



Packaging Provider Supports 100 Percent Growth with No Additional Administrators

Overview

Country or Region: United States

Industry: Packaging

Customer Profile

Southfield Packaging, based in Stamford, Connecticut, provides custom packaging, shrink wrapping, bar coding, and fulfillment services to clients on a contract basis.

Business Situation

The company deployed a range of disparate IT systems to support its key business processes. These could no longer provide sufficient visibility of packaging operations across the company.

Solution

Southfield Packaging deployed a new business management software solution based on Microsoft® Business Solutions–Axapta®, now part of Microsoft Dynamics™.

Benefits

- Ability to monitor packaging projects effectively
- Fulfillment and purchase order costs reduced by 50 percent
- 100 percent growth with no need for additional administrators
- Improved information analysis
- More accurate customer quotes

“Centralized access to a range of key operational data has allowed us to reduce the difference between customer quotes and final project costs to less than two percent.”

Mark Melfi, Executive Vice President, Southfield Packaging

Over the years, U.S.-based Southfield Packaging deployed a number of disparate IT systems to support business processes such as inventory management and financial reporting. The company, which provides a range of packaging services, wanted a new, fully-integrated system to support real-time reporting across the organization. To achieve this, it deployed the Microsoft® Business Solutions–Axapta® (now part of Microsoft Dynamics™) business management suite with support from Microsoft Certified Partner Columbus IT. Today, many manual administrative processes have been automated, supporting a 100 percent growth in business with no increase in administrative personnel. In addition, the new system supports the sharing of project information with Southfield Packaging customers, helping them manage their operations more effectively and cementing the company’s already excellent reputation for customer service.

“Our requirements for making operational data available online required some custom development, which was fast and simple using Microsoft Axapta.”

Mark Melfi, Executive Vice President,
Southfield Packaging

Situation

Southfield Packaging, based in Stamford, Connecticut, provides custom packaging, shrink wrapping, bar coding, and fulfillment services to clients on a contract basis. These processes require specialist equipment and skills and are often too expensive for manufacturers to conduct in house.

The Southfield Packaging client list includes many leading hair care, cosmetics, and health and beauty product manufacturers.

Over the last 20 years, Southfield Packaging has grown dramatically. To help it manage key business processes, such as inventory management and financial reporting, it deployed a range of disparate technology systems.

Southfield Packaging previously used the Microsoft® Visual FoxPro® database development system to manage its inventory. While this could track goods effectively through the supply chain, it was not integrated with the company's financial management system, or shipping systems, making it difficult to report on the performance of the company. Billing and purchase order management processes were also handled separately and shipping paperwork was used to generate invoices manually. Purchase orders and receipts were also created by hand, further adding to the administrative burden.

Mark Melfi, Executive Vice President at Southfield Packaging, says: “Most inventory passing through our facilities is owned by our customers, so we don't need to track its financial worth. What we needed was a way to effectively report on how much material we use, how many packages we process, and how many are shipped. We also wanted to eliminate manual, paper-based administration and that would have been impossible with the previous system. We

needed to upgrade our infrastructure to increase operational efficiency and support our plans for future growth.”

Managers at Southfield Packaging began to evaluate technologies that could integrate data from all its critical business processes, from warehousing and packaging, to shipping management. Another key goal was to establish a standard purchasing policy that would reduce costs and help to ensure the quality of materials.

Solution

During the evaluation process, Southfield Packaging and Microsoft Business Solutions reselling partner Columbus IT investigated a number of available technologies, including a stand-alone manufacturing resource planning (MRP) application. It also considered upgrading its existing Visual FoxPro system.

After careful analysis of requirements for the new solution, the Microsoft Business Solutions–Axapta® business solution, now part of Microsoft Dynamics™ was selected as the most appropriate technology. Southfield worked closely with Columbus IT to create custom programs that integrate financial, manufacturing, and inventory systems across the company.

Melfi says: “Our requirements for making operational data available online required some custom development, which was fast and simple using Microsoft Axapta. Now, Southfield Packaging managers and customers can view real-time inventory and production reports online.”

The majority of products in the Southfield Packaging supply chain belong to its customers. As a result, the progress of goods through the packaging process impacts greatly on client operations.

“The Microsoft Axapta user interface is highly intuitive and consistent across all modules. As a result, we have maximized the benefits of our technology investment from day one.”

Mark Melfi, Executive Vice President,
Southfield Packaging

Melfi says: “We must be able to report on the customer-owned products that pass through our supply chain. This helps our clients operate more effectively and allows us to link our production and inventory information with financial data. By doing this we can achieve a comprehensive view of our business activities in real time and enhance our operational efficiency overall.”

