



## 2020 Customer Success Story

### **Indiana Furniture Invests in Overall Customer and Employee Experience with 2020 Insight Manufacturing Solutions.**

For a company that hasn't changed their values, Indiana Furniture knows how to transform its business. For over 110 years, the company has been known for its customer service, reliability, and plain old-fashioned quality furniture making in the American heartland.

While the company maintains old-fashioned values of putting the customer first, they are at the leading edge when it comes to using modern technology to respond to market demand.

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## Specials not so special anymore

“Today, people want to buy furniture their way,” said Indiana Furniture’s President and CEO Bret Ackerman. “They want to choose their own colors, put a personal stamp on their office design. We do a lot of ‘specials’ as a result.”

Specials—short for special orders—used to be just that, special. But in the 1990s, when furnishing tastes changed, and offices started moving more towards cubicles and open concept offices, specials started to become the norm.

The company needed to adapt to address customer needs. In 2003, Indiana Furniture began this transition by incorporating new processes that would ultimately help increase sales and output.

“Around that time we started to put more focus on our sales strategy, and introduced lean concepts such as continuous improvement,” Ackerman said.

## Older software can’t keep up with today’s demands

The company runs four manufacturing facilities. A single facility produces most of the plywood parts for their case goods. These parts are sent on to one of two other facilities, where they receive the required finish and assembly. Finished goods are sent to the main warehouse in Jasper, Indiana, for shipment.

To manage processes, the company used to rely on a custom-built system that ran on an IBM A/S 400. As the manufacturer started to take on more and more special orders and adopt more lean production processes, the old system had trouble keeping up with all the data.

“These early systems were designed for a different market and environment,” Ackerman said. “They were developed at a time when you produced a handful of product lines in large volume. We’re in a completely different market today, and it’s going to continue in this direction.”

Indiana Furniture took their time figuring out just how they were going to sharpen the blades on their computer systems.

“This was a major capital investment—we needed to make sure we made a good decision,” Ackerman said.

They considered building another homegrown system based on a Microsoft Windows/IBM platform, which would have made data migration a little easier. After careful study and a lengthy assessment process, they decided to partner with 2020, the world leader in 3D interior design and furniture manufacturing software. Developed to meet the needs of furniture and cabinet manufacturers, 2020 Insight provides a complete manufacturing operations management (MOM) capability.

“What convinced us to partner with 2020 was the end-to-end concept that 2020 provides,” he said. “We’re building a foundation so that in the future, we’ll be able to receive orders directly from 2020 Cap and 2020 Giza. That order will flow directly through to 2020 Insight, where it can be scheduled for production. It’s going to automate many of the manual processes, eliminate waste in our production process, and aid in our journey to become a truly customer-focused operation.”

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*Bret Ackerman, President and CEO, Indiana Furniture*

## Smoother sales process

2020 Insight is designed using object-oriented architecture, in contrast to most traditional ERP systems. This means engineering teams work with flexible data models instead of static bills of materials, which reduces the engineering data setup. For example, they can update CNC instructions for an entire product line in a single day, as opposed to months.

With the new system, Indiana Furniture has been able to quickly handle their customer requests for “specials”, with virtually unlimited possibilities for options such as different materials and colors.

“On our old system, we had to create a new SKU for many of the product options,” said Ackerman. “Now we just add the option to the product, such as a new veneer, instead of creating a whole new SKU. We can create rules,

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exclusions, and all kinds of combinations in 2020 Insight to produce countless possibilities.”

“It makes handling customer requests much, much easier, and it also makes data maintenance more cost effective.”

## Shorter sales cycle

Indiana Furniture has also been able to shorten the sales cycle in other ways. The new system allows for more detailed communications, speeding order confirmation.

“Sales have become more efficient with emails that show exact details on orders. Sales orders, for example, can include attachments such as hand-drawn customer sketches or an AutoCAD drawing. Our customer service has improved as well—agents can pull up sales orders and get information immediately to answer any questions.”

The company is also processing orders faster thanks to streamlined processes around credit checks. 2020 Insight connects to their Oracle JD Edwards financial management system to verify accounts receivables and ensure a customer isn't over their agreed credit limit.

“Our customer base is made up of many dealerships with complex relationships within our credit system,” he said. “Conducting a credit check used to take three to five days. Now, they're done almost instantaneously, and orders are going through the same day.”

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## Increased efficiency, especially for shipping

The system provides greater visibility into key data for people across the enterprise, particularly at their main warehouse. This insight into data has helped reduce the time spent hunting for information, for customer service and operation management.

“Our shipping is much more efficient and more accurate with the new system,” said Ackerman. “We have several levels in our warehouse. Now, our logistics staff know exactly where to go and which box to pick up, which is much more accurate than going by product name.”

Once items are scanned and loaded onto a truck, inventory is automatically updated within the system.

“We have far less re-entry of data, which makes everything run smoother,” he added.

## People make all the difference

The success of any implementation depends on the strength of its people, and Indiana Furniture is pleased with the teamwork they've seen from both sides. “2020 definitely understands furniture manufacturing. They know the industry and understood our business quickly.”

The manufacturer set up an internal team that worked with consultants and a technical team at 2020 for the implementation. The Indiana Furniture team worked closely with a 2020 consultant for the first phases of implementation, and has been able to do much of the work themselves for the later phases.

“The level of commitment from both implementation teams has been critical to the success of this project, especially for a company of our size,” he said. “They've been outstanding.”

With lean production processes, and the right software tools to support them, this 110+ year-old company is looking forward to being on the cutting edge of office furniture manufacturing.

“We're living in a changing environment. If you take eight or ten months to develop a new product, you will find yourself behind the curve and can miss out on great opportunities,” he said. “This is going to make us more competitive, while continuing to enhance our core values on quality, customer service and sustainability.”