

Telemark Gives Highest Marks to SYSPRO Software

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■ The Company

Thomas J. Thomasma, President of Telemark Corporation, the nation’s leading provider of custom printed ATM receipts, POS rolls, parking tickets, note/scratch pads and direct mailers, discussed the company’s recent ERP software search and why it was so critical. “What differentiates Telemark from the competition is product quality and correctness of the order,” he said. “So, our new software had to help the company advance order accuracy and turnaround and, above all, maintain the outstanding customer service for which the firm is renowned. Anybody can put ink on paper. It’s how a company handles an order that’s important.”

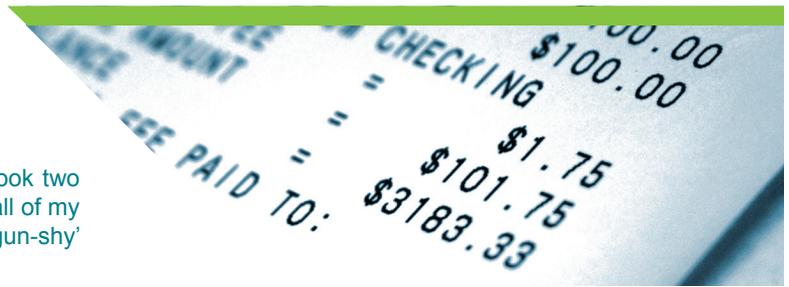
“The result was a workable plan that enabled us to gauge the plan’s progress. The plan went as far as identifying possible ‘bottlenecks,’ and it provided measurements. But what it also did was to generate enthusiasm within Telemark, dissipating the negative experience leftover from our previous computer disaster.”

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President, Telemark

Telemark, a privately held corporation located in Sturgis, Michigan, has annual revenues of approximately \$9 million. While Telemark offers 30 different product lines, the majority of the firm’s business is the printing of automatic teller receipts. The next biggest market for the company is the printing of parking tickets. Each order is, in fact, a custom order because every individual form must be imprinted with the logo of a bank, municipality or institution. The company fills approximately 900–1,000 orders per month, and the average order size is less than \$1,000. With the abundance of small orders, the burden of accurately tracking each order is vital. Because Telemark sells through a network of resellers, the company also has to be able to respond to numerous order status inquiries.

■ The Challenge

The company had been using a broad-based ERP system, but decided to go with an industry-specific software package that addressed full quoting, accounting, material planning and shop floor data collection. Unfortunately, the system never delivered as promised. It became necessary to verify the accuracy of quotes, and there were long delays before a “good” receivables report could be obtained and month-end closes could be executed. “Our accounting staff ballooned to nine persons, and it still took two and one-half to three months to do a month-end close. Plus, all of my employees were demoralized, overworked and completely ‘gun-shy’ of anything having to do with computers,” said Tom Thomasma. Telemark subsequently took the software vendor to court and won, but the settlement included full surrender of the software after three months.



■ AT A GLANCE ■

COMPANY

Telemark

INDUSTRY

Paper Manufacturer





In desperation, Thomasma contacted Automation Plus, a local software reseller and openly pleaded, "Find me a new system." During the initial discussion, John Wiedlea, Automation Plus President, asked Thomasma to outline his "vision" of how the new computer solution should interact with the various segments of his business. Wiedlea also questioned Thomasma on his expectations regarding costs, productivity and length of implementation. Wiedlea also insisted that the two draft a written plan, replete with milestones and which would also contain a look into the future to assess the ability of the system to handle anticipated growth.

"The result was a workable plan that enabled us to gauge the plan's progress," said Thomasma. "The plan went as far as identifying possible 'bottlenecks,' and it provided measurements. But what it also did was to generate enthusiasm within Telemark, dissipating the negative experience leftover from our previous computer disaster."

■ The Solution

Automation Plus recommended a solution consisting of SYSPRO ERP software running on top of Microsoft Windows NT on a HP Pentium 3 computer. The fact that SYSPRO software offered a choice of integrated, scalable accounting, manufacturing and distribution modules was a big plus. In addition, SYSPRO also offered a comprehensive implementation strategy, one that would enable Telemark to streamline various business processes during the implementation cycle.

According to Automation Plus Vice President, Anne Wiedlea, "We determined that Telemark needed a system that would allow the company to take and hold a large number of order specifications vital to order accuracy. We worked closely with the Telemark team to make sure the SYSPRO Product Configurator would hold all specifications needed. Once this was confirmed, we knew SYSPRO was the system to address Telemark's specific needs, allow growth and, most importantly, address Tom's vision of what he wanted his company to be able to do for his customers, both now and in the future."

The first phase of the SYSPRO implementation addressed accounting. With the use of the SYSPRO STARS Implementation Methodology, Automation Plus was able to get the Telemark team converted from the old industry-specific package to a solid foundation of SYSPRO within the three months period granted to Telemark by the courts.

"After the initial implementation, we addressed a second phase, which included the SYSPRO Product Configurator and Work in Process tracking," says Wiedlea.

■ The Result

Thomasma says getting rid of the old system was like "getting rid of a bad toothache." Describing the implementation of the new system, which, today, is utilized by 24 employees, he notes, "There were no financial surprises, and, in fact, the cost of the implementation has more than been offset by an increase in productivity." He elaborates. "When we switched to SYSPRO, we were doing the same volume with 104 full time employees. Now, we're doing basically the same volume with half the number of employees. We close on a Friday, and by the following Monday at 10 a.m., we're into the new month. Plus our receivables have been slashed to 21 days. In addition, with the enhanced visibility provided by the new software, our bill for audits has been halved."

The new system has also helped Telemark become more lean by adjusting the inventory levels of blank forms. While the company used to 'guesstimate' stock levels, the historical records provided by the new system enable it to gauge future orders and adjust inventory levels accordingly. In fact, Telemark's inventory turns went from three to nine per year, a dramatic increase.

Most importantly, prior to the implementation of the system, Telemark had been experiencing financial problems. "Now, we're profitable," says Thomasma. "The system helped us get there." In fact, in a follow up letter to Automation Plus, he states, "Please let your people know how pleased I am with the SYSPRO solution. In fact, our satisfaction is best summarized by my accountant who simply says, 'I love this system.'"