Haven Manufacturing Deploys OptiProERP to Improve Data Visibility and Forecasting

Customer Success Story:

Haven Manufacturing Corp.

Overview

For 17 years, Haven Manufacturing Corp. relied on a previous ERP system (Made2Manage) and manual processes to manage its business operations. The legacy system didn't provide customer or industry segmentation or automated workflows and ran like a paper-filing system. Haven Manufacturing deployed OptiProERP with SAP Business One, gaining a more modern and easy-to-use ERP that provided manufacturing functionality, including MRP, forcasting, shop floor execution, more data visibility and real-time reports for data-driven decision making.

HAVEN® Integrated Tube Processing Systems

Key Benefits

- Gained a single, end-to-end business system with manufacturing functionality
- Increased visibility across customers and industry segments that improved forecasting
- Eliminated manual data input, saving time and freeing employees for other tasks
- Gained Material Resource Planning functionality, improving inventory management and purchasing
- Increased employee adoption with modern, easy-to-use, and intuitive ERP
- Automated workflows, speeding production insights that also improved customer satisfaction, saved time, and lowered error rates
- Shortened sales quote times with access to real-time data, pricing history, and shop floor productivity data
- Gained real-time shop floor data allowing management to view production costs instantly rather than in 7 days
- Improved decision making with data visibility across the organization

> With OptiProERP, information is now fingertip available. We don't spend time getting the data; we spend time making decisions about the data.
>
> **Steve Thiry**
> President
> Haven Manufacturing

CHALLENGES

For more than 70 years, Haven Manufacturing Corp. has made high-volume industrial machines that its customers use to cut pipe and tubing for chair legs, metal warehouse shelving, conveyors, and auto and aerospace parts, among other products.

COMPANY	Haven Manufacturing Corp.
HEADQUARTERS	Georgia
INDUSTRY	Industrial Tube Cutting

Its machines cost anywhere from $100,000 to $1.5 million; some cut as many as 7,000 parts per hour. Haven makes these machines, with 700 or so parts it manufactures with its own machines, plus some 1,000 parts it purchases. Some of its machines can be more than 100 feet long.

Haven also services the machines it makes and has an item list and details covering some 70,000 parts, which are made to order when needed.

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"The machines we make are used to make folding chair and table legs sold in Costco and Sam's Clubs, shock absorbers on cars, fuel lines for aircraft, and 90 percent of the rollers used in 12 million steel shelves in Amazon warehouses," says Steve Thiry, president."At some of our customers, we're the primary machine operating, so if a machine isn't running, people stand around not cutting. So having the machinery online is extremely important."

Haven Manufacturing has few competitors in its market segments, and has earned a reputation as a highly reliable operation, says Thiry, who joined the company in 2019.

For the past 17 years, Haven Manufacturing has operated on an on-premise, antiquated ERP system (Made2Manage) that wasn't implemented properly and operated much like a paper filing system. The system was reaching end-of-life and ran on Windows 7, which faced limited virus protection. Their previous system didn't have any material resource planning functionality, it was hard to extract meaningful data, and operations were largely manual and paper-based, Thiry says.

"The older system was not set up to segment the business information as I would have liked it," he says. "We have about eight product groups, and I wanted purchasing and profitability data that the ERP was not correctly structured to pull."

For example, he says, some of its machines have run for 45 years, and Haven needs to make spare parts and provide consumable items like blades, dyes, and brushes to keep them running. "Being able to deliver those when needed is essential, but having the information about consumables tells us how much the machines are running."

Lacked Data Visibility

That information is a great lead indicator for what's happening in a specific market segment and valuable for product planning and forecasting. "After a certain amount of time, components need to be replaced, and having that information helps us manage our business," Thiry says.

The existing ERP did not provide that information; it would have to be manually researched and analyzed, a process that took several hours.

Manual research and exporting of data were required to understand essential metrics about how the business was doing or what opportunities were ahead. "If I wanted to see how many quotes in the last 90 days were for autos or furniture, I had no ability to do that other than having someone going through and adding them all up," Thiry says. "No one wants to spend time getting the data; you want to spend time making decisions about the data. It should be fingertip available."

On the shop floor, task completion was reported manually with paper turned in at the end of the week to an employee who would take three hours to enter it into a computer. On Monday, someone checked to ensure everything was accounted for, prompted workers for any missing information, and hoped employees would accurately remember what they did five days ago.

"We needed electronic recording to give us the ability to more efficiently understand where we were in production," Thiry says. "Are we 20 percent done; or 80 percent done? Where are we?"

SOLUTION

Modern, Easy-to-Use ERP

Haven needed a modern, easy-to-use business system that provided in-depth manufacturing visibility, offered an MRP, and had real-time reports providing customer profitability and data segmentation. Executives evaluated Rootstock, Workwise, and OptiProERP, choosing OptiProERP for its modern user interface and ability to provide real-time data.

