FILLING IN THE BUSINESS PROCESS GAPS

Taiyo America Rolls Out DEACOM ERP Software for Complete Data Visibility, Management

MAKING THE STUFF THAT KEEPS US WIRED. A subsidiary of Taiyo Ink Manufacturing Company of Tokyo, Japan, Taiyo America's offerings include dielectric and conductive ink products for producing solar cells and inks that are applied with inkjet technology for traditional legend and printed electronics applications.

TAIYO AMERICA, INC. IS THE LARGEST SUPPLIER OF SOL-DER MASK IN THE WORLD, with a 50-percent share of the North American market, more than 40 percent of the global market, and customers ranging from garage-shop circuit board fabricators to major original equipment manfacturers. In order to maintain the top spot through the research and development of new solder masks for future electronics, however, Taiyo America needed a coatings-specific software solution that handles lab management, Quality Control/Quality Assurance (QC/QA), regulatory reporting, sales order entry, production, inventory control, purchasing, and accounting in one system.

BACKGROUND

When Taiyo America started manufacturing solder mask in 1995, the company installed a DOS-based computer system and three stand-alone software applications: SNAP for lab management; Micro-MRP for production and inventory control; and Great Plains Dynamics for accounting and financials. Despite its efforts to "integrate" these systems, the company struggled to fit a round peg into a square hole, and for much of that time it was Business Manager Bob White and Technical Manager Rick Carlson doing the pounding.

The main source of frustration was two-fold: (1) the systems weren't integrated, which complicated the communication of data between departments, and (2) the systems weren't designed to handle the unique needs of a formula-based manufacturer.

From handwritten sales orders to broken bills of materials and work instructions, the odds of error increased as jobs ran downstream. Even the generation of Material Safety Data Sheets (MSDS) and regulatory reports resembled a science project more than a business process.

In addition, maintenance of the systems was complicated and required outside help. White estimates the company used 80 hours of consultant time each year to install system updates alone.

"We were throwing ourselves against a brick wall trying to make it work," White says. "We were numb and thought the systems actually worked for us. But they didn't work for us, and no one was interested in trying something new."

SOLUTION

While White and Carlson were toiling to connect the dots between systems, Taiyo America's business was expanding into Europe and more mid-markets, and support for SNAP was about to expire. Since Carlson had always wanted a system to better support the company's lab processes, he started researching lab management systems and found a few that integrated other aspects of the business as well.

Based on Carlson's research, an internal ERP selection team evaluated five Enterprise Resource Planning (ERP) software systems

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through online demonstrations and ultimately found all but one – the DEACOM Integrated Accounting and ERP Software System, produced by Deacom, Inc. – were either too complex or too customized.

"We really liked how everything works together in DEACOM," Carlson says. "And our IT people were of the strong opinion that the SQL server is the best way to manage data and the best foundation from which a system can be built."

Carlson added that Deacom's fixed price for data conversion, implementation, training, technical support, and the system itself helped the company's decision-makers feel more comfortable about investing in new business software. "It was nice to know the clock wouldn't be ticking every time we picked up the phone for help."

From White's perspective, the fact that all DEACOM updates apply to a single server and automatically feed out to individual users was a sure sign the system could simplify Taiyo America's bloated IT overhead.

RESULTS

Since DEACOM integrates every aspect of a coatings manufacturer, from formulation to invoicing, Taiyo America had no trouble turn-

ing the key, which allowed White and Carlson to start building better business processes right away.

Carlson assembled bills of materials and work instructions in the same document, so production no longer has supporting documents scattered on the shop floor. Next, he focused on formulation. With help from Deacom technical support staff, Carlson input properties for raw materials and configured formula calculations. Now lab technicians enter a batch yield for a formula and the system automatically scales amounts and properties of raw materials, which roll into the formula calculations for the generation of MSDS forms and all other regulatory documents.

"Now we have batch-specific regulatory data at our fingertips," Carlson says. "I need the information, and now I can get it on my own. I can make a subtle change to a formula, and with the click of a button have an updated MSDS."

Another lab-related improvement brought on by the implementation of DEACOM is that Taiyo America's technicians no longer document their work in notebooks, but within the system at the formula level. And, since DEACOM integrates lab management and production, when the lab determines that a formula is ready for market, Carlson can "flip a switch" and all formulation data and historical information is available on the shop floor.

For White, life became easier because he no longer depends on outside help to keep things running smoothly. "If you can map a drive and participate in a NetMeeting®, you can run an operation in DEACOM," he says.

After one year on DEACOM, White and Carlson are managing their business productively and profitably while learning every day how to enhance their

usage of the system. Carlson has been "playing around" with costing scenarios in DEACOM, for example, which wasn't possible under Taiyo America's former software setup.

"We buy multicurrency, so when the Yen/Dollar exchange rate changes, I can make mass pricing changes in DEACOM to determine how the current devaluation of the U.S. dollar might impact our bottom line and individual products."

As a result, Carlson approached the company president with a detailed breakdown of past, present, and future costs for raw materials and manufacturing to show the effects of the Yen/Dollar exchange rate over time.

"We were able to ask ourselves: Why produce Product A and Product B when they're essentially the same, but Product B turns the best margin? It's a great advantage to have that what-if cost analysis capability. We couldn't do that before."

White concurs that data visibility is a high point of the DEACOM ERP System. With all of Taiyo America's data stored in one database, massive reports are a thing of the past.

"Twenty-page reports are irrelevant when all you need is one bit of data," White says. "Now we can drill down to that exact piece of information, because the system's set up by part master, territory, region, part – whatever you want – and you can filter that information by date range or any other variable. Then you click, run, and the information's there. It's great."

ABOUT DEACOM, INC.

Deacom, Inc. produces the complete DEACOM Integrated Accounting and Enterprise Resource Planning (ERP) Software System for the specialty chemical, paint, ink, coating, adhesive, and sealant manufacturing industries.

DEACOM ERP Software manages Formulation, Lab Management, Regulatory Reporting, Lot Tracking, Stores/Point-of-Sale (POS), Sales Order Entry, Production Scheduling, Purchasing, Inventory Control, Labor Tracking, and Accounting in a single package. To learn more about the DEACOM Software System or to schedule a web demonstration, call 610-971-2278 ext. 15 or visit **www.deacom.net** today.

BENEFIT OF INTEGRATED ERP. In DEACOM, Taiyo America personnel can print Bills of Materials (BOMs) to receive item, quantity, and cost information as well as instructions for assembly in one, concise document.

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