

# Success Stories



IF THEY CAN BE SUCCESSFUL BY USING MICROSOFT DYNAMICS™ NAV, SO CAN YOU!

## Joyce Chen Cooks Up Enhanced EDI Offering Using Microsoft Dynamics™ NAV Financials

Welcome to the world of Joyce Chen, Inc., a second-generation family business that specializes in products for Asian kitchen needs. Joyce Chen's slogan, "Eastern Cookware for the Western Kitchen," reflects its focus on providing high-quality, versatile tools and products that have Asian flair, but can be used in a western kitchen. Headquartered in Billerica, Mass., Joyce Chen's Keilen Limited division distributes its products through large retailers such as Wal-Mart, Target Stores, JC Penney, Dayton Hudson, K-Mart, Linens & Things, Bed and Bath and Macy's. The Joyce Chen Products division sells through gourmet specialty boutiques.

When it came time to update its computer system, Joyce Chen had to select a system that was responsive to the needs of large retailers and at the same time allowed Joyce Chen to deliver "personal touch" customer service to its smaller customers. Madeleine Garland, CFO for Joyce Chen, said EDI (electronic data interchange) demands by its larger retail clients, and Y2K compliance were primary issues causing the company to reevaluate its business and accounting systems.

Joyce Chen previously used RealWorld Accounting Software on an SCO UNIX platform. "The constraints under the UNIX system were just a nuisance at first," said Garland. "But when customers' EDI requirements increased, those same limitations were affecting core business relationships."

In November 1998, when EDI trading partners began requesting Form 856 Advance Ship Notice, a new EDI document, Joyce Chen's system was put to a final critical test. "Adding the new document required mapping changes which resulted in more than a month of re-programming for our UNIX system in Cobol," explained Garland. "We had to find contract programmers to produce what seemed like endless lines of code just to add a single document."

Soon thereafter, Garland and her team joined to develop requirements for an upgraded accounting and business management system. To continue its strong growth pattern, Joyce Chen needed a system with the capability to:

1. Take advantage of Windows technology and features
2. Provide flexible Wide Area Networking (WAN) capabilities
3. Support enhanced EDI and provide real- time sales reporting
4. Provide a dynamic, user-friendly interface for customer service
5. Provide on-line analytical processing capabilities

"We looked at all of the major product offerings available," said Garland. "After extensive product reviews, we selected Navision Financials as the platform we needed to continue growing our business. Navision Financials gave us a system that was powerful enough to implement EDI for our large retail customers and at the same time provided a user friendly interface to work with our specialty customers."

After the decision was made to go with Navision Financials in November of 1998, the next choice was to select a Navision Solution Center (NSC) that could successfully complete the job of system implementation, training and conversion from the existing system. Joyce Chen selected RMI Corporation to implement Navision Financials on a Windows NT platform.

The new system will support major financial business functions, including: General Ledger, Sales & Receivables, Purchase & Payables, Inventory and EDI. RMI installed the system at Joyce Chen's corporate headquarters in Massachusetts. Navision Financials supports 20 workstations at the corporate location, and it will soon tie to a Los Angeles, California sales office to provide real-time sales reporting and analysis. The final decision to implement Navision was made in December 1998. RMI converted all data from the RealWorld UNIX system and cut over to the new Navision Financials within 120 days.

### **Results:**

Working closely with Garland is IT Manager Bill Robinson. According to Robinson, the Navision system is already paying dividends to Joyce Chen. The most immediate benefits have included increased speed and ease of EDI programming and mapping, creating customized sales reports, overall user- friendliness and ease of customization.

"The EDI 856 document that took a month of custom COBOL programming can now be created in one hour, using Navision Software," said Robinson, who enjoys Navision Software's programming because of the similarity to Visual Basic. It utilizes "plain-English" programming which allows Robinson and actual users to do their own customization. "We added six new EDI trading partners within four months of introducing the new system," added Robinson.

Garland likes Navision Software's sales reporting capabilities. "We are now working on getting our L.A. sales office tied into Navision Financials to give them an instant snapshot of sales performance. Having quick access to this data will allow us to make critical supply chain and other business decisions faster and much more accurately." Under the old system, sales reporting was only available as part of month-end reporting, added Garland.

And what about the future? Garland and Robinson are excited about the prospects for even wider area connectivity. The company contracts out its warehousing and distribution and is already making plans for linking Navision Financials to warehouse computer systems for on-line, real-time inventory status.

Robinson gives Navision Solution Centers, and specifically RMI, high marks for the implementation. "I cannot emphasize enough how important the NSC was to this project," said Robinson. "RMI's team knew what needed to be done, how to do it, and they got it done.

"Navision Financials is an elaborate product to get your arms around and we had a deadline to meet. We could not have achieved the success we did without RMI's help. This is an example of an excellent product coupled with a great implementation team leading to a successful system," Robinson concluded.

## H-B Instrument Company Measures Success with Microsoft Dynamics™ NAV Software

### Background

H-B Instrument Company was founded in 1903 by the "Hiergesell Brothers", two German engineers who specialized in the manufacture of glass measurement products. Initially, these included thermometers and hydrometers. Years later, the company added relays, thermostats, switches and lighting controls. Today, nearly a century later, these basic product areas have expanded to a comprehensive line of temperature and density measurement instruments, power controls, calibration services, accessories and creative engineering of new products.

### The Challenges

For the past 12 years, H-B Instrument Company grew with the use of a mainframe IBM System 36 that was designed to provide solutions for small and mid- sized companies without the complex manufacturing and distribution constraints of today's fast-paced digital economy. Over that period, the

IBM system proved an adequate solution but, with increased business demands, it gradually lost its luster.

For example, the System 36 was not Year 2000- compliant, nor able to handle the complex scheduling and production tasks demanded from a twenty- first century customer base and made-to-order production routines and schedules.

"Y2K has been a big concern for us ever since it gained its doomsday connotation," said Leslie Gall, vice president of finance and administration. "When we first purchased our mainframe system, no one was even talking about the year 2000, nor were the media fanning the fire with all the negative hype.

Still, we didn't panic. We looked at all of our options and found a comprehensive solution."

A bigger challenge for H-B Instrument Company was the fact that its mainframe system had difficulties integrating its various company processes. "We needed to integrate these processes, but doing so on the System 36 would have required a larger investment than the client-server solution we found." This was further complicated in that the company marketed to several different industries, including food and beverage, pharmaceutical, chemical, educational and government.

"We were compensating for the System 36 short- comings and lack of integration with stand-alone Personal Computers and spreadsheet or database programs for tracking, managing, projecting, and monitoring," said Erika Reedy, vice president of operations for H-B Instrument Company. "Everyone was working, but no one had access to information on the process flow from beginning to end. Our customers would call Customer Service and ask when they could expect a product, and we couldn't tell them until the office checked with me, the Production Manager, or someone with access to one of our many spreadsheets and databases. What we really needed was an advanced manufacturing solution."

The older system required someone on the manufacturing floor to record a product's information on a spreadsheet and then, when it moved to the next process, for another person to re-key that updated information into a different spreadsheet. The lack of a consistent tracking mechanism prevented H-B Instrument Company from efficiently tracking its products along the manufacturing process and keeping its customers adequately informed.

Some of the company's clients had very particular ways in which they wanted their invoices and other paperwork to appear. In some cases, clients wanted the same invoice submitted in two different layouts. This would have meant redesigning a reporting template for a single client.

## The Search

Obstacles continued to unfold and, in May 1998, H-B Instrument Company began searching for a manufacturing system that would replace their older system and provide the process management and tracking functions they needed. The company also wanted its new system to maintain an IBM look and feel. The management team looked at several vendors' products but didn't find anything that would fulfill all of its needs.

Then, a month later at a packaging industry trade show, Tom Zappia, Vice President of New Jersey-based Business Management International, Inc., introduced H-B Instrument Company to Navision Software.

"It all moved very quickly from that point forward," said Gall. "At the trade show we set up an official meeting and actually saw the software in action. We were very impressed. So much so, that we pretty much made up our minds on the spot."

"H-B Instrument Company needed the ability to track multiple products throughout an entire string of processes, and we were confident that we could provide that robust functionality," said Zappia. In addition, they wanted a manufacturing system that had all of the necessary functionality, from purchasing to order entry to work order processing to MRP, but could be implemented in stages.

"We were missing a vital materials management planning component and it made it very difficult to function effectively," said Reedy. "We had engineers and designers that knew they needed a certain part, knew what it looked like, but couldn't trace it without knowing our internal part numbers. That information was housed in another system that we couldn't easily access. This was especially important when it came time for our ISO Registration audit. The rich features of our Navision system satisfied many of the requirements for ISO 9001 Certification, and we were able to demonstrate their use."

