Steel Fire Equipment Ltd.

Leverages Modular Software to Meet Immediate and Long-Term Goals

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- *Jason Steel, Owner*
  Steel Fire Equipment, Ltd.

For a mid-size business driven to not only expand its customer base, but also set a new standard for customer service within its industry, information - its quantity, quality and dissemination – is essential.

Direct impact on customer service

"Our corporate tag-line is 'We're in the Business of Growing Your Business,'" says Jason Steel, Owner of Ontario-based, Steel Fire Equipment, manufacturer and distributor of equipment, parts and chemicals for the safety and fire industry. "And we believe the better the information we give our customers to pass along to *their* customers, the more they're able to grow their business; it's pretty simple."

Simple in the abstract, perhaps, but in practice Steel believed his objective was virtually unattainable given the highly customized, non-integrated and reactive business system his company had been using since the 1980's. "We were pushing ourselves to be better, to over-serve our customers," he says. And, he adds, with over 6,000 SKUs to manage, "We needed a comprehensive enterprise management system that would allow us to analyze sales volumes to determine inventory requirements, for example, or to track POs to Receiving, or track customer orders with a couple of keystrokes. Those are the things that directly impact customer service."

Along with a desire to provide their small customers with greater and more insightful information than typically required in the industry, Steel Fire Equipment also wanted to exceed the more stringent compliance standards of its larger, more sophisticated customers, who grade performance on criteria ranging from order accuracy and fill rates to on-time delivery and packaging.

Zero business interruptions during implementation

So, in mid-2007, Steel and his team began seriously evaluating three IBM System i-based supply chain solutions. The System i requirement was a critical qualifier, given that the company had virtually no IT staff and had been operating on the platform for 20 years, finding it to be "bullet-proof."

Each of the competing systems represented a tremendous advance over the old system in terms of critical functionality - warehouse management, inventory control and purchasing. However, according to Steel, two important factors separated Modular Software from the others: the confidence engendered by its people and Modular's Investment Protection Offering, which ensured that Steel Fire Equipment's software would remain current via annual enhancements provided at no additional cost.

Steel Fire Equipment selected Modular Software in early 2008, and Steel soon discovered his concerns about business disruptions during implementation - concerns based on stories he'd heard about other systems - were unfounded in Modular's case. "Everyone I'd talked to had said, 'Your sales for that month will drop' or 'You're not going to be shipping or invoicing that day'. Well, we're a small company; we can't afford to be down for a day."

As it turned out, the company experienced no downtime at all. "The implementation was exceptional," Steel says. "We implemented the entire system at one time and were invoicing and shipping the same day we went live. There was no downtime at all for us."

Proactive management of business critical processes

Steel cites dramatic improvements in inventory costs, real-time visibility into inventory, productivity and profitability among the primary benefits his company has enjoyed since going live with the Modular solution in March, 2008. "The Modular system makes it possible to actively manage our business critical processes," he says. "And because the system is fully integrated we eliminate human error and have immediate access to information, like the status of outstanding orders or which items are on back order. Never before did we have the ability to respond immediately to a customer who calls and asks, 'Where's our order?'"

Steel believes the robust and scalable functionality provided by the Modular solution will allow the solution to keep pace with any demands he or his customers can make on it in the future. "Every year we try to do a little bit better, and with this system there's always room for us to expand into it. It's always going to be more robust than we're going to require," he says. "We're growing about 15% per year, which is a big growth number in our industry. The Modular system has really allowed us to manage that growth by managing our cost and our supply chain. It makes running our business a whole lot easier."