

## American Metalcraft Keeps a Lid on Costs with SYSPRO Software

Product variety and exacting customer service are the ingredients of AM's success. Despite the task of filling approximately 200 orders per day, AM maintains exacting customer service through high levels of customer communication.



### ■ The Company

American Metalcraft, Inc. is no "flash in the pan." Started in 1947 by Archer H. Kahn, today the manufacturer of restaurant, bar supplies, small kitchen wares and deluxe kitchen supplies occupies 120,000 sq. ft. in Melrose Park, Ill., maintains three warehouses, including one in Europe, employs 90 full-time employees and boasts annual revenues of approximately \$18 million.

While the firm's product range includes table-top items from ash trays to woven wood bowls, American Metalcraft (AM) is best-known for its complete line of stainless plate covers that are custom-fitted for any size and type of china, including ceramic, plastic, glass or metal. The covers are designed to fit securely over plates, remaining solidly in place for safe, tiered multiple meal carrying. In addition, the company is renowned for the industry's most comprehensive line of pizza trays and accessories. In fact, the company offers over 5,000 different pizza trays, ranging in size from five inches in diameter to 29 inches in diameter.

*"It met most of our criteria – about 90% of them without customization. What we especially liked was the system's 'openness' and the ability to pull different standard and non-standard reports."*

- Dean Snyder  
CFO, American Metalcraft

### ■ The Challenge

AM is continually adding new items to its product lines based on requests from its distribution channel as well as its customer base, which is comprised of approximately 2,500 restaurant supply dealers and thousands of restaurants, hotels and caterers. According to Dean Snyder, Chief Financial Officer, company representatives will often take new product prototypes to customers to gauge a product's potential. "This is typically done a year in advance of actual product production," he says, noting that it is product variety coupled with exacting customer service that sustains AM's market leadership. As with thousands of companies facing the year 2000 issue, AM in 1999 contemplated new manufacturing and distribution software. The company was running a highly customized Open Systems Accounting Software (OSAS) system and lacked confidence that further customizing would enable the software to meet the needs dictated by rapid company growth and the year 2000 turnover. The company used software consultants to undertake a software search.

### ■ The Solution

The final "short" list included SYSPRO software, a modular and fully integrated business solution renowned for giving manufacturers the controls needed

### ■ AT A GLANCE ■

#### COMPANY

American Metalcraft, Inc.

#### INDUSTRY

Kitchen Supplies Manufacturing

#### NUMBER OF EMPLOYEES

90

#### THE CHALLENGE

- Multiple warehouses
- International operations
- 200 orders per day
- Overly customized legacy system
- Maxed-out system capabilities
- Limited visibility into inventory

#### SOLUTION & SERVICES

- Fully integrated ERP
- Automated sales reporting and invoicing
- Scalable to growth
- Practical, cost-effective system
- Lean-enabling solution
- Rapid implementation

#### THE BENEFITS

- Reduced labor hours
- 24/7 access to history
- Streamlined information
- Improved communication
- Enhanced customer service
- Increased inventory control



to accommodate Lean manufacturing principles. According to Todd Perlman, principal of Chicago-based Business Technology Partners, a reseller of SYSPRO supply chain software, “We convinced AM that further customizing its software to handle the year 2000 needs would be costly and impractical. We talked the company into a far more practical and cost-effective ‘out of the box’ SYSPRO software solution that required no customizing and has the flexibility and extensibility to grow with the company.”

SYSPRO was fully up and running at AM within three to six months of the purchase. “AM now takes full advantage of the features of SYSPRO software and are always looking for new ways to gain added efficiencies using SYSPRO,” says Perlman.

Commenting on the selection of SYSPRO, Snyder notes, “It met most of our criteria – about 90% of them without customizing. What we especially liked was the system’s ‘openness’ and the ability to pull different standard and non-standard reports.” Today, AM is running the latest version of SYSPRO software, version 6.0, in a 3-tier, SQL environment on Dell hardware and MS 2003 Server.

### ■ The Result

Snyder summarizes the company’s ongoing success with SYSPRO software: “It is enabling us to handle a larger volume of business without a significant increase in staff,” he says. He notes that the software is making it possible for AM to more closely monitor manufacturing costs and better control inventory. While AM builds some items to order, most items are built to stock. Because catalog items are often assembled by combining interchangeable stocked parts, the ability to estimate and monitor inventory is critical. (For example, adding different legs and surface coatings can produce customized items, such as trays.) Using past histories and estimating procedures, the SYSPRO software is allowing AM purchasing agents to more closely align material needs with anticipated production and place raw material orders accordingly. Commensurately, when AM adds new products, the agents also utilize the SYSPRO software to pull histories of past new product introductions and use these to gain insight into anticipated material needs.

As noted, product variety and exacting customer service are the ingredients of AM’s success. Despite the task of filling approximately 200 orders per day, AM maintains exacting customer service through high levels of customer communication. According to Perlman, “We worked closely with AM to develop an automated sales reporting solution that fully integrates with the SYSPRO software.” He explains: “When we first started with AM, they were separating invoice copies and mailing boxes of copies out to the 15 or so sales reps around the country. Our solution was to use MS Access to automatically e-mail electronic invoice copies to the reps on a regular basis. We also created a solution that automatically e-mails daily and weekly sales reports. In addition, AM utilizes a fully-integrated, Web-based solution for automatically faxing and e-mailing sales order receipt confirmations, shipping confirmations and back order notices based upon certain events that occur within the database. This solution can run fully-automated, semi-automated or be triggered through user intervention. To date, tens of thousands of faxes and e-mail have gone out which has significantly reduced the number of customer service calls.”

It’s fitting that American Metalcraft chose SYSPRO software, since both can point to a string of awards. In 2002 the American Culinary Institute honored American Metalcraft’s new Trio Chafer with its Gold Excellence Award. And, in 2003, the Business Marketing Association recognized American Metalcraft’s 2003 Product Catalog with a Silver Tower Award. Commensurately, in 2004, the Software Council of Southern California named SYSPRO “Software Company of the Year.”

Perlman says with pride, “AM likes to be on the cutting edge of technology and has been one of our top clients for the past 5 years. With the help of SYSPRO and BTP, AM has managed to streamline information and grow in a highly-competitive industry with little or no increase in overhead.”