## The Solution

In August 1998 H-B Instrument Company signed on with Navision Software for Navision Financials and later, Navision Manufacturing.

"We were all very excited and even more relieved that we would soon have a Y2K-compliant materials management system, and one that worked across the entire enterprise," said Ed Hiergesell, president of H-B Instrument Company. "After the implementation we could finally return to focusing on growing our core business and not worrying about having to find part numbers or transpose calibration statistics from one system into another."

## The Implementation

In November 1998, Business Management International, Inc. first took a look at the company's current procedures and interviewed several managers to determine which procedures were absolutely necessary to maintain in their current form.

"Navision Software enabled H-B Instrument to mold the software around the way they do business," said Zappia. "They've been manufacturing glass measurement products since 1903, and they didn't want to have to re-engineer their way of doing business to fit a new software package. With the precision instruments they manufacture, the software has to be flexible, not the other way around." Business Management International, Inc. also developed a concurrent "backup" system to run while the implementation was under way. "Tom was very helpful and always made his company's resources available," said Gall. "I was also impressed by the devotion to quality. We would work all week and then Tom was willing to come in over the weekend and run test systems to ensure we were on track. He would perform the tasks using the systems that we couldn't shut down during normal operating hours. That was concrete proof that he really understood our business and was willing to work on our terms."

Business Management International, Inc. used Navision Software's core product attributes to fulfill several of H-B Instrument Company's most pressing needs by providing each of the workstations with the ability to review departmental statistics and information, track a product's progress and efficiently manage the entire manufacturing process.

"They really liked Navision Manufacturing's comprehensive functionality," said Zappia. "Because an engineer could check a part number, the progress of the rest of the unit, the distribution dates, and ensure that the entire process was on schedule -- all from a single screen using Navision Software's drill-down features."

## The Results

H-B Instrument Company went live with Navision Financials in January 1999 and then with Navision Manufacturing in April 1999.

"The difference with a client-server based system along with the Navision Software is unmistakable," said Gall. "Our information on product availability is more accurate. Our production engineers have an integrated system, and all of the information they need is right at their fingertips for all manufacturing orders generated for either custom orders or orders for stock. And we have saved time and reduced work because we don't have to run and get all the various bits and pieces of information we need from all over the plant just to answer a simple question."

## Microsoft Dynamics™ NAV Energized GPU International's Move Into the Next Millennium

As the world's energy needs continue to increase exponentially, the energy market is continuously growing and changing dramatically. Remaining a key player in this industry is a daunting task as companies vie to stay on the technological edge of energy sources.

Established in 1985 and based in Parsippany, N.J., GPU International (GPU) is a global company, which acquires, develops, and manages generation businesses. The company does business in eight countries: Bolivia, Colombia, Pakistan, the Philippines, Spain, Turkey, the United Kingdom and the United States. In these countries GPU has an ownership interest in 21 generation plants with a capacity of nearly 7,000 megawatts.

### Preparing for The New Millennium

In a large multi-dimensional and multi-national company like GPU, a reliable, top-performing information backbone is critical. GPU must track its entities all over the world, consolidate their assorted financial reports and then use that information to manage the company and assess its present and future performance. To operate effectively, a company of this scope requires a multi-faceted, adaptable and dynamic information system.

At the beginning of 1997, Marie Easton, head of the materials department at GPU, and her team looked toward the next millennium and realized that its current accounting system could not keep up with the company's dramatic growth rate.

"We had a DOS system in place which was limited in its scope and was not functioning at the level we needed in order to sustain our business's growth," said Easton. "The system was not providing our employees with the information they needed to do their jobs effectively. In addition, the system was not year 2000-compliant.

"It was Easton's job to recommend a new software solution. She and her team immediately launched an extensive search of accounting and business management software packages. As part of the team's research it consulted with a number of accounting firms to better understand the solutions offered by various vendors and how each was seen in the marketplace.

"GPU's approach to finding a software solution was very thorough," said Wendy Gold, Vice President of Business Management International (BMI), which operates three certified Navision Solution Centers: one in New York City, one in Northern New Jersey, and the third in Central/Southern New Jersey. "Marie was highly organized and knew exactly what was needed in the new system. The team had prepared a

comprehensive 30-page document containing questions based on GPUI's requirements. BMI had to answer every question before we were even asked to demonstrate the product."

It was immediately obvious to BMI that GPUI needed a sophisticated enterprise business solution with the flexibility to grow with the company.

"The most important requirements for the new system were flexibility, ease-of-use and a responsive team of professionals to implement the solution. Since GPUI has investments in many different countries, we also required multi-currency, multi-lingual and Euro-ready software, which narrowed down the field substantially," explained Easton.

The GPUI team finally selected three systems, then attended demonstrations on all three. Following the demonstrations, the team conducted a cost-benefit analysis of each solution. "In the end, we chose BMI and Navision Financials because they met all our accounting needs and had the flexibility to do the things we wanted to do," said Easton. "We came away with a clear impression that the staff at BMI was not only committed to this project, but fully understood our needs."

## **The Right Fit**

BMI's first step was to perform an in-depth analysis of the entire company to better assess GPUI's specific needs and requirements. Representatives from every department within the company were interviewed, and a needs analysis document was produced indicating how the software could be customized to fit GPUI's specific requirements.

"After the intense needs analysis, there was not a single hurdle that I knew we could not surmount," recalls Gold. And there were some fairly complicated issues to consider, such as heavy consolidation requirements, local issues in other countries, accounting and reporting regulations, hyper-currency and multiple types of ownership in GPUI's companies. "We knew that no other system would have been up to the challenge."

Navision Financials processes the financials for 80 separate GPUI-affiliated companies, both domestic and international. The implementation included General Ledger, Accounts Payable, Purchase Order Processing, Accounts Receivable, Sales Order Processing, Job Cost and Human Resources.

## **Generating Results**

The multi-lingual/multi-currency functionality of Navision Financials, and the global reach of BMI were key factors in the selection process, but there are several other reasons BMI was able to meet GPUI's needs:



## The Power of Information

The key to Navision Financials is that it provides GPUJ with more sophisticated tools. The company now has a much more efficient ordering system in place, with a standardized chart of accounts and vendor list.

Navision Financials allows GPUJ to produce consolidated financial statements, after conversion to the US dollar. The company now saves a significant amount of time at month-end on the closing and reporting of those statements.

## An Adaptable Solution

One of the key benefits of Navision's solution is that it can be modified, using object-oriented tools, to fit the needs of the company and its established infrastructure.

## Drill-Down Features

The GPUJ team was very impressed with Navision's drill-down features, which allowed them immediate access to information they could not view using their old system.

## Total Integration

Before Navision Financials, GPUJ did not have a purchasing system linked with its accounting system. As BMI and GPUJ move forward with the implementation of Navision Financials, all the business processes and data will be integrated into a seamless operation. This will help GPUJ manage its entities and projects for future growth.

## The Right Team

Undoubtedly, selecting the right team is about the right chemistry and forging a partnership. GPUJ and the team of professionals at BMI have worked, and continue to work, hand-in-hand on the implementation of Navision Financials. "It is the service behind the product that sets us apart," said Gold.

## Moving Forward

"Navision provides our employees with the tools they need to do their jobs effectively. This is a critical step for us as we move forward," said Easton. "Thanks to Navision and BMI, we have moved successfully from an outdated accounting system to a true global enterprise business system."

Phase 1 of the Navision Financials implementation for GPUJ went live as scheduled on November 1, 1998, and Phase 2 is in progress. Phase 1 consisted of the critical items to get GPUJ's system up and running, and Phase 2 will include Fixed Assets and additional functionality. As Gold explained, "we have tackled their needs list and now we are working on their wish list."

"GPUJ, Navision Software, and BMI, as a team, are the perfect example of how international operations can be fully integrated through the use of a powerful tool like Navision Financials," says Larry Schiff, president of BMI.

## The Freedom to Grow Thanks to Microsoft Dynamics™ NAV Manufacturing

### Background

Founded in 1979, Hospital Food Services Ontario, Inc. (HFS) was created to provide a complement of food products and services to hospitals in the Ottawa region. Since then, HFS has grown to service over 130 clients, including hospitals, nursing homes and other healthcare facilities throughout Ontario. The company manufactures quality food products and services, including chilled foods (salads, sandwiches, etc.) and frozen foods (casseroles, meats, desserts, etc.). HFS has more than 120 employees and more than \$10 million in annual revenues. Hospital Shared Services functions as the administrative and managerial entity over both Hospital Food Services and Healthcare Linen Services. HFS has maintained its own manufacturing-based information technology system.

### The Challenges

Since the mid-1980's, HFS grew with the use of an old MRP (manufacturing resource planning) system that was developed nearly fifteen years ago. The proprietary DOS-based MRP system, written by HFS in the BBx language, proved the best solution for its time, but with increased business demands, it quickly outlived its product lifecycle.

