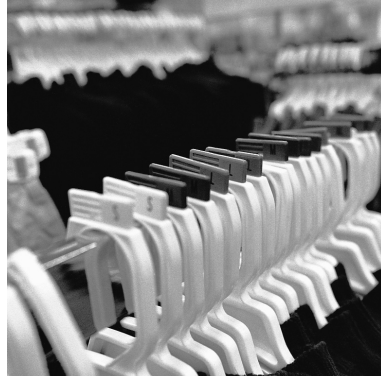


## **SAP Customer Success Story Mid-market Solutions**



**SDC Enterprises** is a manufacturer and distributor of premium colour fastness testing consumables for use in BS, EN and ISO test procedures. Based in Bradford, the company has seven employees and a turnover of £1.5m. It sells over 100 products world-wide, for use in testing fabrics and other coloured materials. Amongst its 1000s of customers are textile companies, major retailers and international test houses.



## **SDC ENTERPRISES**

### **SIGNIFICANT BENEFITS FROM AN INTEGRATED SMALL SCALE SYSTEM WITH A BROAD SCOPE**

SDC Enterprises is a wholly owned subsidiary of The Society of Dyers and Colourists, a registered charity which has been a major catalyst and contributor to research and development in the global colouration industry.

Historically SDC Enterprises had been a department of The Society of Dyers and Colourists. However, in 2002, its status changed and it became a limited company. With the change in status came a change in attitude, as Mark Yare, Managing Director explains. "Previously the main focus had been on taking and delivering orders", he says. "However, once we became a commercial organisation we had to look carefully at how we could proactively grow the business."

The system the company was using at the time was predominantly an accounting package. As such it couldn't help with cross-selling opportunities. In addition, it was difficult to keep track of document flows and the reporting capabilities were not as good as SDC Enterprises would have liked. It was time to look for a new system.

### **A BUSINESS APPROACH**

SDC Enterprises' approach to choosing a new system was completely business oriented. With no full-time accountant or IT capability in house, the company developed a list of benefits they thought IT could bring to the organisation, such as third

party stock control, improved customer service and capabilities to handle sub-contracted manufacturing. These then formed the basis for assessing various systems.

SDC Enterprises visited Softworld and undertook research on the web. A short list was developed and suppliers were asked to present how their systems would deliver the benefits SDC Enterprises wanted. Interestingly SAP® Business One was not on the original list. “To start with we weren’t considering SAP Business One”, says Mark. “But, Signum Solutions introduced us to it and it soon became clear that we should look at it seriously.”

#### **SMALL SCALE, BROAD SCOPE**

The original list of five solutions was reduced to three and further meetings were held. This was followed by a tendering process, where the suppliers were asked to provide detailed costings. At the end of the exercise SDC Enterprises chose SAP Business One.

According to Mark a number of factors drove the decision. “We particularly liked the fact that SAP Business One was a standard package that could be customised to our needs, without needing specialist programming. We also liked the fact that we could implement a small scale system, with a broad scope, and that all the functions within the system integrated with each other. In addition, Signum impressed us. They didn’t just talk about the technology for its own sake. Instead they focused on how SAP Business One would deliver the benefits we needed, which was what we really wanted to know. As a result they convinced us that we could achieve what we wanted to at a reasonable cost.”

**“The payback on the SAP Business One software has been just twelve months and we expect full payback for the project in 24 months.”**

**Mark Yare, Managing Director**

#### **STANDARD PROCESSES**

With Signum’s help, SDC Enterprises developed an implementation plan. A conscious decision was taken to use the standard processes within SAP Business One. “By accepting the standard processes we felt we would get efficiency gains and communication improvements immediately”, explains

Mark. “Once the system was implemented we could then start looking at how it could be customised to deliver additional benefits.”

Within two months SDC Enterprises were up and running on the core system - sales order processing, purchasing, stock management, payments and banking. Production, batch control and auto-cheque printing followed three months later. This included transferring three years worth of historical data, which was crucial for identifying cross-selling and upselling opportunities.

“The implementation and training went very smoothly”, says Mark. “Signum’s on site support was great. When small problems did occur, as they inevitably do with a new implementation, Signum fixed them quickly and efficiently.”

#### **SIGNIFICANT BENEFITS**

SDC Enterprises went live on 1st April 2004 and is already seeing significant benefits. Financial administration time has been halved, allowing resources to be redirected to more customer facing activities. Inventory has been reduced by 25%. Although Mark can’t put a definitive value on it he knows that there have been savings on transport costs and off-site inventory movements too.

Although SDC Enterprises' products are relatively low in value, the impact of any quality defects can be extremely costly for its customers. Shortly after implementation SDC Enterprises had to undertake a very rare product recall and replacement. The system enabled them to do it in just six hours, compared to the three days previously experienced.

SAP Business One's intuitive interface meant that SDC Enterprises could train all its staff to use the entire system, something that would have been too complex before. As a result, the company has much better staff cover for situations like holidays and maternity leave.

The company's quality system is now integrated with SAP Business One, eliminating the duplicate keying of data. In addition the system is helping sales. "We can now view a customer's history and special requirements, such as packaging or different delivery addresses, on screen while we are talking to them", says Mark. "As a result we have improved our service but, more importantly, we can now generate cross-selling opportunities. It's had a small, but positive, impact on sales and we are looking at how we can increase those opportunities in the future."

#### **FUTURE PLANS**

SDC Enterprises is very happy with SAP Business One and the capabilities it has given them. But there is still room for improvement. "Now that we understand the system we can see that it can bring us even bigger benefits", says Mark. "For instance, by analysing customers' purchasing histories, we can start to proactively approach them about suitable products that they aren't currently buying from us. By continuously evaluating what we are doing, we expect to make consistent incremental improvements which positively impact our business."

"With this implementation Signum Solutions have delivered what they promised, on time and within budget", says Mark. "Signum's technical knowledge is unquestioned. But where they really added value was their understanding of our business and how to approach the implementation to deliver the benefits we wanted."

"The payback on the SAP Business One software has been just twelve months and we expect full payback for the project in 24 months", Mark continues. "I would be happy to recommend SAP Business One and Signum Solutions to any other company like ours."

**"We particularly liked the fact that SAP Business One was a standard package that could be customised to our needs, without needing specialist programming. We also liked the fact that we could implement a small scale system with a broad scope and that all the functions within the system were integrated with each other."**

Mark Yare, Managing Director

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