

ATI Industrial Automation

Intuitive™ ERP



Intuitive ERP Helps Robotics Firm Surpass On-Time Delivery Goal of 95 Percent Within Two Years and Achieve Revenue Growth of 70 Percent

"Intuitive's customization features and open architecture have enabled us to achieve a highly integrated information infrastructure. Reducing the number of isolated systems has allowed us to eliminate duplicate data entry, reduce errors, and improve our data integrity. This solid infrastructure provides a competitive advantage that is very difficult for our competitors to imitate."

— **Dave Lora**, Information Systems Manager/Software Architect, ATI Industrial Automation

ATO/ETO Robotics Manufacturer Feels Growing Pains

ATI Industrial Automation (ATI) manufactures robotic end effectors that enable its customers to achieve a high level of flexibility in robotic automation. ATI's flagship product is the Robotic Tool Changer, a robotic wrist coupling that locks and unlocks automatically, allowing a single robot to perform many different types of tasks.



With thousands of highly-modular products and new configurations added every day, this fast-growing firm must accurately manage its product data in order to meet tight standards of quality and tough delivery deadlines.

ATI, which spun off from Lord Corporation in 1989, is based in Apex, N.C. Since 1998, ATI has increased its revenue tenfold and become a market leader in robotics products. Several of its major customers include Chrysler Corporation (automotive), ABB (robotics), and Schunk (industrial automation). The firm has 110 employees in two locations.

ATI subscribes to the lean manufacturing philosophy. Many of its products are

engineered-to-order and assembled-to-order, as robotics configuration needs for each customer are unique. This environment poses a challenge for ATI: to maintain and track an extremely large inventory of individual modular products along with a wide variety of product configurations that have their own SKU numbers.

ATI is a growing company, and thus its product line expands every day. This growth presents even greater hurdles for inventory control and management, as well as in meeting on-time delivery goals.

Rapid Growth Calls for New ERP Technology

Since 1998, ATI has experienced rapid growth. Its previous ERP system was not keeping pace with the thousands of new products that were constantly being added to the company's inventory and was not robust enough to meet ATI's needs.

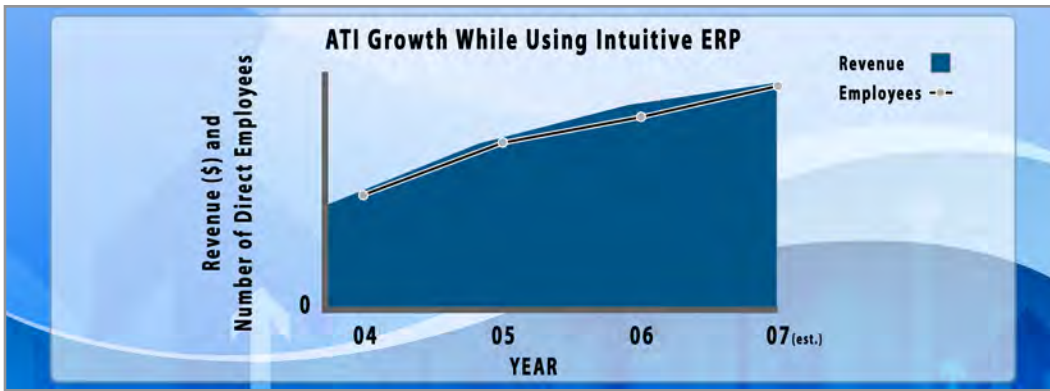
"The system had a lot of limitations we needed to move away from," said Dave Lora, information systems manager and software architect at ATI. "There were very few options for customization and integration. But the biggest problem was that people in the company were just fed up with it. We knew that we had to change."



Return on Investment at a Glance:

After implementing Intuitive ERP, ATI Industrial Information, an Apex, N.C.-based robotic product manufacturer, was able to achieve the following:

- Grew revenue by 70 percent within the first two years of using Intuitive.
- Reached unprecedented levels of on-time delivery and inventory control.
- Expanded its product set by 250 items per month on average.
- Significantly improved its ability to track its thousands of serial numbers, improving quality control, inventory accuracy, and customer service.
- Improved cash flow and productivity levels by executing material and labor scheduling "just in time."
- Helped purchasing personnel manage nearly 2,500 items each, which would not have been possible with the previous system.
- Created an ASP .NET intranet that allows employees to find important information quickly.



After investigating several other ERP packages, ATI chose Intuitive ERP from Consona ERP. Its powerful manufacturing and planning capabilities were a good fit for ATI's product set and business model. Lora and his associates were excited about Intuitive's .NET/SQL Server architecture, as well as the fact that the solution's source code was included to allow for easy customization. Intuitive's customer support also was an attractive plus.

Smooth Implementation Jump-Starts Delivery Times and Inventory Control

After a well-planned and executed implementation of Intuitive's system, led by operations manager David Taylor, ATI soon began to see marked improvement in on-time delivery and inventory control. The implementation of the Intuitive system was very smooth at ATI. "We are one of the few companies out there who can say that we had a successful ERP migration from day one," said Lora. "We kept up with a strong shipping week right after cutover, with very few hiccups, even though we had hundreds of orders in process at that time."

Lora attributed his team's success to an intensive, six-month implementation planning process and a dedicated implementation team. The team provided rigorous training for all employees and leveraged Intuitive's virtual training resources. "You can't underestimate the scope of a project like this," he said. "We played out scenario after scenario in conference room pilots with our Intuitive implementation consultant, and we rehearsed the data migration every day before cutting over. But implementation isn't just something you do at the beginning; it is ongoing. With software like Intuitive ERP, keeping up with the latest version means continually enhancing your toolbox. You get access to new features that can help your enterprise achieve continuous improvement."

Two years after implementation, ATI continued to build on the system by implementing customizations that integrated with Intuitive, including a flexible physical inventory system, price lists, serial number tracking, and a company intranet. In June 2007, ATI participated as a beta testing site for Intuitive's Version 8.1 release.

"The Intuitive solution has made such a difference for us," said Lora. "I love the fact that it is very customizable and has an open architecture. We can build entirely new forms and reports within the Intuitive framework, which we couldn't do at all with the old system. Overall, we've been able to achieve a high level of integration."

Equipped to Welcome More Growth

Lora's "ongoing implementation" approach has helped ATI realize measurable returns. Amazingly, the company achieved revenue growth of 70 percent within the first two years after the Intuitive implementation. According to Lora and his team, the infrastructure provided by the Intuitive system significantly contributed to this growth.

Serial-number tracking, quality control, and inventory management have become much more tightly controlled since the Intuitive implementation. As a result, the company is now able to easily manage a product set that grows by 250 items per month, with customer service and product quality improving. Additionally, the Intuitive Buyer's Workbench has allowed purchasing personnel to manage 2,500 items each, which would not have been possible with the previous system.

Additionally, ATI has been able to achieve unprecedented levels of on-time delivery. The internal on-time delivery goal was set at 95 percent, and after Intuitive, that goal was met ...then quickly surpassed.

CASE STUDY

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