The Microsoft Axapta system is being used by 20 employees across warehousing, accounting, and IT management functions. Because each department is fully integrated into the new system, managers can achieve visibility of resources, production, and other key requirements across the business.

The new business management system is supported by a range of Microsoft solutions, including the Microsoft Windows® 2000 Server enterprise operating system and a centralized Microsoft SQL Server™ 2000 database that holds all critical operational information.

Because users at Southfield Packaging are familiar with the Microsoft Office System of desktop productivity applications, they could get up and running on the new system with minimal training. Melfi says: “The Microsoft Axapta user interface is highly intuitive and consistent across all modules. As a result, we have maximized the benefits of our technology investment from day one.”

Benefits

Enhanced Monitoring of Operational Activities and Improved Customer Service

For the first time, Southfield Packaging is able to monitor individual packaging runs and provide real-time progress updates for customers. Because profit and loss information can also be viewed in real time, the company can respond quickly to inefficient performance at its production centers.

Melfi says: “Our clients need to know how their products are progressing through the packaging process. The capabilities of Microsoft Axapta allow us to access this information and share it with customers effectively, helping them plan their packaging requirements and logistics operations more effectively.

“Excellent customer service has been a hallmark of Southfield Packaging since our inception. If we provide our clients with the information they need more quickly and accurately, we add value to the services we provide. Microsoft Axapta has made this much easier for us to achieve.”

In addition, increased visibility of packaging operations helps the company streamline its working practices and address inefficiencies across the organization.

Automated Management of Operations Reduces Administrative Costs by 50 Percent

The cost of administering purchase orders and fulfillment processes has fallen 50 percent since the deployment of Microsoft Axapta. This is because administrative processes previously handled manually have been integrated into a single user interface. In addition, the automation of business management processes has allowed Southfield Packaging to handle a 100 percent increase in business without hiring additional administrative staff.

Melfi says: “During the last six years, Microsoft Axapta has supported enormous growth across the business. In fact, the size of the company has doubled while the number of administrative personnel has remained static, demonstrating a 100 percent increase in the productivity of our managers.”

“Using Microsoft Axapta, we have been able to streamline the process of preparing customer quotes, which used to be handled manually.”

Mark Melfi, Executive Vice President,
Southfield Packaging

Increased Accuracy of Customer Quotes Enhances Competitive Advantage

Most of the projects undertaken at Southfield Packaging are obtained on the basis of bids and price quotes delivered to customers before projects begin. Because Microsoft Axapta is tightly integrated with operational data across the company, it supports the delivery of more accurate customer quotes and increases client satisfaction considerably.

Melfi says: “Using Microsoft Axapta, we have been able to streamline the process of preparing customer quotes, which used to be handled manually. In addition, centralized access to a range of key operational data has allowed us to reduce the difference between customer quotes and final project costs to less than two percent.

“This increased accuracy not only helps us to operate more effectively. It also sets expectations more effectively for our customers, increasing the level of satisfaction for our services across the board.”

Better Reporting on Business Activities Supports the Decision-Making Process

With support from Columbus IT, Southfield Packaging has deployed a new report screen that displays a range of key operational data. This includes all programs in production, the cost of packaging per unit, and analysis of profits and losses in real time. This information helps the company address inefficiencies quickly and supports the decision-making process at all levels of the organization.

High Availability for Critical Management Applications

The new Microsoft Axapta system is fully integrated with the underlying technology infrastructure that supports it. As a result, applications run quickly and reliably and the

company no longer experiences unplanned downtime.

Melfi says: “We owe the reliability of our infrastructure and the availability of our critical Microsoft Axapta applications to the high levels of integration between Microsoft products. Because we are sure that the operating system, database, and applications are part of the same software family, we can be sure that incompatibility issues and unplanned downtime will never affect us.”

Integration with the Internet Provides Greater Collaborative Opportunities

Since the initial implementation, Southfield Packaging has integrated the capabilities of Microsoft Axapta with the Internet. As a result, clients can now check the status of packaging operations 24 hours-a-day, from any Internet-connected PC.

Melfi says: “Our Internet service provides customers with online inventory and status reports for their packaging projects. These updates, which are generated from the Microsoft Axapta database, cement our already excellent reputation for customer service and give clients the information they need to plan and work more effectively.”

For More Information

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For more information about Southfield Packaging Inc. products and services, visit the Web site at: <https://spimex.net>

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Software and Services

■ Products

- Microsoft SQL Server 2000

■ Solutions

- Microsoft Business Solutions–Axapta

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