"OptiProERP had a front-end interface that had a fairly intuitive Windows look that we thought would be easy for employees to adopt," Thiry says. "It also looked easy to pull metrics, drill down in terms of different product areas, and included dashboards we could use to monitor the business on a live basis to understand what's happening."

Haven Manufacturing deployed OptiProERP during the Covid 19 Pandemic, resulting in a remote implementation that took longer than anticipated. Despite that complication, "OptiProERP did a good job supporting us," Thiry says.

Part of the implementation included cleansing its data, a task that happens with most ERP implementations. Haven discovered that in its legacy system, data was not entered consistently in the same fields during the 17 years it used the system.

"There's always some changes you need to make your business more effective," says Thiry, who implemented three other ERPs at prior companies. "We needed to standardize data, facilitate and enforce it. When you move to a new system after ten years, many people don't remember why or what was done. That always occurs."

What they found, he says, "was how many workarounds there actually were."

BENEFITS

Real-Time Data, Visibility for Better Decision Making

Those workarounds, Thiry says, "drove home how important it is to have information in the same place so anyone could retrieve it."

With new data management processes in place, Haven Manufacturing increased data visibility. It can segment customers, industries, and products by profitability, which allows executives to understand which segments are growing or contracting and where profit margins are higher.

The company didn't have that in-depth data without manual research and spreadsheets, which took hours or days to compile and analyze. For example, one custom report that provides critical business information took an hour each day to produce and is now completed in just seconds.

"Now, we can make decisions faster," Thiry says.

They also have information that allows them to forecast and plan better. Haven segments its business into eight areas with more than 500 customers worldwide. Its business is cyclical, so it is critical to understand what industry is expanding or contracting, and what machines require more service or are reaching the end of life.

"Traditionally, forecasting was not done with real-time data; we relied more on tribal knowledge of historical things, which didn't effectively allow us to see changes coming up in the marketplace," Thiry says. "If we wanted to look back in the last 90 days at how many auto quotes or furniture quotes we did, we had no ability to do that other than having someone go through and add them up. That information is now fingertip available. We don't spend time getting the data; we spend time making decisions about the data."

Now that information flows immediately into OptiProERP, executives better understand operational costs. Because the company makes a small number of different machines a year that are built-to-order, it takes a while to build up historical data per machine to draw from, Thiry explains.

"In the last 18 months, material costs have been incredibly volatile, and now we have information available to see if we have to change our pricing, and see, by product lines, profitability, and can drill down to see if there are specific items we need to adjust," he says.

Better Manage Shop Floor

With real-time data and workflow automation, they better understand shop floor production, assembly times, backlogs, and inventory shortfalls. Production information is entered daily, so Haven's accounting team no longer has to manually input time spent, saving three hours of labor each week. As a result, accounting focuses on higher-function tasks. Executives view production data instantly through dashboards and no longer have to ask someone to research and compile information, tasks that took hours previously.

"When we issue a work order, the system prints out instructions and drawings, if appropriate, someone gets the raw materials and goes through the activities, some of which might take two or three days," Thiry says. "As they go through each day, they record the time, which gives us a live indicator to see where we are."

Eliminated Manual Paper Searches

The service team no longer spends time searching paper files to view a customer's history, parts purchases, or service hours, information that for decades was stored in file cabinets. Instead, information is available instantly when they need it.

Likewise, the sales team reduced the time to quote a project because they no longer manually research past pricing, current inventory, or shop floor productivity data. Having this information at their fingertips allows Haven Manufacturing to remain competitive. Customers typically want information instantly, not in several hours or days, Thiry says.

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Improved Cross-Training

Gaining a single, connected ERP allows Haven to utilize better and cross-train its small staff. Previously, cross-training was spotty because the legacy system wasn't easy to use, and many processes were paper-based.

"Everyone needs to know how to fill in even if they haven't done the task in a while," Thiry says. "Being able to shift back and forth is not very difficult because the OptiProERP system is the same throughout."

In addition, OptiProERP is easy to use and intuitive, he says.

Future Growth

Haven Manufacturing now has a strong foundation upon which to grow and adapt to changing trends, whether in a specific market segment or when facing continued supply chain issues.

"We can now track when we send someone out to a customer, what we charged for his time out and whether that drove parts orders to see how profitable the service was," Thiry says. "That was not easy to look at before. Now it's a separate line on the P&L, and we can see how meaningful it is."

With OptiProERP, Thiry views a dashboard to understand what's happening in the business at any time.

"We structured a daily report that gives me all detail on orders for the day, that month, sales booked month to date, daily, and what the backlog is in each category, inventory by category – it's all on a single sheet," he says. "I can also see what our AP is, our AR in terms of dating, and how much cash we have on hand."

That information had to be previously compiled manually and took time to assemble. Real-time data "really makes a difference," he says.

OptiProERP with SAP Business One fits Haven Manufacturing well, Thiry says. "The front-end analytics and financial package are extremely good," he says. "The easier it is for me to access information about my business, the easier and faster I can make decisions, which drives growth."

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