



# AMSBECK

## Initiate new development Supplier introduces new ERP system in record time

Successful production companies are based on the right mixture of innovations, corporate far-sight and motivated employees. However, the right tools are needed to ensure the success of a company on the commercial as well as the technical side: ERP systems. The software for the Enterprise Resource Planning is important for a company's success. A supplier from northern Germany replaced its old system at the turn of the year 2002/2003 and trusted a modern and flexible ERP system: The abas Business Software of the Karlsruhe software provider ABAS Software AG now supports a 'Hidden Champion' of drive technology.

"Know-how, the highest level of technology and a customer-orientated service" is what the Amsbeck Maschinentechnik GmbH refers to as the basis of their company success. Their engineers work on the construction and production of AGUSS clutches and gear boxes which are used worldwide. Modern CAD development tools and CNC machines provide a high quality standard. How much emphasis the company from northern Germany puts on quality is documented by their willingness to have all the AGUSS components controlled by an independent scientific institute. "Since 1995 our quality management is regularly being certified according to DIN EN ISO 9001 by the Technical Inspection Agency (TÜV) Rheinland/Berlin-Brandenburg," explains CEO Walter Funke proudly. Since the company's founding in 1982 Funke has been controlling its fate. For him, continuing growth of turnover and revenue are as important as secure jobs for his 26 employees.

Well-known producers of construction machines, pumps, refrigeration equipment, compressors, fans, machine tools, textile machines and also suppliers for go-carting use AGUSS drive components as basic equipment for their products. The component supplier dominates the market for centrifugal clutches. Without too much of a marketing effort the company managed to become the 'Hidden Champion' of its sector due to innovative and reliable technology. Off the rack products are not the business of the North Germans.

"We don't have a catalog, because all our products are tailored to the needs of our customers," emphasises Funke and adds: "this way our technical standards are constantly enhanced. For us the term innovation is more than a flowery phrase, it is our daily business."



*„Hidden Champion“ of drive engineering: with its centrifugal clutches the supplier dominates the market.*

### The right chemistry

At Amsbeck the team of engineers and traders has to rely on the support of an efficient information technology, to secure and further extend the good position on the market. To do so, in addition to a modern CAD system, an ERP system to control

### AMSBECK Group

The Bernhard AMSBECK company, who have their main office in Warendorf (Germany) has been in existence since 1922. Ever since then it has become a successful company and with the brand name AGUSS established itself in the business. Since its foundation Susanne Weritz (born Amsbeck) is the third generation running the company. At their head office AMSBECK, which was once also a casting house, develops and distributes their products in the areas street sewer castings, precast concrete parts, tree grates and accessories. From this location the new product are ELEUSIS+ is also developed and distributed. There is a branch office in Burkartshain near Leipzig to guarantee that customers can be an supplied area-wide. The precast concrete parts are manufactured here. Furthermore, the street sewer castings, precast concrete parts, tree grates and accessories are also distributed from here. . The subsidiary AMSBECK Maschinentechnik GmbH in Everswinkel, designs and produces centrifugal clutches and brakes, as well as slip on and flange mounted gear mechanisms.



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*"At Amsbeck sales start with a technical consultation, which then lead to an order. We do not have any couplings in stock. That means we have to be able to plan material management, produce and deliver at short notice. Not until we started to use the abas Business Software were we able to optimize these processes as we had imagined," emphasizes Funke.*

business processes is needed. Until the end of 2002 an integrated solution was already being used, but especially in the last few years this solution was not able to fulfill all of Amsbecks needs. The provider did not carry out important upgrades, defects were not removed and the support was not very satisfying. "In a situation like this one starts to look for alternatives. We contacted several ERP provider and also looked at the AMSBECK group of companies, which already had been using the abas Business Software for three years," remembers the CEO. The company based in Everswinkel was free to choose any ERP provider, because the parent company had not given them any specifications. Therefore, they concentrated on three 'foreign' ERP providers as well as a provider team composed of the Karlsruhe Software provider ABAS Software AG and its partner alltrotec GmbH. Based on a requirements specification, the providers were able to make offers and give us their problem solutions. They were also invited to talks. "Very fast it became clear that the ABAS and alltrotec team did not only have a good product, but they were also able to provide references as well as understand the problem of our company and our industrial sector. The human factor was also right from the very beginning," emphasizes CEO Funke.

### Specialized for medium-sized companies

As an ERP specialist ABAS concentrates on medium-sized businesses, especially production companies. The abas Business Software is being used by over 1500 companies and it is fully developed and flexible. The ERP software optimizes business processes from purchasing and sales, production and warehouse management to financial accounting. Users confirm, that the system can easily be adapted to company-specific requirements and reacts flexibly to external and internal changes. IT practitioners appreciate the ABAS Software AG customer-oriented way of thinking who also takes care that individual adjustments of the customer remain even after upgrades. This is not only beneficial to the ERP software in economic terms, but also a major plus where quality is concerned.

