Sage 500 ERP | Customer Success

SpecPrint, Durable Decal Maker, Is Stuck on Sage 500 ERP

SpecPrint, Inc. has cornered a unique niche market—manufacturing long-lasting adhesive labels. The decals that identify vacuum cleaners such as Kirbys come from SpecPrint. So do the labels on Murray lawnmowers, Champion oil filters, and numerous big-name household appliances.

Founded almost 60 years ago as the John Deal Company, the family-owned company originally printed transfers on ceramic plates. Today its high-quality silk-screened decals go on everything from tiny insulator labels for power lines to enormous control panels with operating instructions for heavy machinery. Utilizing substrates from paper to polycarbonates, SpecPrint can do just about any printing project. High-end nameplates are printed in reverse on a polycarbonate subsurface, then laminated with an adhesive on top of the ink, making the end-product practically indestructible.

Sticky Operations

SpecPrint had run its accounting on an AS/400-based package for years. But the system had a major drawback. It couldn't handle "coproduct" manufacturing—when two products are made from a single order. Lawn mower hood decals, for example, often consist of mirror-image versions for either side of the mower. They must be tracked as separate part numbers yet manufactured from the same order.

The weaknesses of the legacy system resulted in constant overages and duplicate shipping. The last straw, however, came when the vendor stopped supporting the product. SpecPrint searched for a replacement that was PC-based, integrated all manufacturing, inventory, and accounting functions, and most importantly, provided coproduct management. Sage 500 ERP* was a perfect match.

No-Stick Operations

SpecPrint uses Sage 500 ERP to receive raw materials, compare Purchase Order data information with the Accounts Payable voucher, and set up routings for production. When a customer puts in an order and sends artwork, the system delivers data to the scheduler and transfers instructions to the shop floor. Labor, material, and overhead costs are applied to the job at hand for accurate job costing, which results in increased profitability. Parts are tracked as they go into inventory and shipping, where Sage 500 ERP generates invoices.

*Sage 500 ERP was named Sage ERP MAS 500 when SpecPrint, Inc. initially implemented this solution. The product names have been updated in this case study to reflect current naming.

Customer
SpecPrint, Inc.

Industry
Durable label manufacturer

Location
Mt. Juliet, Tennessee

Number of Locations
One

Number of Employees
80

System
Sage 500 ERP

Challenge
Secure a PC-based system that provides streamlined integration of manufacturing, inventory, and accounting functions and can easily accommodate coproducts.

Solution
Sage 500 ERP financial, distribution, and manufacturing modules.

Results
Streamlined integration from A to Z; fast and precise reporting; no more coproduct errors; more accurate replenishment; improved cash flow; 10% savings in manufacturing costs; 20% savings in administrative costs.

"Sage 500 ERP is organized the same way that we are, so we didn't have to change our operational structure to make it work," says David Tompkins, manager of IS at SpecPrint. "Everything is interconnected. It's simple to run month-end reports, income statements, and balance sheets. We can export data to Excel® and Word, look at customer shipments, and easily create terrific-looking charts and graphs—things that were downright ugly before."

Sage 500 ERP is helping profitability. "We no longer double-produce items or double-ship, because the system understands the coproduct concept, links part numbers to sales orders, and gives appropriate instructions to the shop floor," Tompkins says. "Finished goods inventory is automated now, so we no longer have the errors that resulted from manual paper entries. These two factors alone have trimmed 10 percent off of manufacturing costs. We're saving another 20 percent in administrative labor, too."

Reordering raw materials was formerly done by hand. Employees checked raw goods in stock, spread them out, and compared them with jobs on hand to calculate how much was needed. The Material Requirements Planning (MRP) module automates this function for more accurate replenishment. "We've cut our raw goods inventory in half with MRP, with corresponding benefits to our cash flow. I anticipate even more improvements as we get more adept with the system," Tompkins comments.

"Sage 500 ERP brought us into the twenty-first century," Tompkins says. "It's cleaned up the way we do business and streamlined our operations. Now we have an end-to-end system that gives us total control, with improvements that are visible throughout the company."

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>
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About Sage

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. At Sage, we live and breathe business every day. We are passionate about helping our customers achieve their ambitions. Our range of business software and services is continually evolving as we innovate to answer our customers' needs. Our solutions support accounting, operations, customer relationship management, human resources, time tracking, merchant services, and the specialized needs of the construction, distribution, manufacturing, nonprofit, and real estate industries. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs 12,300 people and supports more than 6 million customers worldwide. For more information, please visit the website at www.SageNorthAmerica.com or call 866-996-7243. Follow Sage North America on Facebook at: http://www.facebook.com/SageNorthAmerica and Twitter at: http://twitter.com/#!/sagenamerica.

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