



Microsoft Dynamics Customer Solution Case Study



Building Products Company Accommodates 70 Percent Revenue Boost, Adds Employees

Overview

Country or Region: United States

Industry: Specialty building products

Customer Profile

Since 1876, Mulhaupt's has supplied specialty building products that ensure security, from frames to doors to hardware. The company has two locations, Lafayette and Indianapolis, Indiana.

Business Situation

Mulhaupt's needed a software solution that would connect disparate systems in its complex business cycle, from inventory tracking of billing parts to billing of various manufacturers.

Solution

To streamline inventory tracking and boost business intelligence, the company, with the help of Access IT, a Microsoft® Gold Certified Partner, implemented Microsoft Business Solutions–Navision®, now a part of Microsoft Dynamics™.

Benefits

- Accommodated a revenue boost of 70 percent
- Facilitated increased employee base and new office
- Reduced out-of-pocket costs; increased business intelligence

“Without Microsoft Navision, there was no way we could have accommodated this type of growth in our company.”

Tim Wilson, Chief Operations Officer, Mulhaupt's

Mulhaupt's is a distributor of specialty building products from architectural hardware to fire-control systems to keys and locks. Given the complexity of its business, Mulhaupt's knew it needed dedicated software that would help with tracking the numerous inventory items, as well as the financial aspects of the business. To do this, Mulhaupt's partnered with Access IT, a Microsoft® Gold Certified Business Partner, to implement Microsoft Business Solutions–Navision®, now a part of Microsoft Dynamics™. Since its deployment, the solution has helped enable Mulhaupt's to boost business revenues by 70 percent, while only increasing its employee base by 10 percent. Additionally, Mulhaupt's has been able to focus more on business intelligence in its industry.



“Prior to Microsoft Navision, Mulhaupt’s struggled to find an experienced workforce within such a specific industry.”

Tim Wilson, Chief Operations Officer,
Mulhaupt’s

Situation

Mulhaupt’s started as a family-owned hardware store and has continued the tradition with family members still leading the Lafayette, Indiana company. Mulhaupt’s has also expanded to a branch office in Indianapolis, Indiana. The company’s annual revenue is in the range of U.S.\$12 to \$15 million, and it currently employs approximately 80 people in its two offices.

As the business has evolved over the years, Mulhaupt’s has added products to its suite of services. It now provides builders’ hardware (including doors and frames), bicycles and fitness equipment, as well as security systems. Mulhaupt’s provides field service, direct outside sales, and retail sales to its customers. Mulhaupt’s provides these specialty building products in the architectural hardware sector to organizations in education, healthcare, and government markets, among others. The architectural hardware sector is the principal part of Mulhaupt’s operation, making up approximately 60 to 75 percent of its business.

In the past, the specialty building products industry has not relied heavily on technology for their solutions because it has not had appropriately tailored solutions for this type of complex industry. However, the need for a solution is immense as distributors work with a large number of manufacturers and nonstandard, special order products, which requires a solution that can track the infinite number of parts involved.

“Even though we sell individual items, the items are grouped together by packages, or openings, so there can be a large number of openings to track,” says Tim Wilson, Chief Operations Officer for Mulhaupt’s.

Mulhaupt’s, like many other specialty building product distributors, was having a difficult time tracking inventory.

In fact, Mulhaupt’s was not tracking special orders, hesitant to generate too many numbers, so they consolidated the value of special order items under a common sequential number. When the company had shipped half of the inventory, it recorded that half of the cost was gone.

“Since project managers had no visibility to special order material, they ended up ordering inventory that was already sitting in a warehouse somewhere, costing us thousands in unnecessary purchases,” says Wilson.

The lack of structure in their legacy business software required their employees to possess an immense amount of industry experience.

“Prior to Microsoft® Navision®, Mulhaupt’s struggled to find an experienced workforce within such a specific industry,” adds Wilson.

Another difficulty facing Mulhaupt’s and other specialty building product distributors has been the use of an estimating and detailing software application during the bidding process that does not integrate with the company’s legacy business software.

For each bid, the detailing software used to itemize the material requirements by an architectural tag ID, which is submitted to the customer for approval. Following acceptance of the submittal, Mulhaupt’s project managers would re-key the data into Mulhaupt’s legacy business software.

Mulhaupt’s needed a software solution that would eliminate the costly re-keying of data and that would be tailored to the complex business flow requirements of their company.

“Microsoft Navision was the appropriate solution for such a tailored industry with a specific feature-set because of its great ability to accommodate complex business models.”

Bill Natalie, Sr. Vice President, Access IT

Solution

Mulhaupt's engaged Access IT, a Microsoft Gold Certified Partner, to implement a solution that would streamline processes, eliminate re-keying of information, and allow data to seamlessly move from the detailing software into the Microsoft Business Solutions–Navision business software, now part of Microsoft Dynamics™. Access IT is a software solution and services provider that assists small and mid-size organizations in the distribution, manufacturing, and service industries. Access IT used contractERP, its vertical software solution for the specialty building products industry that is powered by Microsoft Navision.

