



THE APEX GROUP

STEEL AND BUILDING MANUFACTURER,
THE APEX GROUP, CONSTRUCTS EFFICIENT
AND MODERNISED OPERATIONS WITH SAP

QUICK FACTS

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Mr. James Coghlan, Accountant,
The Apex Group

Summary

The Apex Group (Apex), a steel and steel building product manufacturer, was using an off-the-shelf business system which required the services of an external programmer to compile reports. SAP Business One removed this dependency with the system enabling Apex to remain highly successful and competitive.

Website

www.apexsteel.com.au

Key Challenges

- Lack of industry-specific systems in the market
- Non-integrated databases resulted in inefficiencies
- An external programmer was required to generate reports

Project Objectives

- Required a system to manage steel manufacturing processes
- Consolidate all databases onto one platform
- Automate processes and eliminate the need for manual report generation

Solutions and Services

SAP Business One

Why SAP Solution

- Able to meet the specific needs of a steel and steel building product manufacturer
- Well-known brand

Implementation Highlights

- Deployed a SAP-certified metals module by Evolution Software Services (Evolution)
- Implementation took five months

Key Benefits

- Automated business processes
- Ability to extract up-to-date and accurate business-critical data in real time
- Generate detailed reports like customer spending and products sold
- Enhanced bank reconciliation process as well as management’s visibility and understanding of their business operations

Database

SQL Server

Hardware

Intel

Operating System

Windows Server 2003



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Australian steel and steel building products manufacturer, The Apex Group (Apex), has to always stay ahead of challenges within the metals industry.

As Apex imports steel from countries like China, Japan and Korea, steel prices end up fluctuating constantly since they are based on overseas exchange rates. This situation required the 13-year-old company based in Dandenong, Melbourne, to improve its operating and business system to remain competitive in the market.

Furthermore, relying on just one person for an entire corporation's report generation needs is a huge risk for any management to take. Apex faced many constraints due to an off-the-shelf business management system that had numerous limitations. For instance, Apex had to engage the help of an external programmer to compile reports, which was unproductive and led to unnecessary delays in decision making.

In addition, the programmer was also responsible for writing databases whenever a new manufacturing line was implemented. This was inefficient and didn't make business sense.

"Basically, we were highly dependent on one person and it was simply not a good way of working," said Mr. James Coghlan, Accountant, Apex.

A new business management system was required. However, there weren't

many systems in the market that were suitable for the manufacturing and metals industry. Apex needed one that could cater to the specific needs of the steel business, such as tracking multiple types of production processes, accommodating different units of measure, and maintaining constant quality control from original heat and casting to the end product.

A Solution that Meets the Specific Needs of Steel Manufacturers

Of all the solutions evaluated, SAP stood out because it had all the functionality that Apex was looking for. The ability to calculate the number of steel strands and sheets from the mother coil and retrieving data such as specific customer's purchases and sales based on weight breakdown were just some of the essential data that Apex needed.

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SAP Business One was selected to integrate Apex's business processes as

well as consolidate multiple databases on a centralised platform.

Evolution Software Services (Evolution), Apex's implementation partner, deployed SAP Business One and a SAP-certified metals module developed by Evolution to address Apex's concerns. The system took close to five months to implement and went live on November 2005.

The SAP implementation was met with some user resistance initially. Through Evolution's training sessions, however, that issue was addressed.

"Evolution has a highly qualified team of consultants who gave excellent advice. They also did a good job dealing with change management," said Mr. Coghlan.

Drill Down to Specifics

With SAP, Apex no longer has to depend on an external programmer to develop reports on the company's operations.

Mr. Coghlan elaborated: "Not only can we retrieve accurate business-critical data any time we need to, we are able to drill down into the data for more details as well." For instance, in addition to management and sales reports, detailed information like customer



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spending and products sold based on weight and length breakdown are available too.

Best of all, SAP Business One addresses Apex’s unique manufacturing needs by enabling the company to obtain a more accurate measurement or calculation of how many profiles (e.g. strands of coil or sheets) they can get out of a steel mother coil.

Multiple databases were consolidated on a centralised platform as a result of this project, making it easier to manage, retrieve and share information. The SAP platform also makes it easier for Apex to integrate a new database every time it creates a new manufacturing line. This new business system makes it easier to manage the new line of business too.

Data accuracy has improved as well, thereby enhancing the bank reconciliation process.

Apex’s journey towards utilising SAP solutions is not going to end here. Plans are in the pipeline for an inventory module to keep track of supplies through bar-coding devices.

“SAP has provided us with a good platform for the future. We look forward to doing more with the help of SAP Business One,” added Mr. Coghlan.

Implementation Partner
Evolution Software Services

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