Furthermore, the MRP system was not designed to be Year 2000-compliant, or to handle the complex scheduling and production tasks demanded from a twenty-first century customer base and made-to-order production routines and schedules.

"The best word to describe our old system is cumbersome" said David Pynn, chief executive officer of Hospital Shared Services. "When it was first implemented in 1985, our organizational needs were much smaller, and the Year 2000 problem wasn't even a blip on the global radar screen. Just as our company and customers have grown, so have our needs; they are much more complex now, and we expect them to become even more sophisticated as we continue to grow"

HFS used its DOS-based system to place orders, develop production schedules and generally handle the operations side of the manufacturing process. HFS also devoted an entirely different financials package to the billing aspects of the business. The attempts to consistently integrate these two systems further complicated an already difficult situation.

"We had virtually zero percent faith in the system's integrity during the last few months before we chose Navision software" said Donald Smeth, chief information officer for Hospital Shared Services.

The system presented several other challenges as well:

"In the old system, we had to run entire reports rather than being able to choose and print from a specific set of criteria" said Jean-Pierre Maheu, manufacturing manager for HFS.

To add to HFS' problems, the organization's full-time database programmer retired from the organization. Without her expert knowledge of the proprietary coding and flat file structure, HFS suffered from a lack of IS support and on-site maintenance.

"We needed a robust system which would provide a single menu from front to back" said Rocco Romeo, chief financial officer of Hospital Shared Services. "We were also looking for a system that would cover our manufacturing needs as well as provide the company with the tools to succeed, not as we once - were small enterprise - but as what we were becoming - growing, mid-sized business"

"HFS could have paid someone to rewrite the code for a new MRP system, or repair the old system" said Romeo. "Although it was a consideration, it just didn't make sense if we were able to find a viable 'off-the-shelf' solution. This was a fantastic opportunity to make an educated investment in the future of our customers and our company."

## The Search

Problems continued to compound and, in the second quarter of 1998, HFS began searching for a system that would replace their older system and provide the functionality necessary to take them into the next millennium. After more than six months of sitting through in-depth presentations and product demonstrations, HFS selected a "Short list" of two vendors.

In November 1998, Toronto-based Charon Systems, a Navision Solution Centre (NSC), presented Navision Financials and showed Navision Software's unique ability to customize and expand, as well as easily navigate through drill-down screens and filter data for concise manipulation and reporting. In December, Charon Systems returned to show Navision Manufacturing. This presentation was equally intense, comprising a full day of user requests and vendor demonstrations.

"They even used our own data in the presentation," said Pynn. "That was very impressive because it showed their desire to know our business and speak our language. Plus, Charon Systems let us 'test-drive' the software for free. No other vendor allowed us to take the software, make copies for our power users and use it in real-world situations. Our Navision Solution Centre actually challenged us to try and break it - not that he wanted us to succeed, but that gave me an even greater sense of comfort with, and confidence in, both Charon and Navision software."

## The Solution

HFS selected, Navision Manufacturing and, on February 15, 1999, the contract was signed. Hospital Food Services was now an official partner with Charon Systems in implementing Navision Manufacturing.

"We were all very excited and even more relieved that we would once again have a reliable MRP system able to keep up with our fast pace of production, distribution and delivery," said Romeo.

"After the implementation we could finally get back to focusing on growing our core business and not worrying about having to correctly hand-key purchase orders from one system into another."

## The Implementation

Due to the timing of the deal, HFS only had six weeks until the start of its next fiscal year (April 1, 1999) in which to implement the new solution. The NSC team and HFS therefore decided on an aggressive implementation process.

From that point on, the NSC and HFS worked hand-in-hand to migrate all the data and coding.

"That's another thing that really impressed me about Navision Software overall," Pynn continued. "They weren't like some of the other vendors who claim to be able to do anything, anytime, anywhere. Our NSC was always up-front and honest. If they didn't know the answer immediately, they would go and find out. "

Considering the aggressive timeline, the unique customizations that had to be made, and the complexity of the overall project demands, Charon had quite a task in front of them. They dedicated two "implementers" to the HFS installation in addition to a programmer. During the last two weeks of implementation, the NSC's staff virtually lived at the HFS headquarters.

"Charon's performance was outstanding," said Smeth. "The intensity was what really impressed me. These guys were amazing. We would work all day long - 10-hour days - they would go to the hotel for

dinner, rewrite some code, come back later that evening and then work some more. Sometimes they only slept two or three hours a night. In the end, though, we had a seamless and successful implementation, and we are now reaping the benefits of six long weeks of hard work."

## The Results

Hospital Food Services went live with Navision Manufacturing on March 28, 1999 and made the April 1 deadline. Although they wouldn't recommend this type of aggressive implementation, HFS does find it encouraging that its NSC was willing and dedicated enough to reach their first major goal. This served as a good indicator for a long-lasting and successful partnership.

While HFS selected Navision Manufacturing based on its functionality, one of the solution's strongest benefits lie in the ability of HFS' employees to work smarter with faster information access.

"I can see a big difference after using Navision Software" said Maheu. "With Navision Manufacturing, reports that once took forty-five minutes to an hour, now take less than a minute - some are instantaneous."

HFS is very pleased with Navision software's 'Drill down' abilities allowing them to track sales, inventory or production discrepancies from any screen. HFS also no longer has to worry about excessive system crashes or reorganizing a production schedule to fit the system's limitations.

"With the way we ran the business before, our old MRP system dictated the steps we took in manufacturing our products and distributing them to the marketplace," said Maheu. "These steps confined us to certain procedural limitations. With Navision Manufacturing, we can run our business more effectively because the enterprise business solution is flexible, expandable and totally customizable. It's as if Navision Software and Charon took off our handcuffs and opened our arms to embrace growth again."

Furthermore, with a business solution that solves any Year 2000 concerns, Hospital Food Services customers can rest assured that they will continue receiving high-quality food products and services well into the next century.

"We had several challenges to overcome," said Pynn. "I feel confident we partnered with the right people at the right time."

## Microsoft Dynamics™ NAV Comes To The Aid of Medical Equipment Manufacturer with Implementation in Just 5 Weeks

From best-selling business books to company boardrooms, executives espouse the need for continuous improvement and corporate "reinvention" to better serve customers. So executives are continually recasting their companies in pursuit of higher performance and greater profits. But some companies don't just reshape the mold. They break it.

Toronto-based Waverley Glen Systems Ltd. began life as a distributor of specialty health care products and medical devices such as patient mobility aids. But after 10 years of meeting customer needs and building a successful track record, company president Wim Van Voorst decided to focus Waverley Glen on a single radical product.

"Our deep involvement in medical products markets revealed an opportunity in the area of patient mobility," said Van Voorst. "It was not a chance to simply grow our existing business, but rather to restructure the company and to do business on an entirely new level."

That was nearly three years ago, and so far Waverley Glen is right on track, so to speak. Combining design, engineering and manufacturing, along with marketing and sales and customer service functions, Van Voorst focused on a single product called Ceiling Lift.

Ceiling Lift operates along a ceiling-mounted track, thus moving the mobility-impaired effortlessly from bed to bathtub or toilet, or to an entirely different room.

"Virtually all the previous designs still place a physical burden on the caregiver," explains Van Voorst. "Spouses of homebound users are often injured simply trying to operate existing mobility products. Imagine placing or retrieving a 200-pound family member into or from a bathtub." Even trained caregivers in healthcare facilities suffer from repeated strain to arms, shoulders, or backs, adds Van Voorst.

However, the decision that transformed Waverley Glen now presents new challenges. The market is just catching on, says Van Voorst, with sales exploding in his own Canadian territories. Sales in the United States have not hit full stride, but in Europe, where the Ceiling Lift technology was developed, growth is strong.

Waverley Glen now faces the same dilemma as so many other companies adopting radical change or entering high-growth markets: how to manage the business internally in the face of extraordinary external factors, such as old-line, entrenched suppliers, new sales and distribution agreements, and import/export regulations, to name just a few.

Les Molnar, Waverley Glen's head of information systems and product support, said the company's executives were in strong agreement on one key point: having access to data to make mission-critical management decisions was a top priority.

"Moving from the distribution business to manufacturing required a whole new information mindset," said Molnar. "Cost accounting and materials resource planning, or MRP, for example, became major areas of focus."

But new functions such as tracking raw materials cost and work-in-process didn't go far enough. "While these systems provided greater cost control, they were limited in their support of strategic decision making," explains Molnar.

That's when he and others on Waverley Glen's management team began to reassess the company's needs.

It was decided that the first priority was a system that would provide Y2K compliance. "Next," said Molnar, "we needed a decision-support tool that would allow managers to see deeper into business data." At the same time, Waverley Glen Systems needed to boost internal productivity with more efficient work processes, information sharing, importing and exporting of data and sophisticated reporting capabilities.

