

MADE SMARTER

“ Made Smarter was absolutely fantastic from the word go – the team made the process of choosing an ERP system so much easier. ”



From left – Denis Pelych, Mark Jones and Jit Gatcha at Midtherm's factory in Netherton

FIND OUT MORE ABOUT HOW MADE SMARTER CAN HELP YOUR BUSINESS AT MADESMARTER.UK

Manufacturer on way to doubling turnover after Made Smarter support

A Netherton manufacturer employing 150 people is hopeful new management software will help it towards its goal of doubling its turnover by 2025.

Midtherm, which manufactures a range of solutions for clients through laser cutting, bending, powder coating and machining alongside selling flue and chimney systems, has installed a new Enterprise Resource Planning (ERP) system to bring its many processes together.

The business, which works with customers all over the UK, was assisted by Made Smarter West Midlands who guided Midtherm through the process enabling them to make a more informed decision about which software to purchase.

Made Smarter also secured a £20,000 match-funded grant for Midtherm to help contribute to the costs of the system, and produced a digital roadmap outlining the next steps to continue their progression once the ERP system has had time to bed in.

Mark Jones, Director of Sales and Marketing at Midtherm, said: "Made Smarter was absolutely fantastic from the word go – the team made the process of choosing an ERP system so much easier.

"Once implementation is complete, the new system will play a massive role in making Midtherm more productive and enabling us to double our turnover in our predicted timeframe."

The Challenge

Midtherm had grown steadily since its foundation in 1968, but had not updated many of its systems in a long time.

After setting itself a goal of doubling its turnover to around £24 million by 2025, it realised there was more to be done than just increasing the size of the sales team.

Mark said: "Many of Midtherm's systems were stuck in the 1980s and 1990s – there was too much pen and paper still being used to track things like orders, accounting details, and stock levels to name a few.

"This resulted in a lot of inefficiencies that, although not directly harming the business, slowed output down.

"From my previous experience at other businesses, an ERP system seemed like the best way to bring all of our systems together and enable the business to become more productive.

"However, what we didn't want to do was to install a system that would force us to change too much of the structure of the business.

"We also needed to look if any grants were out there to help us make that initial purchase."

Through a mutual contact, Mark was put in touch with Jit Gatcha, Digital Transformation Specialist at Made Smarter West Midlands, who arranged an initial visit.

The Solution

Jit visited Midtherm alongside Denis Pelych of Made Smarter strategic partner WMG at the University of Warwick.

The pair looked at the various ERP systems on the market and helped Midtherm work out which was more suited to their business's structure and goals.

Mark said: "Jit and Denis helped us prioritise what we wanted out of an ERP system. A big thing for us was for the system to work with the many different strands to our business, and to ensure we didn't have to change our structure too much.

"Once we had done this, their advice helped us whittle down our initial shortlist from seven to four.

"That meant the remaining four could pitch to us, which led us to select Acumatica as our provider of choice and Cedar Bay to help implement the ERP."

Jit and Denis also guided Midtherm through the process of applying for a match-funded grant of £20,000 to help pay for the software.

"The application forms were somewhat complex but Jit and Denis took us through it step by step," Mark added.

"It helped soften the financial burden of paying for the software, and made the decision that much easier."

Jit said: "While Midtherm knew it probably needed an ERP system to solve its productivity issues, it was clear the wide range of products available left them unsure as to which one would be the most suitable.

"Certain ERP systems on the market require significant changes to the structure of a business to make it fit, so we were able to rule those out for Midtherm.

"We then felt it was appropriate for them to make the final decision after each company had pitched."

Finally, WMG coached project manager Tom Hodgson to begin implementing the ERP as smoothly as possible, which involved helping Midtherm define exactly what they wanted out of the system and providing Tom with mentoring support.

The Results

Implementation of the Acumatica ERP is targeted for September, and Mark is confident the team will get to grips with the software quickly.

He said: "With Cedar Bay's support during implementation, we think the transition towards using Acumatica should be relatively smooth, and we're excited to see what we can produce.

"On its own, this could quite easily deliver 30 per cent more efficiency in our business, which will make an enormous difference.

"It will free up so much time for our staff and enable them to focus on manufacturing products for our customers rather than spending excessive time entering data or performing work that has already been done somewhere else."

Denis Pelych of WMG said: "Doubling turnover is an ambitious goal for a medium-sized business like Midtherm, and it was practically unachievable without addressing its productivity.

"It was vital that the right ERP system was selected, not only to directly boost efficiency but to mesh with Midtherm without becoming too unwieldy to implement.

"Helping project manager Tom Hodgson manage this change was vital, as many businesses supported by Made Smarter have not had experience in implementing new systems like this before.

"Acumatica will be an excellent fit, and the roadmap we have produced will enable Midtherm to continue to grow even further once they've reaped the initial benefits."

The Future

Once the Acumatica system has been fully integrated, Made Smarter's roadmap has suggested further ways to improve the business, such as installing a materials resource planning system to better manage the flue production side of the business.

Mark added: "Flue and chimney manufacturing and selling is around 80 per cent of Midtherm's turnover, so improving that specific part of the business is a logical next step once the benefits from Acumatica have been realised.

"This could result in an expansion of the business, which would be an amazing result. I'm passionate about the manufacturing sector here in the Black Country – I'm from here myself – so I'd love to see Midtherm realise the huge potential it has."

CASE STUDY