For ABAS the cooperation with highly qualified IT specialists that are responsible for the introduction and the support at the customer's business location is very important. One of those specialists is alltrotec GmbH in Radebeul (Germany) with selling agencies in Düsseldorf and Chemnitz. The IT experts from eastern Germany are specialized in the installation and introduction of ERP, as well as CAD and PDM systems. Since the flawless interaction of these programs is very important for industrial users, alltrotec's know-how is very relevant. The IT expert's work often already starts with the organization and application consultation in the companies. It depends on the quality of their work how fast a system can be introduced and how productively and flexibly it can be used.

### Successful start into the new year

Very quickly Amsbeck decided on abas Business Software and signed the contract with ABAS and alltrotec in May 2002. In-house, operations managers Heinz Greßhoff and Uwe Passenheim from design and production, who know the operational processes at Amsbeck inside out, were put in charge of the project.

The introduction of the new system was put off until the end of the year, because traditionally business is a little slower during this season. Already in September the first employees were trained on the abas Business Software and at the same time the ERP consultants started to prepare the changeover. The new system was running in test mode already weeks before the actual changeover. "Neither the



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current business was to be disturbed nor the data to be lost," demanded CEO Funke. The alltrotec employees wrote special conversion programs to transfer the data.

From December 20<sup>th</sup> to the 23<sup>rd</sup> 2002 it became serious: "During this time we closed the company and changed the complete system," says Funke proudly. On January 2<sup>nd</sup> 2003 the company was running as usual – as if nothing had happened. The old system was still available for backup, but wasn't used anymore.

Alltrotec project manager Ronald Büttner stayed on site for another week to help with emergencies. However, due to the good preparations, these emergencies did not happen and Büttner only had to take care of smaller problems and adjustments. The changeover to a new ERP system was completed in less than 3 months.

#### Usefulness in practice

All modules of the abas Business Software are installed and used at Amsbeck. Plant data is collected using barcodes and the personal time recording takes place through the PCS "Intus-Terminal". All data is processed in the ERP system. The amount of work to put in the data was thus reduced to a minimum.

The software's controlling tools turn out to be an important business instrument. "Using this tool we are able to get a payment preview that additionally considers outstanding items for accounts receivable and payables. The monitoring of liquidity was substantially facilitated for us," says CEO Funke.

The efficiency of the ERP system becomes clear when looking at the operational processes: Amsbeck usually does not sell finished drive technology components. "At Amsbeck sales start with a technical consultation, which then lead to an order. We do not have any couplings in stock. That means we have to be able to plan material management, produce and deliver at short notice. Not until we started to use the abas Business Software were we able to optimize these processes as we had imagined," emphasizes Funke.

Furthermore, the communication with business partners was improved: Electronic data exchange now substitutes the time consuming medium paper. Orders leave the system via fax or e-mail and directly go to the suppliers.

Documents are exchanged with customers via EDI (Electronic Data interchange). Our regular customers today order directly on this way: Quantity and deadline directly go into the ERP system and activate further processes.

How flexible the ABAS software really can be used shows itself during the build-up of Amsbeck's foreign business. All necessary tasks are covered by the system: the processing of increasing orders as well as the expansion of the company at Everswinkel.

#### Variations from the standard

It is a fact that even the most extensive standard software can not cover all individual requirements. At Amsbeck adjustments had to be made also. "In unit, small and serial production we are today able to work with relatively complex bills of material and we also use the changeover from backlog bills to on time production," says operations manager Greßhoff.

The system supports sales with pricing. Since there are no "off the rack" products, calculations have to be carried out individually, based on the information from the abas Business Software. The specific pricing is based on different discounts, quantities and surcharges which are all incorporated into the price lists. The adaptability of the system was also proven through the "Flexible User Interface" component. Using this tool individual evaluations can be established fast and easy.

#### abas-Business-Software at the Amsbeck Maschinenteknik GmbH

At Amsbeck 10 work station licences of the abas Business Software are installed on a Linux server. All software modules of the ERP system are being used. A Windows2000 server enables Internet and e-mail communication, EDI/remote maintenance, as well as the connection to the parent company Amsbeck. The abas Business Software is accessed via Windows terminal server.



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The abas Business Software, together with organisational measures, immediately showed positive results in many areas .



*Plant data is collected with barcodes, the personal time recording takes place with the "Intus-Terminal" of the PCS*

The usefulness of other measures will only become obvious after a certain time: "The calculation of inventory turnover will provide us information if too much stock is being kept in the warehouse. To determine the movement of goods according to their product groups will be decisive for the build-up or reduction of our stock," says the CEO.

There is no question for CEO Funke that with ABAS and alltrotec they bet on the right horse: "The changeover proceeded without any problems, the software runs very stable and the cost limits were complied with. Up to now we have been able to implement all our ideas and new features into the system, in which the support of the alltrotec advisers was a great help".