Molnar and his associates undertook a year-long search for the solution. Molnar was already discussing various accounting packages with Q-Inter Applications Inc., a local business solution center, when they proposed Navision Financials as a possible solution. "We were very impressed with the initial Navision demonstration as well as the feedback we received from one of our large resellers who was already using the system," said Molnar.

According to Dawson Lane, president of Q-Inter, Waverley Glen faced wide-ranging challenges. "Under its current system, it had separate islands of information held by each department," said Lane. "Cross-departmental integration of data had to be done manually, which hindered productivity."

"In addition," said Lane, "Waverley Glen's product requires serial number control, which means tracking different serial numbers not only for each product, but right down to the component level where FDA and other rules require traceability back to the original supplier."

"During our client consultations, it became increasingly apparent that Navision provided the best fit "out of the box" and the flexibility to add additional value in the future", said Lane.

"Though it sells only a single product, it also sells an envelope of available services," said Lane. "Waverley Glen's business model is very similar to Q-Inter's," notes Lane; each organization provides a complete solution that includes local service, training, installation, design and customization. "That, in turn, calls for adding capability such as instant data retrieval for reviewing a customer's service history, to name one example."

"Navision was the one solution that would allow future business functionality to be seamlessly integrated into the existing system in a timely and cost efficient manner" says Molnar.

Waverley Glen Systems' search included a review of a number of other accounting and business management software packages. According to Molnar, "Navision Financials compared light-years ahead in terms of functions and capabilities."

The Navision features that impressed us most were its drill-down and drill-across capabilities. We also liked its filtering features and the ability to look at data from different angles. And we found system navigation much easier with Navision Financials."

With Navision Software as its clear choice, Waverley Glen assembled an internal project team combining representatives from all major departments, including manufacturing, sales and marketing, accounting and finance as well as Molnar's MIS department. Q-Inter assembled its own project team to work directly with Waverley Glen's department managers.

"The Navision system was implemented within 30 days," said Q-Inter's Lane. "And they are now beginning to see even more of the true capabilities of the Navision solution."

"In short, Navision Financials and the team at Q-Inter have given us the ability to manage our business in a more hands-on manner," said Van Voorst. "And I know that we're already making better business decisions as a result."

Waverley Glen managers are seeing numerous direct benefits since the Navision launch. Among them are greater distribution and processing of key data, improved staff productivity resulting from the system's drill-down and data import/export features, and greater ease in handling multiple currencies. According to Molnar, even the ease of Navision's interface, with its Microsoft Windows look and feel, speeds the transition to the new system.

Breaking the mold sometimes pays off. With a winning product, a powerful enterprise business management system and global markets to conquer, Waverley Glen is well positioned for the future.



## Previous Accounting System Found Too Taxing... Universal Tax Systems Selects Microsoft Dynamics™ NAV Financials

Since 1986 when the Internal Revenue Service (IRS) first introduced electronic filing of individual tax returns, thousands of Americans have enjoyed the speed and convenience provided by this new method of filing. And for a small software company called Universal Tax Systems (UTS), headquartered in Rome, Georgia, electronic filing marked the beginning of an incredible odyssey.

Even before electronic filing, UTS Founder and President Steve Safigan knew that professional tax preparers needed a better software product. This led Safigan to launch UTS in 1983. Safigan was later joined by Randy Tullos, a college friend from Virginia Polytechnic Institute and now CEO of UTS, and by Al Martiniello, a former tax preparer himself and now the company's Executive Vice President.

With tax professionals now clamoring for an easy way to manage their electronic filings, Safigan and his team launched one of the industry's first electronic service bureaus designed to help tax preparers speed their returns to the IRS. Then, in 1988, they introduced their landmark product, TaxWise, a DOS and Windows based product for professional tax preparation.

Soon thereafter the accolades began: UTS was ranked in the top 50 in Inc. Magazine's 500 Fastest Growing Companies for three years running. Industry peers ranked UTS' TaxWise among the top software products in CPA Software News and Accounting Today. As for its electronic service bureau, by 1998, 15 percent of all U.S. taxpayers' electronic returns were processed by UTS.

Today UTS' rapid growth continues through innovative new products and an aggressive acquisition strategy. The latest product, SecureTax, was launched in December 1996. It is aimed at individuals preparing their own tax returns and is sold exclusively on the Internet. It, too, is emerging as a winner for UTS.

The company's rampant growth did create some challenges, however, and UTS' accounting department was one of the first areas to show signs of stress. The complexities of a seasonal business, new acquisitions and record product sales were straining the company's existing accounting software system.

What began as a basic corporate accounting application had grown to five financial databases. "We found ourselves building spreadsheets to run the calculations the system couldn't handle," says Stephanie Owens, UTS' accounting manager. "This, in turn, forced us to hire more staff." And there were other complications. "Billing and commission tracking became very complex, and the existing system would lock up with multiple users," she added. "In-house programmers were continually called to create workaround solutions."

Finally, in March of 1997, Kenneth Barfield, CFO and General Counsel, and Owens called for a system review. "We assigned a project specialist to do the research and found five potential new systems that met our preliminary requirements," she said. It was a comprehensive review, which involved several months of meetings between accounting staff and technical support. UTS' executive team also reviewed each product.

Among the financial systems vying for UTS' vote: Solomon, Flexi, Great Plains Dynamics and Navision Financials. In the end, it was Navision Financials that won the confidence of Owens' evaluation team.

"Because our accounting needs are so complex, our own programmers were always helping to modify our system," said Owens. "And they actually played a major role in choosing Navision Financials."

Dean Becker, UTS tech specialist, assembled a team of programmers to review each product. "We were looking beyond the application to the functionality and robustness offered by the various systems," said Becker. "With Navision, we threw down the technical gauntlet and they met us every step of the way."

## The Solution

Ed Jelen, president of Business Management Software, a certified Navision Solution Center based in Marietta, Georgia, presented Navision to Owens, Becker and the rest of the UTS evaluation team. "Stephanie and Dean had a 'wish list' that was custom-made for Navision Financials," said Jelen. "They needed a Windows-based system which is very robust but which offers great programming flexibility. They needed fields and filters to provide the detail they had been lacking. They also wanted more sophisticated reporting. And, most importantly, they needed a system which could be adapted to UTS' very complex procedures and support their growing business."

UTS purchased Navision Financials' comprehensive financial and business management system, plus Navision's programming tools. Once UTS selected Navision, Jelen and his team put together a detailed implementation plan and training schedule for UTS. "From the beginning, the Navision folks were very customer-focused and genuinely interested in our success. And they continue to put our needs first," said Owens.

## Benefits

UTS' benefits range from overall business process improvements to greater productivity by the accounting department. "We are simplifying many processes and producing more with fewer people," said Owens. "From an accounting standpoint, Navision allows us to see deeper into our business, with reports and drill-down features we didn't have before."

According to Dean Becker, customer billing was a long-standing challenge because of complex billing structures. His technical staff tried various custom solutions with only moderate success. By contrast, Navision imports data from text files and generates invoices at the rate of 100 per minute.

"Generating customer invoices under our previous software was a process that used to take several days," said Becker. "Today, Navision performs the same task in a few hours." Becker added that under the previous system the company simply accepted the limited performance. Navision, however, allows the company to better adapt to change and to plan proactively.

Becker also commented on the ease of initial setup. "We're accustomed to fairly complex setup and configuration," said Becker. "But with Navision, setting up a new client is very easy. Just install it, point it to the server, and you're ready to go."

Becker was also pleased with Navision's technical support. "On the few occasions when we had questions, we found them very responsive," said Becker. "And that's always a pleasant surprise."

## Microsoft Dynamics™ NAV Keeps Pace with Torrid Growth of Hot Start-Up Software Company

When it was started five years ago in its founder's basement in Orem, Utah, PowerQuest Corp. was just another software industry start-up with more promise than profits. Today, the company, whose sales last year leapt from \$8.2 million to \$25.8 million, is acknowledged by industry analysts as one of the fastest growing software companies in the U.S.

Founder Eric J. Ruff lured some of the best minds in programming away from the likes of Novell, WordPerfect, Microsoft, Corel and Gazelle Systems, enabling his company to make some fast moves into the hard-disk management and "cloning" software market for distributed workstation computing.

But PowerQuest's financial department did not have an accounting package that could keep pace with its phenomenal growth.

And until April of 1997, this firm, one of the world's top 500 software developers, was still using Intuit Corp.'s QuickBooks software for its primary financial functions, such as accounts payable and general ledger accounting. "The program is more appropriate for a small start-up or a dentist's office," says Alan Hansen, vice president of finance at PowerQuest.

