

NexTec Group Formulates Successful Solution For Columbia Chemical

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Kevin Reilley
Vice President of Operations

Columbia Chemical has always operated on the cutting edge of technology in the metal plating industry. More than thirty years ago, the company pioneered an environmentally friendly alternative to cyanide-based zinc coating. With an average yearly growth rate in excess of 20 percent, Columbia Chemical is currently building a new headquarters, twice the size of its existing building.

To manage its financial, inventory, and manufacturing operations with state-of-the-art precision, Columbia Chemical selected Microsoft Dynamics GP, Vicinity Manufacturing, and the technical consulting services of NexTec Group.

"We invest in technology to help us develop better and safer products," says Kevin Reilley, vice president of operations for Columbia Chemical. "When it was time to apply that same thinking to our business software, we turned to NexTec Group."

Invest In An End-To-End Solution

Columbia Chemical previously used Peachtree by Sage to manage its core accounting, but inventory control, batch processing, quality control, and governmental compliance tasks were all handled manually.

"There was a lot of paperwork, duplicate entry, and time spent maintaining spreadsheets," recalls Reilley. "We knew that in order to continue to grow the business we needed a true ERP and manufacturing solution. We needed a solution that could address our core accounting, distribution, and specialty chemical manufacturing requirements."

A detailed request for proposal returned three different options: Sage MAS 500 ERP, Microsoft Dynamics NAV (formerly Navision), and Microsoft Dynamics GP (formerly Great Plains). Reilley recalls that as the company compared the different products and the vendors representing them, one solution quickly rose to the top: Microsoft Dynamics GP, together with Vicinity Manufacturing, represented by NexTec Group.

"It was a complete solution at the right price," Reilley says. "NexTec Group's expertise was evident during the demonstrations. They asked the right questions and showed us precisely how they could address



Microsoft Dynamics GP and Vicinity provide a complete end-to-end accounting, distribution, and manufacturing solution.

our requirements."

Streamline Order Entry

Order entry had been a slow process. The staff had to manually produce the Material Safety Data Sheets (MSDS), Certificate of Analysis (COA), and Department of Transportation (DOT) required shipping documents for every order. "They were going back and forth between Word, Excel, and Peachtree to complete even the most straightforward order," recalls Reilley.

NexTec Group streamlined the entire process by adding a new shortcut to the order entry screen. The button launches a process that dynamically creates all the required documentation based on the actual items and lot numbers referenced on the order. "We probably halved the time it takes to produce an order," says Reilley. "That's significant because it allowed us to continue to grow without hiring additional customer service staff."

Focus On Quality

Columbia Chemical is ISO 9001 registered. As part of its certification requirement, the company must thoroughly document its manufacturing process and the quality assurance testing it performs. Previously this was a tremendously burdensome job. Several spreadsheets were maintained holding batch information and testing results. Now, the software automatically maintains the detailed records required as a part of daily operations.

The Vicinity Manufacturing software tracks all quality control (QC) results by batch and formula and stores them centrally. As QC results are entered, the software warns the staff if a value outside of the accepted range is entered. This eliminates typos and ensures consistent quality. Columbia Chemical can then query these results over time by batch, formula or test, and share the data with statistical analysis packages for deeper evaluation.

COA forms are centrally generated from the QC results and tracked by batch, formula and raw-material lot. They can be viewed and printed for one or more formula batches, for finished goods, or for all lots on a sales order.

Centralize Data

The integration between Microsoft Dynamics GP and Vicinity Manufacturing eliminates the need for duplicate data entry between the company's manufacturing and distribution functions. As batches are completed in Vicinity Manufacturing they are instantly recorded to the Dynamics GP Inventory module. Lot numbers and the COA follow an item throughout the system ensuring all departments have access to the vital production data they need.

Control Inventory

Reilly says one of the biggest benefits of the company's new solution is tighter inventory control. "We weren't able to accurately manage a perpetual inventory before," he recalls. "As a result we always had to physically check stock before ordering or before a big production run. It took a lot of time and it was risky to not have better accounting for an expensive asset such as our inventory."

With the software tracking the reorder point, minimum and maximum on hand quantities, and vendor lead times for every item, Columbia Chemical's purchasing agents have an efficient and highly effective tool to facilitate purchasing. "We have better management of our inventory with fewer people involved," says Reilly.

Accurate costing is vital for all manufacturers. Now Columbia Chemical has precise cost tracking for every batch it produces. Rather than simply using the standard cost of an item, the software uses the actual cost associated with each item used in production run. "Our financial reports are much more accurate now and the accurate cost information helps us make strategic pricing decisions," Reilly notes.

Great Chemistry

"We give NexTec Group a lot of credit for the success of this project—the chemistry just worked," concludes Reilly. "They understood where we were and where we wanted to be—perhaps better than we did."



Automating its MSDS and COA form printing has cut Columbia Chemical's order entry time in half.



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