

Silex Innovations Inc.



An enterprising company.

Silex Innovations Inc. specializes in the design, manufacture, and supply of a complete line of standard and customized exhaust products for use in industrial applications leading to a quieter life. Its increasing range of products for the power generation and gas compression markets includes industrial silencers, emission control products, insulation blankets, connectors, expansion bellows, and exhaust accessories. Silex is the market leader in Canada and is expanding its reach globally.

“ Using Infor ERP VISUAL, we increased our revenues by 90 percent within 12 months and dramatically improved our profitability. ”

LORNE GAUER, PRESIDENT,
SILEX INNOVATIONS INC.

Setting the strategy.

As Silex Innovations started developing initiatives to expand its business into more global markets, an important focus of its efforts included dramatically improving its business processes by implementing a fully integrated business system. The company wanted to boost production efficiencies, gain greater financial control, and provide more tangible customer service improvements.

To remain competitive, Silex concluded that it needed to deliver products within two to three weeks from time of order. To achieve that goal, especially with its order quantities that are often small and tailored to the application and customer, it needed to significantly reduce its manual processes. The company faced additional challenges such as rising steel prices and the Canadian dollar exchange rate that both negatively affected the company's financial performance. With its price lists generated from multiple data sources for its printed and Internet catalogs, maintaining a quarterly updated price list became a complicated, time-consuming task.

The company outlined several specific objectives toward improving its business processes. These included adding the ability to perform most data input and master file setups in-house; doubling quotation output and quotation close rate without adding staff; improving customer service and response time; and improving on-time shipments to over 90 percent with more accurate promised ship dates. Other objectives included improving response to cost increases; finding a single data source for all price lists; finding an open database to ensure future integration with Silex's engineering platform and online silencer sizing program; and improving overall financial performance.

Getting business specific.

After Silex began the search for an integrated system that met its criteria, the company soon turned to Infor™ ERP VISUAL. Notes Lorne Gauer, president and general manager, Silex Innovations, "We knew from the start that VISUAL had the functionality and flexibility we needed to streamline our processes, even within our aggressive schedule." The plan was to install Infor ERP VISUAL for invoicing, shipping,

facts at a glance:

- > company Silex Innovations Inc.
- > solution Infor ERP
- > product VISUAL
- > industry Industrial Equipment & Machinery
- > revenue US \$12 Million
- > employees 110
- > country Canada

purchasing, scheduling, financial reporting, and other back-office applications; develop a customized rule-based quoting/order system, or configurator; and link the back-office applications with the configurator using Infor ERP VISUAL CRM (customer relationship management). Shop 9000, an Infor business partner, was an essential participant in the implementation of Infor ERP VISUAL. "The Shop 9000 team fully supported Silex through all phases of the project—from software installation and implementation support through customization and user training," says Gauer.

Seeing results.

Implementation of the project occurred in three phases. Phase one, which occurred one month after purchase date, included software installation, data conversion for CRM, and configurator development for quotes. Phase two, occurring three months after software purchase, focused on Infor ERP VISUAL implementation of all back-office applications, including financial reporting. Phase three began one year after purchase and included generation of the automated engineering master for production scheduling.

Silex not only successfully implemented all project phases on time and within budget, but made significant achievements beyond its expectations. "We increased revenues by 90 percent within 12 months," Gauer asserts, "and dramatically improved profitability and overall financial performance. We owe that success to

Silex Innovations Inc.

Infor with its many years of built-in manufacturing product functionality and best practices as well as team of experts that guided us toward meeting our business needs.” Gauer adds that after 18 months, the company doubled its revenues with only minor increases in administrative expenses. “We also quickly improved our on-time delivery performance to 90 percent from less than 50 percent, achieving an industry-leading two- to three-week delivery cycle.” And its costs remain low, according to Gauer. “We reduced working capital requirements by 30 percent because we improved management of receivables, inventory, and cash flow, as well as reduced inventory by 25 percent.”

After seeing customer service levels jump following system implementation, Silex now has earned a reputation for excellent customer service across all industry segments. “Using the advanced rule-based configurator we developed for all product lines, we can now generate quotes instantly with unlimited configuration options, resulting in a doubling of our quote opportunities. This configurator also performs by driving the production scheduling and work order system. We were able to improve the number of days outstanding on receivables by 8 days.”

Ease of use was another advantage that Gauer mentions as being a factor in Silex’s outstanding achievements. “Although we invested hundreds of hours in employee time to ensure the project was a success and could be maintained going forward, VISUAL users became proficient quickly without much training, and they could easily customize the interface. This certainly contributed to our business process improvements and quick financial gains.”

Silex boasts a long list of improved business processes across key matrices after implementing Infor ERP VISUAL along with Infor ERP VISUAL Configurator. According to Gauer, the list of improvement areas includes quoting, quote-to-order integration, account management and communication, sales processes (order processing and change order management), purchasing and inventory management, production scheduling, and accounting and financial management. “With an integrated system and a single data source, we can now manage and maintain our printed and Internet product price lists to reflect current changes. We achieved all of our objectives, and we realized our ROI in less than six months—incredible.”

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Being open to an enterprising future.

Silex also believes that after gaining such rapid business process improvements and return on investment, the company will be able to further streamline its operations and win more customers globally. “Our customer service level ratings have been the highest we have ever seen since we implemented Infor’s applications,” says Gauer. “We are confident that Infor will continue to help us learn more ways to enhance our process efficiencies and expand our customer base.”

Shop 9000 is eastern Canada’s exclusive supplier of Infor ERP VISUAL, a comprehensive ERP solution for manufacturers and distributors. To learn more, please visit www.shop9000.com.

About Infor.

Infor delivers business-specific software to enterprising organizations. With experience built in, Infor’s solutions enable businesses of all sizes to be more enterprising and adapt to the rapid changes of a global marketplace. With more than 70,000 customers, Infor is changing what businesses expect from an enterprise software provider. For additional information, visit www.infor.com.

Customer Profile

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Local Address
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