Mulhaupt's software solution runs on the Microsoft Windows Server™ 2003 operating system, with the Microsoft Office System. Access IT complemented Microsoft Navision with contractERP to complete the solution.

Access IT assisted Mulhaupt's during the entire implementation, from the beginning stages of analyzing business flow and data to the end stages when the solution went live. The Mulhaupt's implementation team was the management team, with a representative from each area of the company. “Once the managers embraced and adopted the solution, there was no going back,” comments Wilson.

With the integrated solution, Mulhaupt's doesn't need to have employees repeat the entry of information into each application for each contract they are managing. Instead, Microsoft Navision enables employees to locate details on everything from production, purchasing, and shipping schedules to real time inventory, cost, and profitability analysis, all in one single, secure software solution. Information entered into one application area is simultaneously available for use in other areas of the application.

“Microsoft Navision was the appropriate solution for such a tailored industry with a specific feature-set because of its great ability to accommodate complex business models,” says Bill Natalie, Sr. Vice President of Access IT.

Building a Seamless Solution for a Complex Industry

Now, instead of having one system for invoicing, purchasing, or accounting, another for project management, and a different system for financial reporting, all features are available in one application with Microsoft Navision.

The seamless import from Mulhaupt's detailing system into Microsoft Navision is also an intelligent data import. Each material requirement transferred from the detailing software to Microsoft Navision is analyzed by its product characteristics, and then compared to actual inventory data in Microsoft Navision. “We make decisions based on this information for vendors, pricing, cost, lead time, account information, and more,” explains Wilson.

Increasing Inventory Tracking and Business Intelligence

Microsoft Navision streamlines inventory processing so that employees simply go into the application, look at a particular item—even one that might be a special order item—and see related costs and any other pertinent information.

With Microsoft Navision, Mulhaupt's employees are able to dig deeper into the details of transactions by date, account, or item number; they can report and analyze based on an unlimited amount of criteria.

Benefits

With the Microsoft Navision solution, Mulhaupt's was able to change the way they do business. In the past, the company didn't

have a solution that integrated with its detailing application as Microsoft Navision does. Now Mulhaupt's can accommodate a new location and a significant boost in business with only a 10 percent increase in its employee base. Additionally, while Mulhaupt's continues to sell more and more products, the company can have better business insight and can be more flexible.

"Without Microsoft Navision, there was no way we could have accommodated this type of growth in our company," says Wilson.

Accommodated a Revenue Boost of 70 Percent

In the last two years, Mulhaupt's has increased its revenue by 70 percent. Without the integrated solution, the company believes it couldn't have accommodated this type of revenue expansion. Previous costly re-keying of data has given way to streamlined integration of the detailing solution and Microsoft Navision. Now, although the first job may be created in the detailing application, it can be imported error-free into Microsoft Navision. "We enter the right information once, and it automatically propagates throughout the system and all lines of business," comments Wilson.

Facilitated an Increased Employee Base and New Office

Because Mulhaupt's now uses a unified software system, the company has been able to hire more employees without its former concerns about candidates' knowledge of the industry. Mulhaupt's has even opened a new office in Indianapolis, Indiana. Microsoft Navision enables employees to access real-time information exchange between both offices, so all employees operate with the same information.

"Now, we can enable the veterans with the industry knowledge to do what they do best—and not have to worry about all the data,"

says Wilson. "All of our processes are designed around Microsoft Navision and contractERP. So, as we were able to hire people, we trained them in Microsoft Navision—that's how we run our business."

Reduced Out-of-Pocket Costs and Increased Business Intelligence

With Microsoft Navision, Mulhaupt's is now able to better track its inventory. With better visibility into special order inventory items, Mulhaupt's benefits by being able to reduce its out-of-pocket expenses. Additionally, Mulhaupt's has better visibility and can do earlier and more intelligent ordering.

The solution, with integrated, easy-to-use technology, also helps executives and employees take corrective actions before problem situations become larger issues.

With the analytical reporting functionality in Microsoft Navision, Mulhaupt's is able to produce real-time reports on all aspects of its business, including contract cost and profitability, inventory, past-due invoices, and more. "With Microsoft Navision, we can analyze our data and conduct sound business planning," adds Wilson.

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:

www.microsoft.com

For more information about Access IT products and services, call (631) 756-2700 or visit the Web site at:

www.accessit.com

or

www.contracterp.com

For more information about Mulhaupt's products and services, call (765) 423-2610 or visit the Web site at:

www.mulhaupts.com

Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to:

www.microsoft.com/dynamics

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Software and Services

- Microsoft Dynamics
 - Microsoft Business Solutions-Navision
- Microsoft Windows Server System™
 - Microsoft Windows Server 2003 Small Business Server, Standard Edition
- Microsoft Office

- Solutions
 - contractERP

Hardware

- Dell Tower Server
- Dual 3.06GHz Xeon processors
- 4GB 266 MHz SDRAM
- 4 36 GB SCSI Drives

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