



## With ABAS in the fast lane

### ERP system moves STEIN GmbH ahead

Stein Automation GmbH has successfully developed from a subcontractor to a supplier of workpiece holder transport systems (WTS) and conveyor belts. Due to the use of the abas ERP software STEIN scored in the market place: Savings in the sales sector of 70-80%, shortening of throughput times by 2 weeks and a reduction of current assets. The numbers speak for themselves.

In 1990, the CEO of STEIN Automation GmbH, Peter Stein, used the difficult situation in the mechanical engineering sector as an opportunity to develop the company from subcontractor to supplier of workpiece holder transport systems (WTS) - with success.

#### From generalist to specialist

Until the end of the 1980s STEIN Automation GmbH, which was founded in 1969, acted as a kind of "extended workbench" for a mechanical engineering company. CEO Peter Stein was not happy with this state of dependence in the long run since, at the beginning of 1986, the partner at that time cancelled, for economic reasons, 50 % of his orders. Peter Stein took the opportunity to completely restructure the company management and to redefine the company mission statements. Thanks

#### STEIN Automation GmbH in Villingen-Schwenningen

STEIN Automation GmbH in Villingen-Schwenningen was founded in 1969 and manufacture workpiece carrier transport systems (WTS) and conveyor belts. Up to now, STEIN supplied 1500 pieces of equipment to production companies - the export share is 35 %. Every fourth system is sold to the automobile industry, the export share should in the long run be raised by 50%. STEIN GmbH operates successfully in the USA, another additional market for the company is in France.



to a promotion of original innovation grant by the state of Baden-Württemberg, the risky and very expensive development of the WTS was pushed through and successfully completed.

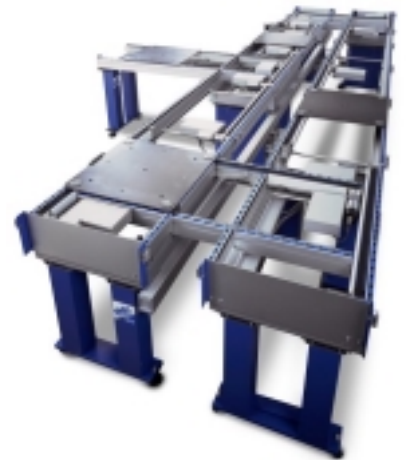
#### Open to new requirements

The first internally developed product from STEIN Automation was created. Today, the workpiece holder transport system is the basic product of the company and is based on the following idea: A large variety of models, small batches and high pressure to meet deadlines are the characteristics of many companies. This requires a fast and cost-effective retooling of all installation and production equipment. The internal system material flow in the installation and production facilities is becoming more and more important.

With the Stein Automation WTS many different types of workpieces are transported on carrier platforms. Its modular structure, the intelligent control and the easy-to-use programming options provide flexibility: Enhancements and customizations can be made easily. All systems, from the smallest entry level system via all system variants to large scale systems, can be extended, modified or linked up using standardized modules. " Our transport systems contribute to a high degree to the 'Lean Production' and therefore help to reduce costs", says CEO Peter Stein.

#### IT strategy reviewed

Against the background of the changed company situation and the necessity of modern organizational structures, the IT strategy had to be reviewed as well.





Peter Stein: "After we had transformed from subcontractor to manufacturer of our own product, the requirements were of course completely different. Before, only the financial accounting, the stock management and the fixed asset accounting were carried out by computer. Today the requirements with reference to quotations, cost estimation, CAD coupling are considerably more compact, sophisticated, and therefore more difficult to solve."

The requirements for the future ERP system were clear from the start: "We wanted a software which reflected the operational organization of our company and which was oriented towards the workstation and the individual requirements of each employee. The cooperation between human being and technology works best when the software is tuned towards the requirements of the user, and not vice versa."

### Parallels between abas ERP and WTS

Based on the positive experiences which the software consultant of STEIN GmbH had made with the abas Business Software ERP/PPC system, Peter Steiner agreed to a presentation of this software solution. "Right from the start I noticed numerous parallels between abas ERP and our product WTS: The modular structure, the intelligent control, the simple, clear and concise make up and the resulting flexibility were important deciding factors in favor of abas ERP", explains Peter Stein.

### Flexibility across the IT landscape

Flexibility and openness - the tiered software architecture of abas ERP makes it possible. The three tier architecture - consisting of database /system base, application layer and "Flexible Interface" (FO) - enables short introductory periods and a swift integration into the company structure. Individual and company specific adaptations supplement, where necessary, the standard functions, whereby they are smoothly integrated into the overall system. With the tools of the "Flexible Interface", links to other software worlds can be created: Via interfaces, abas ERP is connected to other IT solutions, e.g. eBusiness, data warehouse, project management, knowledge management, abas ERP CAD coupling, sales management, field service integration, PDC systems/systems for recording staff attendance time, Engineering Data Management (EDM), form design, print management, firewall solutions and many more. For STEIN the openness towards other software applications - especially as far as the CAD integration is concerned - is an important subject.

### CAD connection to abas ERP

Since the products of STEIN Automation are always made as a one-off, the CAD system is of great importance in the design area.

In the quotation phase an employee of STEIN Automation designs the optimal solution for a new product. The CAD data are then directly transferred from the screen to abas Business Software for automatic order processing. CEO Stein: "This is a really crucial relief for us. For we have innumerable variants in our products, different types of drives and configurations. abas ERP processes this information directly via the relevant bills of materials, which are generated by the CAD system."

### The competition outplayed

Decisive for competitiveness is the quotation phase. Stein: "In order to start the production of ten systems per month, about 80 to 100 bids have to be prepared. There was no choice but to automate. Due to the abas Business Software costs in the sales sector alone could be reduced by between 70 and 80 %. Further advantages are the speed, the precision and the security in handling the data. Throughput time of a product with an order size of about EUR 250,000 could be reduced by two weeks to about four to six weeks." If one assumes current assets of about half a million EUR and bases it on an average throughput time of five weeks it means a reduction of current assets by EUR 200, 000. This results - apart from the saving in interest - in an increase in the liquidity with which additional turnover can be financed. Stein: "There is no rule-of-thumb for it. However, for me the figures are based on experience, which clearly establish the profitability of abas Business Software. For us the investment in the ERP system was worthwhile."

