

# Customer case studies

## Adam Furniture

Adam Furniture is a £3.2 million, 46-employee organisation which has been manufacturing kitchens and bathrooms since 1973. The business is still owned by the founder's family and its factory, warehouse, showroom and offices are all located in Droylsden, Greater Manchester.

“... the information gains have been excellent... we're getting orders right first time”

Tracy Hannon  
Finance Director



### The challenge

For Adam Furniture, the major challenge in the last three or four years has been its changing customer base. Previously, key customers comprised a dozen or so main distributors across the UK; these distributors combined the units with worktops, appliances and other accessories before selling them on as whole kitchens to retailers. Now, Adam Furniture's clients include builders and property developers, as well as the general public. And for some clients, Adam has taken on the expanded role, previously the domain of the distributors – buying in worktops and appliances as required so it can supply 'whole' kitchens to its clients.

This has not been without difficulties, as the business gets to grips with the priorities – inventory levels, delivery schedules, service demands, and more. Adam Furniture has had to change its processes to be able to respond to

these new demands, as Finance Director Tracy Hannon explains, “With the distributors, we had fewer customers. The distributors held enough stock to be able to turn orders around in a day or two, and we delivered to them on a weekly basis. So, if we omitted an item from a delivery, it wasn't the end of the world as we could include it the following week. Now, the situation is quite different; we have more customers and it's vital we deliver the right order at the right time. It's really sharpened our focus on service and there is much more pressure in terms of information requirements.”

There is also more pressure on the business as a whole. “The new clients don't have the same commitment to a business relationship, after all they are not buying our product week in, week out. So product quality and service are vital to our reputation. We can't afford mistakes,” says Tracy.

Industry	Manufacturing
Geographic	Greater Manchester
Employees	46
Turnover	£3.2m
Solution	Access Supply Chain Dimensions
Modules	Core ledgers Sales orders Purchase orders Works orders Stock control Location & lot control Resource Engine (MRPII) Forecast Configurator Data Gateway/EDI

As well as new clients – and the new routes to market – Adam Furniture has also increased its product range enormously in the last couple of years. The kitchen units alone, for example, have more than 40 variants.

Add to this the fact that its previous business software only really supported the accounts function, and it is all the more impressive that Adam Furniture has been able to sustain its reputation and service levels. “Any software we had was very fragmented,” says Tracy. “We had a Unix-based accounts package, but beyond that it was pretty much all spreadsheets. In the factory, the shopfloor machinery such as the saws and drills are computer controlled, but there’s no integration with any other system. This meant that in the manufacturing area, any materials planning was seat-of-the-pants stuff and we had no way of linking different parts of the business. If a customer called to query whether an item was in stock, for example, we’d have to send someone into the warehouse to look.”

### **The solution**

Since stock information and materials planning were the key drivers, Operations Manager Phil Balham led the search for an MRP solution. However, once the search began, says Tracy, “we analysed our processes and realised we needed a system to manage much more than just materials”. A number of software suppliers were invited to visit Droydsden to demonstrate their systems. “Access Supply Chain stood apart from the others from the start,” recalls Tracy. “They worked hard to understand our business and they had taken the trouble to load some of our data onto their system – this meant the demo was relevant to everyone; we could understand the system and the benefits it could offer our business.”

Adam Furniture chose Access Supply Chain and the process of training and implementation began. From the

outset, Adam Furniture decided to spend extra time on training, and it has paid dividends. Tracy says, “The system is very easy to use, but it was so different from our old Unix software that we didn’t want to risk subjecting our people to information overload. So we sent teams for specific training: the sales team one day, the buying department another day, and finally the accounts team. It really has paid off as the system became second nature to everyone very quickly.”

### **Benefits**

Indeed, just six months after the system went live, Adam Furniture enjoyed significant benefits – some unforeseen – which enabled the business to sharpen its processes. Previously, when an order was placed, there was manual intervention from the start. “If we take kitchen furniture for example, in our business this is supplied by three or four departments,” explains Tracy. “The units, or carcasses, are from one area, the doors from another, and the accessories such as cornices and plinths from another area. Our despatch department, therefore, had to break down each order into an appropriate list for each of these departments – all on separate pieces of paper.” Clearly this was not only time-consuming, but also risked errors. “With Access Supply Chain, we can put orders in as complete units, so the sales office doesn’t have to break it down into components. And the system generates picking lists automatically for despatch, giving us instant traceability. So the sales and despatch departments were where we had the two biggest early gains, in terms of man hours and data accuracy.”

The comprehensive reporting capabilities have also proved to be a boon. “We didn’t foresee what a difference this would make at the outset,” says Tracy. “The data is there at our fingertips and, because it’s a Windows system, we can export figures to other programs like Excel or

Word very easily. For me, that’s been a great feature – if I just want to take a snapshot of any aspect, such as outstanding orders or value of stock being held, I can pull that information off and email it to the appropriate people.” This wasn’t impossible before, says Tracy, but it took “an age” to find the information from several sources, retype it and issue it. “Now, it’s so quick and easy to do any analysis.”

For Adam Furniture, the visibility that Access Supply Chain brings to the business is crucial. “I can already see that we have achieved our original aim, which is to have up-to-the-minute stock information,” says Tracy. “This means we can manage our stockholding much more effectively, so the next step will be to reduce it. That will be a key financial benefit to us, the capability to reduce our stock to a minimum.”

Other benefits, too, are apparent. “Throughout the business, the information gains have been excellent. This means we’re getting orders right first time, so we’ve cut out additional despatch costs and improved customer service. Our original objective was to improve the service we provide and we’re certainly achieving that. It’s such a competitive market that we operate in so it’s not enough to supply great products without excellent service.”

### **Summary**

Adam Furniture has plans to ensure it exploits every inch of the Access system. Tracy concluded, “We’re really happy with how well everyone has taken to the new software and intend to really draw on all the functionality that’s in there.”

For Adam Furniture, what began as a search for a manufacturing control system has resulted in the implementation of a new enterprise-wide solution, which has led to unexpected rewards for the entire organisation.

### **Further information**

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