



Cataler Corporation

MICROSOFT DYNAMICS ERP CASE STUDY

Cataler Improves Manufacturing Efficiency and Ability to Track Unique Components

"MICROSOFT DYNAMICS AX IS THE ONLY ERP SOLUTION WE COULD FIND FOR TRACKING COMPONENTS THAT TRANSFORM BETWEEN WET AND DRY STATES."

AL ALVAREZ, GENERAL MANAGER,
CATALER NORTH AMERICA CORPORATION

When Cataler Corporation, the parent company of Cataler North America Corporation and a subsidiary of Toyota, forecast increased product demand that would necessitate expanding production capacity by 40 percent, General Manager Al Alvarez knew the time had arrived for a stronger and more agile enterprise resource planning (ERP) solution that would scale easily well into the future. "This was an exciting time—we were about to grow into the largest company within the corporation," Alvarez says. "But our ERP system forced us to work inefficiently. We needed enhancements to handle the expansion."

With the previous ERP system, Made2Manage, employees still relied on local spreadsheets to manage many business processes. The Cataler staff thus expended extra effort by manually entering information back and forth between the ERP system and the spreadsheets, while constantly verifying that they had the most current data. Dozens of spreadsheets supplemented almost every key function because it was easier than working within Made2Manage. Alvarez realized that application consolidation—bringing the spreadsheet data into a centrally managed ERP—would play a critical role in improving the efficiency of Cataler employees.

Unique Product Components Require Advanced Inventory Tracking

As Cataler researched replacement ERP systems, Alvarez sought a solution to specifically track and provide inventory management for the chemicals and precious metals that play key roles in the manufacturing process. Alvarez found most solutions can't track inventory that is transformed through different states, such as dry-base and wet-base dimensions.

CATALER CORPORATION

Based in North Carolina, the Cataler North America Corporation develops and manufactures catalysts for automobiles and motorcycles, in addition to leisure vehicles and lawn mowers. The company also provides activated carbon and other chemical materials that help clean the environment by regulating engine emissions.

Goals:

- Improve process efficiencies by eliminating spreadsheet reliance.
- Track order components that morph between wet and dry states.
- Facilitate expected increase in ERP usage by employees.
- Deploy ERP system with out-of-the-box functionality while retaining customization flexibility.
- Integrate existing spreadsheet data into the new ERP system.

Industry:

Manufacturing

Customer Size:

200 employees
86 users

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"This is unique to our business," Alvarez explains. "Many chemicals morph during manufacturing so we need to track a single part number as they transform both ways—from dry to wet and vice versa." Cataler narrowed down its list of solutions to consider, taking various solution providers through its business processes and operational requirements. Microsoft solution provider MCA Connect impressed Cataler by devoting 40 hours of due diligence to produce an extensive study that recommended Microsoft Dynamics AX.

"MCA Connect also offers in-depth ERP experience within the automotive industry," Alvarez added. "They showed us how Microsoft Dynamics AX provides a greater range of capabilities and more flexibility than SAP, the other solution we considered." Alvarez also felt more comfortable deploying a solution based on Microsoft technology: "Because of its use of open standards, Microsoft Dynamics AX works well with third-party systems and lets us easily import data from our existing Microsoft Excel spreadsheets."

An ERP Toolbox Adaptable to Business Needs

Beyond the rich functionality that AX offers out of the box, Alvarez considers Microsoft Dynamics AX to be a toolbox that Cataler can manipulate to meet the needs of the business, as opposed to SAP, which Alvarez says would "force us to adapt our business. Conversely, we can customize Microsoft Dynamics AX to the way we work."

Although Cataler benefits from the flexibility to adapt Microsoft Dynamics AX, Alvarez does not expect to need to significantly customize the solution because it meets more than 80 percent of their ERP requirements right out of the box. "We need to customize for tracking precious metals and chemicals, and the technology gives us this freedom," Alvarez says. "That is the key reason we chose Microsoft Dynamics AX. We could not find another solution that offers this capability."

The company will use Microsoft Dynamics AX end-to-end for manufacturing processes as well as finance, quality control, production control, purchasing, shipping and receiving, and EDI.

Fewer Data-Entry Mistakes and Improved Production Scheduling

The user-friendly attributes of Microsoft Dynamics AX also play a key role as Cataler plans to add additional system transactions to the manufacturing process. "Our previous system was hard to work with," Alvarez explains. "We can now streamline processes—even with the additional transaction entries we are adding." Alvarez also projects the company will reduce most manual-entry mistakes that occurred when moving information back and forth from spreadsheets.

"BY DEPLOYING MICROSOFT DYNAMICS AX, WE WILL FIND MORE EFFICIENT WAYS TO EXECUTE FUNCTIONS WITHIN FINANCE, THE SUPPLY CHAIN, PRODUCTION ADMINISTRATION, AND QUALITY CONTROL. WE CAN ALSO ANALYZE PRODUCTION CAPACITY TO A GREATER EXTENT. THIS SHOULD LEAD TO IMPROVED PRODUCTION SCHEDULING THAT WILL HELP US HANDLE THE EXPECTED 40% PRODUCTION INCREASE."

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