The environment was becoming less than pleasant in the financial department. Not only was QuickBooks designed for small companies, it was also a client-based software program in a world where

client-server computing is a business requirement. "We had accountants clamoring to get onto our single-user system," recalls Hansen. "We were really pinched."

Last spring, Hansen began a quest for the right financial software for his firm, one that could be networked and serve what would grow to be currently a 15-person accounting department that performed everything from general ledger accounting to accounts payable. "For a long time, we thought we didn't have the time to go through a dog-and-pony show from each vendor out there," Hansen says. "But it got to the point where we had to make time."

At first, he considered some of the major household names in the financial software industry, companies like Solomon, Platinum and Great Plains. Hansen even brought a number of value added resellers into his offices and had them pitch their products. But something was missing. "We didn't think the VARs we had heard from were going to be as responsive as we needed them to be," says Hansen.

Then one day in spring, he was reading an article in CFO magazine, the trade journal for chief financial officers. The publication touted a firm with which he had only a slight familiarity at the time: Navision Software. "The article said they were about to break through to the top ranks of the accounting software industry, and that they had a great VAR network," says Hansen. Motivated by the article, he called upon Gene Matthews, president of Insight Business Solutions, a Navision Solution Center based in Salt Lake City.

Matthews recalls how in just one afternoon he demonstrated Navision Financials software to the accounting team at PowerQuest. His intimate knowledge of the technology and his breezy style of doing business won over the PowerQuest personnel. Four weeks after meeting with Matthews, the Navision Financials software was up and running on the company's NT server. Navision Financials is a fully integrated, customizable 32-bit multi-user business management solution. It is based on a high-performance, client-server architecture, and functions include general ledger, accounts receivable, accounts payable, order entry, purchase order, bill of materials, payroll, human resources, foreign trade, contact management, manufacturing and e-commerce. It runs on Windows NT, Windows 95, OS/2, IBM AIX and HP UX platforms.

"Gene Matthews sold us on the product," says Hansen. "It is a strong product that has everything we need. With software like this, the VAR also really needs to be strong. You need support. And that was a primary factor in our decision. So we opted for them. From a cost standpoint, all of the other big names were in the same ballpark. But we are quite pleased with our decision. We've gotten all of the help we needed."

Installation of the Navision software on the NT server was quite simple, and once the few inevitable start-up glitches were resolved, the software provided smooth sailing for the accounting department. Now, on a daily basis, 12 of the 15 people in the accounting department at PowerQuest access the system for accounts payable and general ledger accounting. In addition to the accountants, senior management also uses Navision every day at PowerQuest.

"From a technical perspective the 'multi-user network functionality' of Navision is important to PowerQuest personnel. Also, tracking and reporting are key functions for us. Vendor management, aging reports, all of that works well. The interface is really strong, especially on the general ledger side. If I need to go in and get some numbers, it is easy," says Hansen.

PowerQuest still relies on its own in-house software program for receivables and customer management. The reason? As a manufacturer and marketer of prepackaged software for the retail market, PowerQuest has a large number of small sales on an annual basis. "But we would like to transition to Navision some day for those functions," he says.

That day may come quite soon, if growth continues at its torrid pace at PowerQuest. The company's hard-disk management products, like Partition Magic and DriveCopy, are emerging as leaders in their field. Other products, such as Drive Image and Drive Image Professional, cloning software tools used by IS managers in large corporations and educational institutions, are in increasing demand as well. Drive Image Professional lets IS managers who want to configure a number of workstations the same way make an image of a hard drive and cast it over the network to set up the workstations in a time-efficient manner.

"What is really exciting about Drive Image is that we launched the product in September of 1997, and after three months our retail product was the leader in that category over previously-established competitors," says Hansen. "That speaks quite well to how we are doing. We sell all of our products through CompUSA and other national and local reseller outlets. We also have a direct sales force making calls in-house, and they are doing some great things for us. We expect to see more of that in the future, and that requires a lot of financial management capability as well."

The privately-held company wants to be prepared should it ever decide to go public in the future, and wants Navision to go along for the ride, for the software program contains online analytical processing tools (OLAP) that make financial analysis fun for the user. "We think Navision will take care of us," says Hansen. "Last year was tremendous for us, and we see no limit to our growth."

## Microsoft Dynamics™ NAV Designs a Custom-Made Solution That Fits Westech Engineering's Business

Flexibility. It's what brings companies of every size to select Navision Software's leading accounting and business management system as their primary accounting and business information management solution.

"I think most businesses are like ours," says Greg Howell, controller for Westech Engineering, Inc. "We're not generic, and it's hard to meet our needs with an off-the-shelf accounting package. I spent a year looking for software that would allow us to do the modifications we needed, to get the information we needed. We didn't want to change our business and the way we do business to fit the software package."

Westech Engineering is a manufacturer of equipment used in water and wastewater treatment facilities. Based in Salt Lake City, Utah, the privately held company has 135 employees and does business worldwide. Approximately 20 percent of its customer base is located outside the US.

As the company expanded, it needed to upgrade from its text-based accounting package.

"Our intent is for all of our project managers to have access to the reports and online decision support information available on the accounting system," said Howell. "In the year, we spent reviewing accounting packages, we didn't find anything better than Navision Financials. Other Windows products did not seem as far along, or as well developed, as it is. As we've implemented the program, we've been able to add new functionality as the system requirements grow. So far, we haven't found anything that we needed that we couldn't accomplish with Navision."

After spending more than a year reviewing numerous software packages, Westech selected Navision Software's flagship product, Navision Financials, based on its flexibility, rapid adaptability and outstanding user interface.

"Of more than 20 software packages reviewed, only Navision Financials had the flexibility we needed," said Howell.

Its high performance and the customer service from the Navision Solution Center were other key factors in the decision. The solution is provided by the Navision Solution Center, Insight Business Solutions of Salt Lake City, Utah.

The transition to the new network also involved an upgrade to Windows 95 and NT Server. Insight Business Solutions worked closely with the company to ensure a smooth and seamless implementation.

The Navision Financials server system runs on a Windows NT workstation, and 25 computers running Windows 95 are networked to the server on a Novell 4.1 network. Online since June 1, 1996, the network has been expanded over the past year to nearly 50 workstations. Westech has added users, database space and additional tables.

"Since we were making the transition, it made sense to move to the most advanced operating system," noted Howell. "The fact that Navision Financials was one of the first products licensed for Windows 95 and Windows NT helped make that decision. We were able to upgrade to the current versions of the desktop software we used as well."

Since installing Navision Financials, Westech has used the software for all its accounting, shipping and receiving, and work in process inventory. Westech relies on Navision Financials to provide usable information for making good business decision.

At the core of Navision Financials' design are unique modules, or program components. By breaking the system functionality down into small modules and even smaller "granules" (something no other accounting programs do), the software can be specifically customized according to the needs of the business. Westech has purchased granules in eight functional areas: General Ledger, Purchase and Payables, Sales and Receivables, Inventory, Payroll, Report Designer, Bill of Materials and Job Costing and Resources.

Insight Business Solutions continues to work closely with Westech, updating modules as the business adds divisions, products and services. In addition to its eight accounting granules, Westech utilizes customer-specific applications tailored specifically for the company by its Navision Solution Center. For example, Westech uses a customer-specific application to track all its work in process inventory. Likewise, another customer-specific application allows Westech to track its ISO9000, which mandates that all items received must pass different levels of inspection, depending on the item. The application, in turn, runs reports on what equipment needs to be inspected, whether it passed or failed, and its future inspection status.

Currently, the Navision Solution Center is developing another customer-specific application to allow Westech to utilize job costs for scheduling projects and personnel. With the new application, for example, project managers will be able to use job costing to handle project scheduling and update the status of each job.

Since job costs are the heart and soul of the entire Westech system, the company uses this key application to keep track of costs and profitability. In fact, job scheduling has totally replaced the previous system used by Westech.

The seamless integration of the modules into an effective management accounting system has given Westech the ability to streamline its operations and diminish the margin for error.

"We have worked closely with Westech to create a uniform system that has cut out the redundant data entry and decreased the room for error," said Wendy Kemp of Insight Business Solutions. "Now, all the information originates from one place, reducing mistakes and saving the company both time and money."

Many clients choose Navision Financials because of its ability to customize very specifically for their business - something off-the-shelf programs cannot do. By the time a company reaches the point where it has several divisions, products and services in operation, it has passed the point where accounting is a simple crunching of numbers. Instead, a fully integrated accounting and business information management solution is needed that will perform basic accounting procedures and serve as a management tool company-wide.

Navision Financials' unique design allows the kind of customization and integration that gives everyone from the accounting department to the maintenance shop the ability to input data and access certain information, all from one system. For users like Westech, the ability to tap into business information enterprise-wide is a refreshing option that they never had before Navision Financials surfaced.

