



Title

Metalsa's Metal Structural Products business implements QAD EA 2014EE in Owensboro, Kentucky

Summary

Metalsa Owensboro completed a successful implementation of QAD EA 2014 Enterprise Edition with Logan Consulting providing business process and project management expertise.

The Client

Mexican auto-parts maker Metalsa S.A. de C.V purchased Dana Holding Corp.'s (DAN) structural products business in late 2009 which includes ten manufacturing plants in the U.S., Argentina, Australia, Brazil and Venezuela that produce structural components for chassis and body structures in light and commercial vehicles. Metalsa's US operations were focused at three plants in Kentucky, located in Hopkinsville, Elizabethtown, and Owensboro. With the completion of Owensboro, Metalsa and Logan Consulting mark the completion of the implementation of QAD EA in all three US plants in Kentucky, as well as Beijing, China and Brits, South Africa.

The Opportunity

Metalsa required an ERP system that could be quickly implemented due to support issues with legacy system, yet provide leading edge capabilities to a sophisticated user base. The new ERP system would support all aspects of the business and would replace an antiquated, early ERP system called MANMAN. Due to the problems using the MANMAN system, many of the processes consisted of manual spreadsheets in MS Excel and other off line tracking activity. The first two plants in Kentucky were implemented with 2011 Standard Edition (SE) using .NET UI, Production Schedule Workbenches, and EDI in 2012 and 2013. The decision was made to have Owensboro be the first Metalsa plant to implement the new Enterprise Edition. All financial reporting would continue to be passed to Oracle Financials.

Metalsa engaged Logan Consulting to manage and implement the project, working closely with Metalsa's IT team.

The Solution

Logan Consulting and Metalsa had developed a long-standing partnership as a result of their work together implementing QAD 2011SE at Metalsa's Elizabethtown, KY and Hopkinsville, KY structural products plants. These plants were acquired from Dana Holdings in 2009 when Metalsa purchased its structural products business.

Using the standard Metalsa process model developed from the prior two Metalsa implementations, Logan Consulting and Metalsa evaluated the best practices at other plants and also took advantage of applications present solely at Owensboro that were not available at other plants, such as IGear. The basic components of the implementation consisted of the following:



- QAD 2014EE for all core non-financial business processes
- Material Requirement Planning (MRP) and supplier schedules for all production material
- MSW/PSW Scheduling Workbenches
- Oracle for AP, AR and Financial reporting, with integration to/from QAD 2014EE
- Tier One Automotive EDI
- Integration between QAD and an in-house Manufacturing Execution System (MES) called I-Gear

The Results

By implementing QAD EA 2014EE in only three months, replacing a failing, old MANMAN system, Metalsa was able to recognize the following results and benefits:

- Disposition of the MANMAN licensing and maintenance
- Eliminated a home-grown TMS application for shipping to Toyota dealerships which was needed due to legacy system limitations
- Eliminated the risk of hardware and software failure, a key concern and project driver for Metalsa
- Improved inventory management and planning with fully implemented MRP
- Full automation of intercompany trade between other Kentucky plants, both being suppliers to Owensboro
- Improved efficiencies in managing and releasing supply for production materials by utilizing supplier schedules
- Additional EDI capabilities with suppliers

About Logan Consulting

Logan Consulting is a leading consulting firm with strengths in strategy, project management, business process design, ERP and CRM implementation, recruitment and training. Since 1992, our business process-based delivery techniques and tools have helped our clients build a solid business process and information technology foundation to support their business. Our clients count on us for objective, unbiased analysis, recommendations and project work. To learn more and hear what our customers are saying about us, please visit our website (www.logan-consulting.com).

Logan Consulting is headquartered in Chicago, IL with global services reach.