy and returning customer”, explains Schoeman. *“We have a 30% savings on overnight courier costs and sales revenues have increased. The entire company is benefitting from the system.”*

Embrace delivers 100% uptime

Another huge benefit is that Embrace delivers a stable and robust environment. There is no downtime and no being locked out of the system.

“With Embrace, if you lose your connection, nothing happens. It picks up where you left off and you carry on – you lose nothing. We don’t waste time and our data is always 100% accurate,” affirms Landman.

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Simple and easy to use

“Embrace is easy to use and easy to access”, adds De Fouw, explaining that you can log in from anywhere, at anytime. Previously users were forced to log in from the terminal on their desk, as logging in from anywhere else required additional user licenses. They really like the Embrace concurrent user license model and find it convenient and cost-effective.

“Staff buy-in to the new system exceeded all expectations and staff morale has improved enormously. While we are new to Embrace we are already realising so many benefits from the system and I am confident that going forward we will reap even more,” continues De Fouw.

100% Order Fulfilment

“For me, the biggest benefit of Embrace is the level of stock control, the reliability and system stability.” We have been able to reduce our stockholding and still meet customer demand. We have significantly reduced loss of sales due to parts being out of stock since using Embrace Auto Procurement”, states Schoeman.

Landman adds that another huge benefit is the landed cost accuracy. This has enabled the company to be more competitive while still maintaining profit margins.

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The benefits of Embrace flow through the entire company.

We are proud to say that implementing Embrace ERP was the right decision!

Liezel De Fouw - Finance Manager
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Positive ripple effect throughout the company

“*The benefits of Embrace flow through the entire company*”, adds De Fouw, explaining that since using Embrace there has been an enormous time saving for all staff and a massive increase in efficiency. “*Embrace has made everybody’s job so much easier and reduced frustration. We are now able to use our people more effectively. We are proud to say that implementing Embrace ERP was the right decision!*”

Service beyond excellence

Initially there were some issues but there was always somebody to talk to and all issues were quickly addressed and resolved.

“*We are very happy with the support and believe we have a good win-win relationship with ACS-Embrace,*” states Schoeman.

Future Plans

The company is in the process of implementing barcoding. “*We have already started scanning in parts from shipments we’ve received which has contributed towards a 50% time saving,*” states Landman.

Powertrain’s future technology and operational plans are fully supported by the current Embrace offerings. The company is planning to implement the Embrace Warehouse Management Solution (WMS) followed by the e-commerce solution which will help the business to leverage new market opportunities and shift resources.

“*It’s an exciting time for the business, and Embrace will play an integral role in our continued growth journey,*” adds Schoeman.

Embrace ERP, with integrated forecasting and automated procurement delivers

- 100% uptime
 - 100% elimination of data silos
 - 100% data accuracy
 - 100% order fulfilment
 - 75% time savings
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