## Gemstone Selects Microsoft Dynamics™ NAV Based on Sophistication and Core Technology

Servicing the technology needs of Fortune 1000 companies is a challenging task in today's business environment-integrating legacy systems with new programs and equipment, enabling the worldwide transfer of large amounts of data, and utilizing the Internet as the backbone of technological operations are just a few of the issues that keep controllers and information management personnel awake at night. GemStone Systems, Inc., a developer of object oriented application server software, eases the burden with its cutting-edge object-oriented application server software that can handle complex data and business processes required by clients such as Texas Instruments, Ford Motor Company and Florida Power & Light.

"Our customers are early adopters of technology and look to new technologies for a competitive edge," said Chris Moore, controller of GemStone. "Our applications handle computer integrated manufacturing, health information systems, financial, utility, complex multimedia, and networking and telecommunications management."

GemStone's work for Texas Instruments (TI) is evidence of the company's ability to help its clients run at full capacity. Before hiring Gemstone to monitor its entire semiconductor chip manufacturing



process, TI took up to 30 days to switch from the manufacturing of microprocessors to memory chips—now it takes just three days.

Founded in 1992, GemStone's revenues and orders have been doubling each year. There are 125 employees at the Beaverton, Oregon, headquarters and 12 sales offices across the U.S. The reason for the company's phenomenal growth lies in the flourishing object-oriented server software market. Just three years ago, only 10 percent of large U.S. corporations were using object-oriented technology. This number is projected to reach 40 percent in 1997 and 80 percent by the year 2000.

### **Maintaining a Competitive Edge**

With its growing list of influential clients, GemStone had to take a look at its own technological capabilities. After an internal review, Moore determined that the company needed an accounting software program that could meet its current needs while also having the flexibility to grow with the company. After a thorough search, Moore found that only Navision Software could offer GemStone the advanced technological applications it needed. He turned to MicroAccounting Systems (MAS), a Navision Solution Center in Beaverton for assistance.

Moore was impressed by Navision's features, especially the software's object-oriented program design. As a software developer and large-scale systems integrator, GemStone knew the power of the product because the people in the company have a complete understanding and appreciation of the technology behind Navision. However, Moore was determined not to let the software dazzle him. He and his accounting team put it through rigorous testing and evaluation. Moore actually pulled the network wire out of the wall during a posting process. The system replied, "Communications with server interrupted" and paused its operations. After plugging the wire back in, Moore found that all transactions rolled back appropriately, posted correctly, and the system picked up where it left off.

"I was impressed by the robustness of the system and the clean user interface," said Moore. "We tried to break it and it wouldn't break! That's the kind of system integrity I want."

Patrick Short of MAS was equally impressed with Moore's determination to test the limits of the software. "Chris [Moore] was sure he could defeat the software in some way," said Short. "But after challenging just about every aspect of it, he came away absolutely wowed by its reliability, versatility and customizability—not to mention the sophistication of the software's core technology, in particular its use of object-oriented program design. The software sold itself to him."

As a result, GemStone purchased several modules in Navision Financials: General Ledger, Sales and Receivables, Purchases and Payables, Inventory and job Cost software. Navision has allowed GemStone to customize its accounting procedures to fit its business processes.

"GemStone was at the point where the company needed to do much more than just crunch numbers with its accounting system." said Short. "it needed a way to pull lots of different data into an integrated system that could help it manage its current clients and project for future growth. GemStone needed a fully customized solution at a reasonable cost."

Navision's granular design provides exactly the kind of customization required by GemStone. Most mid-sized and large companies, such as Gemstone, need much more than an off-the-shelf accounting software program. Instead, they need a comprehensive management accounting solution-one that will allow them to integrate most of their business processes into a seamless operation, from order entry and shipping to general ledger and accounts receivable. Navision Software's granular design accomplishes this by breaking the system functionality down into small enough pieces to allow a "re-composition" to take place according to the needs of the business. This delivers the combination of scalability, adaptability, flexibility and cost-effectiveness that is essential for operational efficiency.

GemStone wanted the ability to display accounting and client information in multiple ways to satisfy reporting requirements, customer service and management needs. The company was easily provided this flexibility through Navision Software's built in Online Analytical Processing (OLAP) capabilities. OLAP allows users to extract greater value from the software by providing more flexibility in the ways the financial data can be manipulated and viewed. Navision allows users to define special, automatically updated "FlowFields" that summarize information for specific accounting dimensions. These fields are automatically drill-down enabled to allow navigation to the source transaction data and can display transaction balances based on user defined filters. Navision also provides a powerful "Matrix Box" function for viewing combinations of accounting data in two-dimensional spreadsheet format.

"Navision was able to provide us with a total solution to our needs," said Moore. "More importantly, MAS is still around on a regular basis-as we grow, so does the software. Their service and support is unbeatable."

MAS has become an outsourced M.I.S. department for GemStone by providing long-term solutions and strategies in the use of modern information technology, including hardware, software, network, installation, planning, project management, accounting, and Navision customizations.

## Navision Solution Centers:

### Personalized Attention Makes the Difference

Like most companies, GemStone had certain accounting and project management needs that simply could not be met by an off-the-shelf accounting program. The company needed a high-level management accounting system with quality support and training.

Through Navision's uniform network of dedicated locally-owned regional offices that know the local markets and customers, GemStone was able to call MAS and get local, personalized attention from a national company. MAS is one of Navision's carefully selected solution centers which devote their full time and attention to marketing, selling, and servicing the Navision product.

As a Navision Solution Center, MAS provides full service support, customizations and training to its customers. Patrick Short, MAS marketing manager, believes that Navision's personalized approach makes sense. "The key to a successful product lies not only in the quality of the product itself," said Short. "The service behind the product determines the real value of it. If you have a great product, but you don't know how to use it and you don't know how to maximize it for your particular needs, you haven't made a good investment."

Navision Solution Centers are staffed by experienced individuals with backgrounds in business, computers and software who understand the needs of businesses in their markets. These professionals can turn Navision into specific solutions for individual companies. MAS and other Navision Solution Centers understand how to automate all aspects of the business by making Navision software the information backbone of an integrated management accounting system.

## Northwest Cascade Automates Six Divisions with Microsoft Dynamics™ NAV

Not every employee gets excited about having more work assigned to him/her, but Maria in the maintenance shop at Northwest Cascade was thrilled. When her company purchased Navision software to manage accounting, inventory and order processing functions, her work load was cut in half.

"I love it," said Maria. "The new software works so well, it cut my job in half and they had to find more work for me to do."

Northwest Cascade, Inc., based in Puyallup, Washington, operates six divisions: Honey Buckets (portable restrooms), FloHawks (commercial pumping and cleaning), septic tanks, topsoil, residential site development and commercial construction.

Established in 1967, Northwest Cascade focuses on satisfying customers with quality products and services. The company has added new businesses and expanded its service area to include nine counties in Washington. Northwest Cascade continues to invest in its future growth by adding facilities, equipment and skilled employees to meet the changing needs of its expanding customer base.

## **Planning for Growth**

As part of its investment in future growth, Northwest Cascade had to replace its 12-year old Alpha-Micro computer and choose an accounting software solution that would enable it to automate many of its business processes. Overwhelmed by the vast array of options, the company hired a consultant in 1995 to help it make hardware and software decisions.

MicroAccounting Systems (MAS), a Navision Solution Center, emerged as the clear choice to help Northwest Cascade revamp its operations. Navision's scalability, flexibility and reliability were essential elements in allowing Northwest Cascade to increase its ability to manage its businesses. The modules selected were payroll, purchasing and payables, jobs and resources, inventory, sales and receivables and general ledger.

The seamless integration of the modules into an effective management accounting system has given Northwest Cascade the ability to streamline its operations.

"Our goal is to have customer service reps take care of 90 percent of the questions," said Vicki Souza, assistant controller of Northwest Cascade. The old way was to have a receptionist answer the calls and route them to the appropriate division. With Navision Financials, customer service representatives are able to place and track orders and help customers with other questions about their accounts.

"Navision is simple and easy to get around in. Everyone loves working with it," said Souza.

Souza is especially impressed with Navision's "drill down" feature which allows users to find needed information with just a few keystrokes. For example, from the sales order screen, operators can access customer information, history, location, and comments. On routine maintenance and cleaning calls, customer service representatives can check the schedule in the system and determine whether or not there is enough time to do the project that day. The dispatcher will delete projects from the system once they are completed.

MAS helped the Honey Buckets division completely automate its processes with Navision software. Since the portable restrooms are on a 30-day rental period, the software will automatically re-bill for those units still on location. In addition, when drivers deliver a unit to a site, they scan the bar code on the Honey Bucket. Each scan is written to a diskette throughout the day. The information is uploaded

to Navision software at night and a new service route for the next day is downloaded. MAS has also customized a Shop Maintenance Program for the maintenance shop. The program tracks servicing of equipment and fueling, work orders and inventory.

