

Paint manufacturer enhances production control with IFS Applications™

Bolix has been producing modern rendering plasters, paints and comprehensive building insulation systems since 1991. The company, with approximately 250 employees in Poland and the Czech Republic, distributes its products from its depots or builder's wholesale companies in Lithuania, Latvia, Belarus, Ukraine, Estonia and Russia. Bolix has almost 15% of the Polish market for building insulation systems, rivaling such brands as Ceresit, Atlas, Terranova and Optiroc.

The introduction of IFS Applications™ has facilitated production control. Customer orders can now be stored and consolidated, making it considerably easier to handle repeat orders down to the smallest details of formulas and color.

The challenge

Tomasz Czub, IT director, explains the challenge, “The software we bought in the early nineties to support our financials and sales divisions sufficed for many years. But when we rapidly expanded our network, it couldn't cope with the increased demands on internal information exchange. We began to search for an integrated IT system that would cover the whole company, check warehouse stocks and track payments and financials. We needed efficient control tools, and we lacked up-to-date information about what was happening within the company. Our legacy systems were poorly integrated.” Key elements included in the selection criteria were multi-branch capabilities, customer order consolidation and a summary of production orders. The new system should also make it possible to organize work strictly according to customer orders and facilitate the organization of an advanced discounts system.



The solution

The extensive set of demands, in particular the complicated discount system, proved too difficult for most of the software vendors that were approached. Tomasz Czub continues, “Failure to meet all our requirements meant that many suppliers, including some major players, were eliminated and never made our short list. Of those that did, IFS Applications proved the most flexible.”

Implementation

Implementation began in October 2000. There were few modifications to the system, the greatest adaptation involving the discount system. By the end of the year, components from IFS Financials™, IFS Distribution™ and IFS Manufacturing™ had been successfully implemented, and the system was fully operational by the beginning of January 2001.

Tomasz Czub comments, “We took this opportunity to impose some order on the symbols used in coding our products, introducing a uniform system. We had already prepared such a system, so the implementation gave us the chance to introduce it automatically, so to speak. In connection with this, where it proved possible to separate historical data from the old system, we transferred it to the new one, while the remaining data was retained in the old system for tax purposes only.”

Benefits

The system operates in the company’s head office, with its branches working on-line, being connected by means of fixed links. Where the telecommunications infrastructure allowed it, satellite links are used. Sixty simultaneous users presently use IFS Applications.

Access to standardized information permits inventory to be examined at any given moment, across the country and in each separate location. An analysis of inventory soon after implementation enabled Bolix to reduce it by 1/3 over a period of just two weeks.

Tomasz Czub adds, “We use mostly standard IFS software. We developed many supervisory reports, used both in the financial division and the warehouses. These act as local stocktakings. We also use Crystal Reports for more complex analysis.”

Since Bolix has succeeded in minimizing the capital tied in production and distribution, the company feels the effect of the market recession much less. Moreover, the greater freedom and flexibility available enable operations to be adapted more quickly to changing market conditions. Direct analysis of customers enables the company to set and regularly adjust its business terms (payment deadlines and discounts), which considerably improves its competitiveness.

Tomasz Czub again, “The introduction of an integrated system has also facilitated production

control and allows us to reuse the products and colors in our business offering. We can store and consolidate customer orders, which means that repeat orders are much easier. In addition, easy access to information also permits us to control transportation, which is especially important for our highly specialized products. Having a uniform database for all our branches has eliminated the problems associated with monitoring payments or checking business credit. In addition, this system is multi-lingual, which greatly facilitates our export division’s work”

The most difficult thing has already been achieved—the warehouses have been successfully linked up with the sales department and some of the operations carried out by the production division. This is already operating without problems and according to expectations.

Tomasz Czub concludes, “We are implementing modules and interfaces that enable production equipment to be directly connected to IFS Applications. This will give us complete production control. When we complete our plans we will be able to trace processes, comply with and control production conditions, and budget production according to formulas.”

“Finally, we are interested in Internet sales and the B2B model so that customers can use the Internet to trace their orders and follow deliveries. We also plan to implement a CRM system.”

Software

IFS Financials™, IFS Distribution™, IFS Manufacturing™, IFS/Payroll Administration™ and IFS Maintenance™.

System and equipment platform

HP L3000 server using Unix control to operate the Oracle 8i database,

HP LC2000 server using Windows 2000.

Some 60 simultaneous users are presently using the system.