

“Although we’re not even close to using the solution to its fullest capacity, we’re already light years beyond where we were.”

– Stuart McNall, Chief Operations Officer, FUSION Electronics



Around the world in real time

It was the middle of the night in New Zealand. The jangling phone interrupted the deep sleep of Stuart McNall, Founder and Chief Operations Officer for FUSION Electronics. The call was from his regional sales manager in the United Kingdom, who reported that a shipment of car audio systems hadn’t arrived as promised. The biggest part of the problem? A huge retailer in the United Kingdom was widely promoting that particular system and needed the physical goods to sell to customers.

There had been a delay at the FUSION factory in China, an event that naturally had a trickledown effect on the shipping schedule. But such were the company’s systems that each region operated with its own isolated set of information. The United Kingdom regional sales manager never got word of the change.

For a small company, it’s a matter of picking up the phone to keep everyone in the know; that was the way things worked in the past at FUSION. But the company had been enjoying unparalleled growth for a few years—it was now time for its processes and information sharing capabilities to grow up, too.

“It was a significant challenge to operate an increasingly complex, multi-country, multicurrency organization with separate inventory locations,” recalls McNall. “Everyone managed their

portion of the business using spread–sheets that may or may not have been accurate because they were not linked to any system. We suffered because we couldn’t trust the integrity of the data we all worked from.”

As FUSION grew, its supply chain became more complicated, and its existing logistics application just couldn’t keep up. Stock was in the wrong warehouses around the globe, requiring the time, staff effort, and expense of transferring the products to the right locations. “We incurred increased costs while also slowing down our time-to-market,” notes McNall.

Because the company’s financial systems also were separated by region, handling international transactions—even just within the company—was difficult. “The lack of flexibility in our cross-company billing was a key issue because it made everything convoluted and resulted in a lot of manual rework,” says McNall. “We left ourselves open to human errors that we couldn’t always catch.”

Industry: Technology
Project Type: ERP

Quick Facts:

<p>Website: www.fusionelectronics.com</p>	<p>Workstations: 11 users</p>	<p>Benefits:</p> <ul style="list-style-type: none"> • Fully integrated, streamlined and automated accounting processes • Eliminated data re-entry • Improved accuracy and integrity of information • Able to extract accurate, real-time data • One version of the truth • Countrywide visibility • Intercompany transactions
<p>Customer Size: Medium</p>	<p>Year: 2007</p>	
<p>Solutions: Microsoft® Dynamics AX 2009 Microsoft® Windows Server Microsoft® SQL Server 2008 Microsoft® SQL Reporting Servers Microsoft® SQL Analysis Servers Microsoft® Dynamics FRx Reporter Atlas XL - Globe Software</p>	<p>Functional areas: Financials, Fixed Assets, Trade, Logistics, Master Planning, Production and Business Analysis</p> <p>Scenario: Enterprise Resource Planning Financial reporting, Business analysis Export documentation</p>	

Expanding the potential for growth

It was time for McNall to banish siloed information and move to an environment in which he and his regional managers would have full visibility into all facets of FUSION. “I was focusing too much on getting our day-to-day numbers right and not enough on strategic long-term planning,” says McNall.

“We needed centralized sales, warehousing, and stock information and shared access to it, along with the ability to audit, manage inventory, and forecast so that we could continue to grow, without any corresponding pain.”

Transparency would give everyone a comprehensive understanding as to what products were where, when they were being delivered, how many were arriving, and when they could sell which products—all of which could have a real impact on the business.

Removing accounting headaches

Now that it has a system capable of supporting its cross-company needs, FUSION has successfully integrated, streamlined, and automated its accounting processes end-to-end to eliminate re-entry of sales and purchase order data, thereby reducing the chance for human error and improving the accuracy and integrity of system-housed information.

“We’re working with our system as opposed to working around it,” says McNall. “I now can give my global team the flexibility to be able to ship goods quickly to their destinations from any one of our three distribution centers, regardless of where the deal was signed. For example, we can arrange from New Zealand to send products to Russia while still being able to dispatch the stock from our United Kingdom warehouse.”

McNall is in the process of using the new solution to solve its issues with intercompany financial transactions. “Now, moving products among our different locations won’t result in accounting headaches,” says McNall. “I don’t have to worry about currency exchange rates, retyping of invoices, or anything else. We’ve removed the duplication of entries; we now enter the data once, and the intercompany transactions are taken care of, thus providing confidence in the integrity of the data.”

Extending efficiencies

The good news doesn’t stop there. After several months of ramping up, McNall is going back to review how his people are using the system. “As COO, I want to conduct continuous improvement efforts worldwide, and the first step is gathering the best practices established thus far in our different locations and sharing them across our regions so that we’re all making the most of the new solution,” says McNall. “Every day we’re discovering new and better ways to do things, and we want to share that information with everyone so that personal and worldwide productivity all rise.”

Making real-world decisions in real time

McNall and his managers worldwide now all benefit from the ability to quickly and easily extract accurate, real-time data on an as needed basis from one central data repository.

“Before, I had trouble just locating data, but now I can quickly drill down to the desired information,” he says. “We can produce country-by-country reports on business performance that take into account market complexities such as changing exchange rates—we’ve never been able to do that before.”

What’s more, having visibility will help FUSION avoid situations like the one in the United Kingdom. “Shared access to companywide process, status, and inventory information helps us set customer expectations more accurately,” says McNall.

That sort of positive communication with customers will help drive business growth. FUSION now can expand to new countries without creating new silos of information. Says McNall, “It’s a relief for me to know that we can expand to new countries without generating additional, separate systems. Now our data is entered one place, one time, and everyone can use it right away.” That means that McNall can rest easy—with no more late-night calls. Instead, he’ll wake up refreshed, ready to share FUSION Electronics with the world.



About Koorb Consulting

Koorb is a 100% NZ owned company - privately owned and operated by the Directors, Nicholas Birch and Paul McDowell-Hook. Both Directors work in the company. The company was established over 12 years ago and has offices in Auckland, Wellington, Christchurch and Dunedin.

The main focus of our business is implementing and supporting Microsoft Dynamics AX and Dynamics CRM. Our 30+ certified consultants together comprise the largest Microsoft Dynamics AX and CRM practice in New Zealand. All are certified and have extensive and wide ranging industry experience.

We have implemented and are supporting close to 60% of all Dynamics AX sites in New Zealand. This is a direct reflection of our strong leadership, highly experienced people and proven methodology.

In both 2007 and 2010 we won the Microsoft Partner Award for the Dynamics ERP Solution of the Year.



For more information about our products and solutions, please contact:

Nicholas Birch DDI: +64 9 360 3186
Managing Director Ph: +64 9 361 1304
E: nbirch@koorb.co.nz Fax +64 9 361 1305



www.koorb.co.nz