

Coretec Inc.

Cimnet Systems™ ERP



Coretec Inc. Uses Full Suite of Products from Cimnet Systems to Streamline Operations, Offer New Services and Achieve Significant Growth

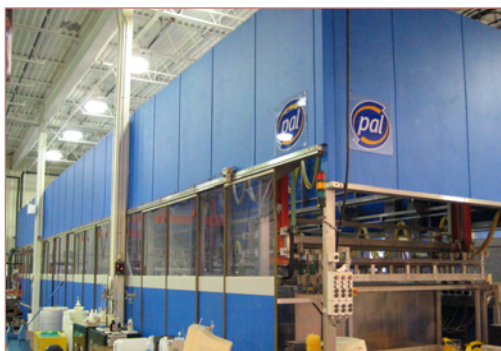


“We believe we have achieved significant growth through the implementation of Cimnet Systems’ suite of products. One of our competitors is currently expanding through acquisition, but we believe our harmonized systems approach will provide an advantage. All our sites are using Paradigm, i-Quote and Engenix, united together by Navipoint. Unlike our competitors, our infrastructure is built for expansion, either organically or through acquisition.”

— **Michael Schumacher**, Chief Information Officer, Coretec Inc.

Top-Ten PCB Manufacturer Asks, “How Far, How Fast?”

It’s no wonder the Coretec Inc. slogan is “how far, how fast?” The Toronto-based printed circuit board (PCB) manufacturer has expanded from one location to three and grown into one of the top 10 North American PCB suppliers to aerospace, military and commercial markets through solid systems and heads-up management. The Coretec team believes its organic growth and winning strategy wouldn’t be possible without the software and support it receives from Cimnet Systems.



Established in 1980 as a Toronto-based quick-turn printed circuit manufacturer, Coretec grew through acquisitions in Denver and Cleveland to become one of the leading PCB

manufacturers in North America. Firmly committed to integrating the three sites and building a comprehensive global customer service model, Coretec continues to grow organically, delivering time-critical design and manufacturing of rigid and rigid-flex circuit boards. Coretec’s primary markets include aerospace (Goodrich Corporation, BAE Systems) and computing (AMD), as well as other high-tech electronics manufacturing markets.

Growing Pains Strained By Homegrown Systems

Coretec had grown to 500-plus employees with a custom set of systems that were not well integrated and difficult to maintain. Management recognized that the company needed a comprehensive, integrated, supported PCB-industry specific ERP solution in order to achieve its goals for order volume, responsiveness, customer service and growth. Of primary concern was the need to bring the three plants together into a cohesive, efficient and responsive organization. In addition, Coretec needed to deliver high quality product quickly to a very discerning customer set which required quick and accurate quoting and value-added engineering services coupled with solid manufacturing capability.

Return on Investment at a Glance:

Coretec Inc., a publicly traded printed circuit board manufacturer based in Toronto, saw the following return on investment after implementing solutions from Cimnet Systems:

- Ability to process 700-plus quotes per week and meet an internal goal of a one-day turnaround on standard quotes and two hours on quick-turn quotes.
- Increased capacity in engineering to be able to process 100 new parts per week (from a standard of 50 new parts per week previously).
- Improved delivery times after streamlining planning and engineering review processes prior to releasing work orders to the floor.
- Centralized order entry and customer service management in one location for all three plants.
- Rolled out vendor-managed inventory programs for major customers and positioned the company for continued business growth.

"Our systems are a clear differentiator in this market and provide us with more scalable operations."

— **Michael Schumacher**, Chief Information Officer, Coretec Inc.

The Search for PCB-Specific ERP

Cimnet Systems offered industry-specific expertise and experience in working with PCB manufacturers—a requirement for the Coretec team. The company's comprehensive suite of integrated applications, ranging from core ERP functionality to process engineering and quoting modules, addressed the full range of Coretec's needs. "Cimnet Systems knows our business, and that's important," said Coretec's CIO, Michael Schumacher. "What's more, Cimnet Systems provides an interesting mix of solutions, including business process outsourcing, which we have used to great benefit."

Business System Provides Foundation for Growth and Competitive Advantage

Coretec's initial implementation of Paradigm® ERP in 1999 consolidated a collection of custom and non-integrated applications into a single, consolidated, company-wide infrastructure across three locations. This new corporate resource brought together, in one system, the full range of company functions needed to control the manufacture and management of complex rigid and rigid-flex circuit boards.

The addition of the Engenix® and i-Quote™ solutions in 2005 and 2006 streamlined the business from quoting through front-end engineering to get products into production quickly. Implementing i-Quote across all three plants resulted in the ability to process more than 700 quotes per week, meeting an internal goal of a one-day turnaround on standard quotes and two hours on quick-turn quotes. Engenix enabled the Toronto plant to create production travelers and bills of materials, populate customer part master data (including costs), establish statistical process control, and identify other product attributes for 100 new parts per week, compared to a maximum of 50 without Engenix. Coretec also can now "custom-calculate" standard costs and prices quickly and accurately and customize forms and travelers to fit specific brands and processes.

Using Paradigm's "plan by schedule" module, Coretec is beginning to sell vendor-managed inventory (VMI) capabilities to large contract manufacturing customers, which represent about 60 percent of the company's business. "We believe this capability is a key to retaining the business of our larger customers,"

Schumacher said. "Our systems are a clear differentiator in this market and provide us with more scalable operations."

Coretec also is taking advantage of Cimnet Systems' business process outsourcing (BPO) services, a unique offering that lets Cimnet Systems' customers contract for quote data processing, pre-CAM, front-end engineering (CAM) and process engineering services using resources in Mysore, India. Currently, Coretec has one full-time resource there doing quote processing and two other full-time resources doing CAM engineering.

Navipoint® (implemented in 2006) consolidates information from all three plants into a data warehouse for easy reporting and better multi-plant visibility. Navipoint provides the foundation for centralizing order entry and quote processing using consolidated customer master lists. This effort is part of the company's drive to create a scalable organization, better able to respond to customer requests. The overall goal is to grow organically (building on the current resources) without adding administrative staff. "We believe we have achieved significant growth through the implementation of the Cimnet Systems suite of products," Schumacher said. "One of our competitors is currently expanding through acquisition without harmonized systems, and we believe our approach is a much better long-term answer. All of our sites are using Paradigm, i-Quote and Engenix, united together by Navipoint. Unlike our competitors, our infrastructure is built for expansion, either organically or through acquisition."

CASE STUDY

"Cimnet Systems knows our business, and that's important."

— **Michael Schumacher**,
Chief Information Officer,
Coretec Inc.



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