

BPW axle assembly glides along with SYSPRO

Sales and distribution companies looking to extend into manufacturing would do well to look at the recent and ongoing success of BPW Limited. The K3 Syspro (K3) customer is one of the most successful axle suppliers to the articulated trailer manufacturing sector. The company's axles and suspension systems are helping to keep the goods rolling for major retailers such as Tesco, Sainsbury's, Asda, John Lewis and Aldi.

To meet competitive market conditions, the company evolved from a classic sales and distribution firm into an organisation that could also assemble product in the UK. Key to this is the flexibility of its SYSPRO Enterprise Resource Planning (ERP) system and expert manufacturing guidance from K3.



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At a glance

Company

BPW

Industry sector

Manufacturing & Distribution

- Automotive: components and accessories

Number of employees

45 +

The challenge

- Company diversifying into manufacturing to meet competitive marketing conditions
- Growing company
- Need to implement in a short space of time to deal with manufacturing
- Lack of experience in manufacturing

Solution & services

- SYSPRO ERP
- Customer Relationship Management (CRM)
- Bill of Material

The benefits

- Aided transition into manufacturing
- Tracking of serial codes, full traceability
- Ability to add on more modules when required
- Fully integrated with sales & analysis software
- Increased production and delivery efficiency
- Forward planning
- Complete visibility/precise stock control



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A wholly owned subsidiary of BPW Bergische Achsen KG, Europe's leading axle and suspension manufacturer for trailers and semi-trailers, BPW Limited claims the lion's share of the market. The company now has about 43 per cent of market share and is continuing to grow. This success hinges on the ability to deliver on its promises. The morphing of the company into being a UK manufacturer as well as importing finished items from Germany has added to its delivery efficiency. It has also meant the company can benefit from transport efficiency improvements and reduced transport costs.

The company's investment in a SYSPRO ERP solution has no doubt aided its successful transition into manufacturing. The flexibility of the software means it grows with the company as its business evolves.

However, BPW Limited did not choose SYSPRO for its manufacturing functionality in the first instance.

"Remember – when we first spoke to K3 we were a sales and distribution company. We selected SYSPRO because of its superior CRM (Customer Relationship Management) functionality. This supports our warranty work by allowing us to track our product serial codes," says Steve Turton, Management Accountant, BPW Limited. "We believe it to be the best system on the market for this purpose because it allows us to track serial codes, switch the codes to the trailer manufacturer code and then finally to the end user. This

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gives full traceability of our products from where they originated to the point of use. The added benefit for us is the ability to add more SYSPRO modules as and when we need them."

K3 Manufacturing expertise speeds start up

The BPW Limited assembly plant went live in the summer of 2009. Bringing the plant on stream took four months of intensive work by its project team, which included a dedicated K3 manufacturing expert. He helped steer BPW Limited personnel in the necessary direction with them having no experience in manufacturing as their strengths were in sales and distribution.



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“With help from K3 we were able to implement the changes in a very short time. We had no manufacturing knowledge at all and now we are proficient. Without SYSPRO and K3 support, we would not have been able to do it. In just four months, we were up and running with the plant and the software was installed and working efficiently. We were very pleased with the outcome,” says Steve Turton.

“We were fortunate in being able to add manufacturing to SYSPRO when we needed it. It is much more than a standard sales and distribution system, the addition of our manufacturing function has been seamless. We now have a fully integrated system that also integrates with our sales management and analysis software, which I’ll discuss later,” he adds.

The assembly plant is very successful in producing a wide range of standard axles and suspension systems and is able to produce over 70 finished products a day. This far exceeds the expectations of the German parent company, which originally forecast that the plant would produce around 30 axles a day.

Being able to forward plan using SYSPRO is enabling this to happen. *“We are a build to order operation. We bring in components from Germany from which we assemble the axles and suspension systems. We have to forward plan quite a way ahead of our delivery dates to get the products to the customer on time. This takes a lot of skill and that is why SYSPRO is important; it holds the information we need and makes it visible,”* says Steve Turton.



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From our customer orders we decide what is to be built here and what needs to be manufactured in Germany. The MRP (Materials Required Planning) function of the system aids the production of the Bills of Materials (BOM). This streamlines the order process for both finished product and components coming from Germany. The system also makes it easier to manage which finished products will go direct to the customer and which will come here for us to despatch,” he says.

Regardless of where items are stored, SYSPRO gives complete visibility and allows precise stock control. *“The software allows us to transfer stock from one warehouse to another even if the warehouse is off site. It allows us to control what is happening, keeping us in charge of when we are able to deliver to the customer,”* adds Steve Turton.

Dual Planning, dual costing

BPW Limited clearly demonstrates not only how SYSPRO provides the ability to dual plan, but also how it provides dual costing management and control.

“With the addition of the assembly plant we operate two types of costing. Standard costing for products built in the UK and a First In First Out costing system for spare parts and for axles built in Germany. The software copes very well with both,” says Steve Turton.

SYSPRO also provides accurate and essential information for BPW Limited’s sales analysis software. *“Our sales analysis software takes the information directly from SYSPRO. This gives us the ability to monitor costs and margins by product group.*



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This information also lets us see the margins we make on each delivery we make to the customer by product. This ability to see the total cost of sales is important and gives us far greater control over how we break down our margin analysis between goods produced here and those brought in from Germany. It also allows us to analyse our spare parts sales," says Steve Turton.

"In conclusion, we are very pleased with K3 and SYSPRO. The service and support from K3 is excellent. The company also invests considerably in software development and each year there are important enhancements to the product to help customers get more from their systems. We need to be at the leading edge of our own market and K3's continuous development of SYSPRO will help keep us out in front by making us more competitive," he adds.



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