## Customization is Key

Many clients choose Navision Software because of its ability to customize very specifically for their business-something off-the-shelf programs cannot do. By the time a company reaches the point where it has several divisions, products and services in operation, it has passed the point where accounting is a simple crunching of numbers. Instead, a fully integrated management accounting solution is needed that will perform basic accounting procedures and serve as a management tool throughout the company.

Navision Software's unique design allows the kind of customization and integration that gives everyone from the accounting department to the maintenance shop the ability to input data and access certain information, all from one system.

At the core of Navision Software's design are unique modules, or program components. By breaking the system functionality down into small modules and even smaller 'granules' (something few other accounting programs do), the software can be specifically customized according to the needs of the business. Therefore, instead of having to take the software on an "all or nothing" basis, companies can work with their solution center programmers to design the software to mold and flow into all of their business processes. For most accounting managers, this is a luxury they are not accustomed to-they are used to adapting their business processes to fit the software, an extremely inefficient way to work. Navision Software gives them scalability, adaptability, flexibility and cost-effectiveness all in one package.

## Hands On Approach

For Northwest Cascade, automating its processes was a challenging task. Having operated in a manual environment for years, the company knew it needed a hardware and software provider with excellent service, support and training. Patrick Short says that as a Navision Solution Center, MAS is dedicated to its clients' present and future needs.

"We stick by our clients as they customize Navision software to fit their business processes," said Short. "Because Northwest Cascade had a very outdated system, we were able to help them fully automate most tasks, allowing for a more efficient use of staff time. Our programmers are still working with the

company today, two years after its initial purchase, training new staff and updating modules as the business adds divisions, products and services.'

### **Navision's Key to Success**

Through Navision's solution centers, its network of dedicated, locally owned regional offices that know the local markets and their customers, Northwest Cascade was able to call MAS and get local, personalized attention from a national company. MAS is one of Navision's carefully selected solution centers, devoting its full time and attention to marketing, selling, and servicing the Navision product.

Solution centers are staffed by experienced individuals with a background in business, computers and software. By understanding the needs of businesses in their market, these professionals are able to turn Navision into specific solutions for individual companies. Navision solution centers understand how to automate all aspects of a business by making Navision Software the information backbone of an integrated management accounting system.

## **Steinway Applies Same Precision To Selecting Software As It Does When Crafting Its Pianos**

Four years ago Dennis Tortora, controller for the world-famous piano maker Steinway & Sons, took a long look at accounting software on the market and "walked away realizing that the middle market was not ready." The middle market, in his definition, is the software that's been developed for companies who need a whole lot more functionality than a shrink-wrapped \$199 software package off a retail shelf, but they don't need to pay a \$100,000-plus price tag.

Tortora knew exactly what he wanted: an accounting and business management package that was as finely constructed and as tightly tuned as one of Steinway's handmade pianos, considered by many to be the finest in the world. At the time, Steinway was using a "homegrown" accounting system that was programmed in COBOL on an HP3000. For Tortora and the 25 users who needed to access information from the system, which includes customer service and two remote locations, it was apparent that Steinway needed to completely throw out the old system and start over.

The homegrown system just wasn't capable of giving Steinway executives the information they needed to manage the company. Steinway & Sons CEO Bruce Stevens said, "This was less of a cost issue than a critical business issue. Our previous system just couldn't provide the management team with the information we needed, how we needed it."

But Tortora couldn't find the software he needed at a price he was willing to pay, so he waited. It wasn't until the Spring of 1996 when "I began the process again in earnest."

Steinway's approach to the process is a textbook case of how the process should work, according to the Navision Solution Center who ultimately won their confidence and the business. "Dennis Tortora and his staff went through one of the most thorough processes that we've seen," said Larry Schiff, president of Business Management International (BMI) in New York. "Many companies can learn a lot from the way Steinway approached the selection process."

## Helpful Tools

Tortora began his selection process by acquiring two tools: The Accounting Library (published by Solutions, Inc. in Richmond, Va.) and The Requirements Analyst (published by Rockville, Md., Computer Training Services, Inc.). Both of these are evaluative software packages that ask questions of the user and then deliver a short list which ranks all the packages that best meet the needs of a company.

Navision's software, Navision Financials, ranked in the top five for both packages. "While these were helpful, I would never make a final selection based on this because the information may be outdated," Tortora said. "However, these tools are excellent places to begin a search."

One of the first steps Tortora's team undertook was to implement a 1,500 question survey found in The Requirements Analyst. Every user in the company took the survey including employees in customer service, accounting, senior management and order entry. Once all of the surveys were filled out, Tortora gathered the review team together, and they developed a consensus answer for each one of the 1,500 questions.

In addition to helping Tortora rank software packages, the guides became source material for a handbook that assisted Tortora with the decision-making process. "We used the guides to literally create a book, with chapters for every step." Tortora and his team would review a chapter each week. His team included the director of MIS, which reports to Tortora, and his key accounting staff -- the directors of general accounting and cost accounting and two staff accountants.

## More Research

Steinway's research also led them to an accounting software trade show, SoftEx. "I went to the show with three of my directors and talked to every vendor for two solid days," Tortora said. "I went to find out the things software solutions didn't do well, to clear up any confusion we had about the solutions and to get a hands-on feel for the manufacturer of the software and its vendors.

"I was bowled over by the professional, yet low-key approach of BMI, the Navision Solution Center. We had a very good meeting and when we came back to our offices, we went through our notes and selected Navision and one other software company as our leading candidates. The next step was to invite them to Steinway for a presentation.

"I was really impressed with the software, the Navision Solution Center and the level of support to the Solution Center from Navision Software US. At Steinway, we develop relationships with our customers and vendors, and we saw a lot of us in Navision Software. We are a world-class company, and they are a world-class software solution."

Tortora said that if he had to narrow it down to the two main reasons Steinway selected Navision, it would have to be the robustness of the software and its affordability. Steinway purchased every one of the granules sold by Navision Software, with the exception of Payroll, which is currently outsourced to ADP. In addition to the two main reasons Steinway chose Navision Financials, Tortora listed the following four attributes, which also made the selection process easy:

1. Navision Financials' simplicity of design. "it is very easy to use."
2. The product has powerful features and the Navision Solution Center could effectively demonstrate them. "The key feature was the drill-down capability -- this was the most impressive feature yet it was so simple to do."
3. The solution is a very cost-effective answer to the technology question of how to upgrade.
4. Navision Financials is a multinational, multicurrency and multilingual solution. It has all of the high-end features at a middle-market price.

The installation process has now begun for both Steinway & Sons and the Boston Piano Company, a subsidiary.

Steinway will be using Navision's Internet capabilities to have sales managers communicate and send information while they're on the road and they'll have it linked to the remote stores as well as customer service. "Ultimately, we'll have our dealer network online and they'll be able to link up the status of their orders. I know they will be very excited about those capabilities," Tortora said.

## Bionutrics Introduces **evolE™** and Gets Financials in Shape with Microsoft Dynamics™ NAV

Maintaining healthy cholesterol levels can be vital to living a long and healthy life. The search for the perfect combination has usually been a balance of eating wisely, watching fat intake, and exercise.

Capitalizing on the growing healthy lifestyle trend is Bionutrics, a biopharmaceutical company in Phoenix, Ariz. Its products are sold in 35,000 stores, including major retailers such as Walgreen, CVS, GNC and Wal-Mart.

The company's first product is a dietary supplement called **evolE™**, with the patented P25 tocotrienol complex **Clearesterol™**. The get cap maintains cardiovascular health by helping to lower cholesterol and also acts as a powerful antioxidant.



Bionutrics has an impressive board of directors and scientists supporting the manufacture and development of its products. The board includes C. Everett Koop, the former US Surgeon General; Winston Salser, Ph.D., a professor of Molecular Biology at UCLA and the founding president of Amgen, Inc.; Milton Okin, the creator of Weight Watchers low calorie foods; William M. McCormick, the former president of American Express' Travel Related Services Company; and Ronald Howard Lane, Ph.D., Chairman and C.E.O of Bionutrics.

Introducing a new product, bringing the company up to SEC reporting standards (NASDAQ: BNRX) and providing detailed information to manage six operating companies are challenging assignments for any individual. But for George Duck, executive vice president and chief financial officer, it was similar to starting a new health regime after the Christmas holidays: you know you've got to do it but it was all the more difficult because Bionutrics was running a completely manual system for its financials.

## The Team

One of the first things Duck did was to call on Deloitte & Touche LLP, a Big Six accounting and management consulting firm, to coach him through the selection process. Duck was very specific in what he wanted: a software solution that did the basics of general ledger, and went beyond that to help him manage all aspects of a growing business. This is especially important because Bionutrics is a total of six companies: research and development, manufacturing, health products, marketing and distribution, international and the parent company.

