



Microsoft Dynamics®: Customer Evidence Programme



Customer: Auramo South Africa

Country of Origin: South Africa

Number of Users: 12

Website: www.bolzoni-auramo.co.za

Industry: Capital Equipment (Forklift Attachments)

Partner: IMMIX Solutions

Company Profile

Auramo South Africa, based in Benoni, is the local producer and distributor of the international Bolzoni-Auramo brands, providing heavy-duty lifting equipment including forklift attachments.

The local factory assembles a variety of attachments ranging from multi-pallet handlers, rotators, carton and appliance clamps for the safe and damage-free handling of white goods, to bale clamps, paper roll clamps and side shifts.

Software and Services

- **Microsoft Dynamics:**
 - Microsoft Dynamics® NAV2009
- **Microsoft Server Product Portfolio:**
 - Microsoft SQL Server®
 - Microsoft Terminal Server
- **Microsoft Office 2007**



Microsoft Dynamics NAV2009 provides a heavy duty lift for Auramo SA

Following its recent deployment of the new Microsoft Dynamics NAV2009, Auramo South Africa shifted its mindset from one of 'more for less' to 'less is more'. Using the solution's myriad of functions, Auramo has been trimming unnecessary expenditure, employing stringent controls and partnering enhanced reporting to make sure that it stays above the crowd, even when times are tough.

Business Needs

Auramo South Africa started in 1998 as a traditional import and distribution outfit, supporting the Italian-made Bolzoni-Auramo brands in South Africa. Initially, financial aspects were easily handled by Pastel Accounting. However, the company has evolved over the last five years from a small- to a medium-sized enterprise and has added manufacturing to its operations. The complexity of the business increased significantly and Auramo outgrew the functionality of its Pastel system.

In addition, the company acquired a number of disparate IT systems that were becoming cumbersome and time-consuming to manage. "Our information system was extremely fragmented, with data originating from diverse sources, including Excel, Access and Pastel," explains Auramo's General Manager, Deowald Droskie. "The lack of integration between these sources offered us little control. It was increasingly difficult for us as management to analyse properly the data available in 'real time'. This insight was necessary for pro-active decision-making supporting of our business going forward.

"As our company expanded and shifted from a pure import concern to include manufacturing we were not only handling product and component stores but raw materials as well, often from a number of different suppliers," says Droskie. "The absence of an intelligent Inventory control system was a weak link and was costing Auramo money in the

form of unnecessary and duplicated stock holdings and poor tracking of components and raw materials."

Solution

IMMIX Solutions (Pty) Ltd, a Microsoft Gold Certified partner, was ultimately appointed to consult on Auramo's ERP project.

"What was most critical was for us to have a consolidated source of information and for this to be available live, in the 'here and now,'" says Droskie.

Impressed by the professionalism and backing provided by the Microsoft Dynamics offering, Auramo passed over both SAP and Pastel. "We really needed something that we could customise to our specific environment, and some of the alternatives we considered were found lacking in flexibility and not specific enough in terms of reporting capabilities. The availability of dimensions offered by Microsoft Dynamics NAV to determine a range of profit and loss criteria was far superior to other programmes.

"We also wanted a product that could be simply deployed, without additional add-ons to attain the eventual functionality we envisaged. A sprawling and complicated programme would only be counter-productive and be met with user resistance."



Microsoft Dynamics NAV2009, as a classic interface, proved to be the best-fit solution for the company. In April 2009, Auramo went live on its newly scoped Microsoft-based system. The solution has been configured to address the pain points experienced, particularly in the financial and inventory management areas of the business.

The scalability of the solution and its attractive licensing model means that as Auramo's business expands and grows, the company will easily be able to add functionality and users to its solution. Cost effectively and with minimal disruption.

Benefits

Tighter financial controls

Auramo operates in a jobbing environment, where tracking costs for each individual job is a critical and exacting task. Microsoft Dynamics NAV has been able to automate much of the business processing for a more efficient costing system and accurate gross profits for each individual invoice, as well as provide for the easy allocation and analysis of costings and profits for job.

The improved controls impact on the bottom line through the early detection and resolution of problems as they arise. "We meet regularly to analyse the figures generated by Microsoft Dynamics NAV and are able to identify problems quickly, analyse the source and take corrective action almost immediately," explains Droskie.

Having quality and actionable financial information available becomes a business strength as the Microsoft Dynamics NAV solution goes on to provide "up to the minute" financial information as required for not just on going, regular reporting but ad hoc reports, empowering management to be more agile in their decision-making.

Sophisticated inventory management

Microsoft Dynamics NAV has stepped up the management and control of Auramo's inventory significantly. Historically, this has been tracked through a series of Excel spreadsheets. The new system allows users to check and confirm stock availability,

balances and inventory values quickly and easily. Items can also be traced back to original invoice as well.

The familiar Microsoft interface and integration with Excel allows users to leverage their existing Excel skills to calculate minimum order quantities, simplify purchasing and streamline production planning through NAV.

"The control that Microsoft Dynamics NAV has offered in terms of inventory control is phenomenal. Not only does it allow us to track the larger items through our system by serial number, it also allows us to address specifically our key pain points: Raw materials and stores," says Droskie. "We drive millions of Rands worth through the system and are freeing up more and more resources with each passing month. Our savings on inventory alone since deployment has more than assisted to pay for the cost of implementation."

These improvements to inventory management have a knock-on effect for Auramo's clients, as it is now a simple task to check on orders and deliveries and keep customers informed proactively - contributing to a more positive customer service experience.

Creation of business specific information and processing for enhanced decision-making

The product's ability to fit in with how the business operates is a key success factor. Auramo has been able to dictate a number of user-defined dimension levels, such as serial numbers, job numbers and specific contact information, which all contributed to specialised, business specific reporting.

"Our revenue comes not only from new equipment sales, but also from rentals and on-going service and maintenance agreements," says Droskie. "By having Microsoft NAV in place, we have been able to assess the profitability of this on-going source of income and ensure that this remains viable enough to carry us through the low points in our selling cycles, a key mind-shift within our company.

"We are also able to monitor the performance of our internal business centres and through careful management can ensure their profitability. We can

track our individual sales teams and nurture these as required. We can drill right down to how profitable it is to hire out individual clamps. The reporting capability is enormous."

Sustainable success in the long term depends not only on how a company is able to 'make hay while the sun shines' but also how it is able to weather the rockier times when pickings are slim and belts need to be tightened. "Microsoft Dynamics NAV has been instrumental in Auramo keeping itself afloat during what have been some harsh economic conditions. It has helped us to plan and stretch our resources, streamline our expenditures and enables us to run a really tight ship that has weathered the recent downturn admirably. We are now in a position to take advantage of some of the more positive opportunities that are now presenting themselves. Had we continued as we were, the outcome would have been very different," concludes Droskie.

