

CUSTOMER SUCCESS



Sierra Paints a More Profitable Picture

Under the sea, beneath beefy semi trucks, and baking out in the desert sun, you'll find Sierra Corporation's paints and coatings doing their work. Sierra manufactures custom paints, coatings, and sealants for architectural and maintenance applications. One day its chemists might design a protective coating for marine bolts for an aluminum substrate firm. The next day they could be developing a non-fade ultraviolet-resistant paint for lawn furniture.

Sierra Corporation's special-purpose formulations and speedy turnaround for customers have resulted in amazing growth. Today the company is more than four times its size a mere ten years ago. Industrial paints from its subsidiary, TK Products, are increasingly requested by customers nationwide.

Improving System Formulation

More than 5,000 different raw material items jamming Sierra's inventory shelves are required by the chemists to formulate 10,000-plus finished products. For ten years the materials have been managed by Batchmaster, a comprehensive process manufacturing solution, and the company's business systems have been handled by Platinum for DOS. A year ago, Sierra decided to upgrade to Sage PFW ERP for tighter integration, a better user interface, Windows-based reporting features, and access to multiple data input screens at once.

The Ideal Formula for Success

"Sage PFW is the workhorse for our daily operations," says Mike Grivna, senior chemist. "All of our formulations are now done on computer, where we store data on raw materials and information on physical properties and characteristics. The system tells us recommended pigment-to-binder ratios or volume concentrations, and then calculates formulation parameters. This saves an enormous amount of time, and provides a more accurate product for customers."

Customer:

Sierra Corporation

Industry:

Paint and coatings manufacturer

Location:

Minnnetonka, Minnesota

Number of Locations: One

Number of Employees: 70

System:

Sage PFW

- Costing
- Formulas
- Laboratory
- Inventory Pro
- MSDS
- Order Entry Pro
- Production
- Purchasing Pro
- Accounts Payable
- Accounts Receivable
- Bank Book
- Crystal Reports®
- Customization Workbench
- General Ledger
- Microsoft FRx

CHALLENGE

Financial system was incompatible with manufacturing system and could not calculate income or losses on individual products, and therefore was inefficient.

SOLUTION

Sage PFW ERP process manufacturing and financial solutions.

RESULTS

Full integration and automation from A to Z; precise, flexible formula management; automatic formula updates to MSDS; improved batch consistency; instant data access; cut order processing time by 50 percent..

Once a formula is created, Sage PFW checks available inventory, sizes the batch for the ticket, issues a production ticket, and commits raw materials. It creates a batch ticket with instructions for mixing, filling, and labeling. Then Sage PFW automatically prepares material safety data sheets (MSDS) for each product shipped to a customer as required by law. The system updates the MSDS whenever a formula changes, a crucial timesaver given that Sierra has nearly 20,000 formulas. The SARA reporting option within Sage PFW calculates SARA Tier II and III reports for compliance with federal OSHA mandates.

Sierra's chemists use Sage PFW all day long to tweak individual formula ingredients and improve profitability. "Each paint represents a compromise between performance and cost," Grivna explains. "Our system lets us make adjustments to get every last dime out of our product without sacrificing quality."

After production is closed on a paint run, data flows directly into Inventory Pro and is made available for Order Entry Pro, which is the key to inventory management. After the invoices are printed and posted, data is then moved into Sage PFW financials for complete integration. "Before we had to hand-enter information from one system to another," says Adrienne Olson, Sierra's controller. "System integration has eliminated this task and cut our total order processing time by about half. What we have now is a 100 percent improvement."

She says customer service is better now, too, because any information that representatives need is available at the touch of a button. "All of our data is tied together in one place," she notes. "We know which items are in stock, and can give customers accurate lead times, which helps secure ownership of our niche in the marketplace."

Olson and Grivna agree that the integrated system is central to the company's continued success. "Nothing can compare with the process manufacturing and financial capabilities of Sage PFW teamed up together," Olson explains. "Without it, our processes would be downright archaic—and our entire business would come to a standstill."

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ABOUT SAGE SOFTWARE

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