Bionutrics, due to the enormous number of retailers that carry its products, wanted to be sure the software solution could take orders electronically. Duck also wanted discrete security levels so he could give salespeople, order entry staff and inventory personnel selective access to certain modules in the software.

"I wanted something that had a lot of flexibility, was easy-to-use, and could grow with the company," Duck said. "I didn't want to worry that we would max out the ability of the system in a couple of years."

In addition, Duck needed a solution that didn't require hiring information systems staff to support it. Bionutrics doesn't have a single IS person - that's right, zero, nada, not one.

## The Playbook

The Answer Company (formerly Bing & Associates, Inc.), a Navision Solution Center located in Scottsdale, came in the game with the right strategy. According to Duck, Andrew Bing and his team "brought a lot to the table. Andrew is very savvy, very much a business person with good ideas and solutions."

In about six weeks, Bing and his associates customized Navision Financials, a client/server software system from Navision Software, to the unique needs of Bionutrics and went live with the product nearly a year ago. "it was not as hard as I thought it would be," Duck said. "Andrew Bing was really enthusiastic, and he did what he said he could do.

"The budgeting and forecasting in Navision Financials are set up very nicely. I have the ability to manage a lot of information with a few keystrokes. I felt like I got a big system for a medium price."

Bionutrics uses Navision Financials to track its product all the way from raw materials to the sale and delivery of finished goods. Navision Financials automatically handles the inter-company account transfers and cuts a check to the appropriate corporation.

Salespersons are already using Navision Financials for electronic order creation and invoicing, as well as the recording of discounts. Eventually the warehouse will pick orders through EDI transfer of sales and shipping information. Currently it's handled though a faxed-based system, but as the sales process gets more automated, it will become completely paperless.

"This spreads the responsibility for the information to all the people involved," Duck said. In return, management and sales get a powerful system that enables them to review information by individual customers, by retail chain and by each salesperson. This has been a powerful tool that everyone can appreciate.

"We are creating products and a company at the same time. Every time we go to Navision, we are able to make the software fit the business and not the other way around. It Seems Navision put more thought into its product than the other vendors I've seen.'

In fact, Duck said that he is "hard pressed to find a major criticism (of Navision Financials.) I'm very satisfied." Like most Navision customers, Duck is satisfied because of the flexibility of the solution, its affordability, and the ability to completely customize the solution. Those benefits are a result of Navision's unique approach to the development of its product. The result is why Navision Software is so successful -clients get exactly what they need.

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## Fast Food Company Gets Fast Results

Say "fast food" and McDonald's springs to mind. With over 22,000 outlets in 106 countries, 1996 annual revenues of \$31.82 billion and a vision to dominate the global food service industry with consistency, value and execution, the company relies on its franchisees to carry out its mission. Franchisees such as Sutherland Management of Bonita, CA must live up to McDonald's quality, efficiency, and cost benchmarks.

### The Challenge

In the summer of 1996 Sutherland Management Company, a McDonald's franchise since 1979 with 14 retail outlets in San Diego county, CA, over 500 employees and \$18 million in annual revenues, had outgrown its DOS-based accounting software. The program was taking far too long on month-end closings and lagged in check writing because paperwork from individual stores had to cycle through one master bank account. Most vexing was its inability to meet McDonald headquarters' mandate for monthly transmission of financial statements and sales data via a secure Intranet interface.

Allan Kodicek, Sutherland's Vice President and CFO, knew in mid-1996 that it was time to make changes in his accounting system. He approached his software vendor, who, with only DOS capability, strongly recommended that Kodicek consider Atlanta, GA-based Navision Software's Navision Financials package. "We needed to upgrade to a Windows-based platform on an NT server. The new software had to maintain individual store data, be fast, accurate, and easy to use," says Kodicek, who, with two administrative assistants, oversees the franchise's reporting system. Purchases from over 300 McDonald's approved vendors for food, paper products and equipment used in each restaurant - had to be tracked monthly for compliance with McDonald's rigorous standards. Finally, the software had to mold to Sutherland's practice of maintaining separate GL and AP accounts on paper while operating out of one master bank account, and handling cash flow quickly and efficiently.

Bruce Ciarleglio, CEO of Adventures in Automation of San Diego, a Navision Solution Center (VAR) since 1995, saw Sutherland's task of meshing its financial tracking and reporting needs with McDonald's headquarters' requirements as "darn close to impossible with other software programs but no problem for Navision." Even so, confronting Ciarleglio was the task of fashioning a system both simple and complex, straightforward and convoluted. Macdonald's proprietary cash registers tracked vital data of sales by item, by time of day for inventory purposes. But Sutherland still had to tend to its business of tracking the cash flow, payables, and other basic accounting functions while meeting corporate's reporting mandates. "What they do is very simple but very ugly because they have so many stores that have to be tracked by one system," adds Ciarleglio.

## A Clear Choice

"Our original software vendor sent us to Bruce Ciarleglio for a demo of Navision Financials. When we saw Financials' flexibility, power, scalability to our needs, and drill down capabilities, we were sold. We didn't look at any other package," says Kodicek. He describes Ciarleglio as: "Brilliant, he just exudes confidence. We gave him our laundry list of applications and he said 'yes, yes, yes.'"

Underlying Ciarleglio's sense of confidence was access to Financials' source code, which allows all Navision Solution Centers to customize at a level impossible with other packages. He explains: "Navision Financials is the best thing I have seen in my ten years in this business. Before Financials I'd invest time and energy pre-selling a client. Then there would be a customized application they'd need, something essential to their business. When we couldn't do it that was a real deal killer. With [Navision] Financials, I never have to say no to a client's requirements for getting their accounting and business management software to accommodate how they do business."

After approximately two months for customization, installation, training, and running the old and the new systems in tandem to ensure data integrity, Sutherland Management was up and running with Financials.

## Two Systems, One Solution

With Accounts Payable and General Ledger installed Kodicek put the new system to its test the myriad challenges of running a successful local franchise of a global enterprise. That meant data reporting, aggregation and analysis on several levels. On the one hand, major chunks of the accounting function such as inventory were centralized at corporate headquarters, while Sutherland outsourced payroll to ADP, an extremely efficient provider. On the other hand, the software handled the unique demands of the restaurant business, i.e., dealing with hundreds of vendors and having to micro-manage item costs that can run to a fraction of a cent. The ability to manipulate data easily on vendor categories, subtotals by stores, and inventory categories simplified Sutherland's accounting system significantly. Kodicek still gets weekly and monthly financial paperwork from the stores but uses Navision's drill down capabilities to easily access and analyze sales and cost data. Recurring journal entries also make life faster and less error prone. Kodicek feels so comfortable with Financials now that he uses the program's capabilities to create new data fields and reports as needed. He also incorporates statistical information from Excel, thanks to Financial's ODBC (Open Database Connectivity) functionality.

Although Kodicek can't name a dollar figure for how much Navision Financials has saved Sutherland Management, he's gotten something equally important: "Before Navision all of our accounting processes were terribly labor-intensive. With Navision Financials we do things swiftly and accurately. This gives us time to think, to strategize, and to constantly improve our business."

Navision solutions are built and sold to meet individual clients' needs and as Sutherland Management discovered, Navision has a unique approach to making sure they got exactly what they wanted.

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## A Recipe for Success From the Court of the Russia Czars to Today's Gourmet Markets and Kitchens

### Background

World-class artistry and confectionery talent are the foundation for Da Vinci Gourmet' syrups. Add to that some great business insight, and you have the recipe for an internationally known, highly successful business.

Da Vinci Gourmet', Ltd. was founded in 1989 by two entrepreneurs in Seattle, Washington, Greg Davenport and Bill Cotter. Davenport is a well-known confectioner who has produced fine chocolates for customers world-wide since the early 1980s. The art of confectionery and creating flavorful masterpieces is a tradition in the Davenport family – Davenport's uncle made fine chocolates for Russian czars.

In 1989 as the specialty coffee industry was taking off, Greg teamed up with Bill Cotter, a Seattle attorney, to pursue business opportunities. After reviewing the flavored syrups that were available, they knew that there was a need for a great-tasting, gourmet syrup. Da Vinci Gourmet'", Ltd. was born - with a commitment to producing the highest quality products at a competitive price.

Eight years later, the team is still together, and sales and staff are expanding at record rates. The company has been recognized internationally as the source for the best-tasting, highest quality syrups in the industry. Davenport and Cotter's entrepreneurial venture has turned into one of the most profitable specialty gourmet companies in the market -- the company has over 100 distributors nationally and more than 30 overseas. There are currently over 70 flavors offered, from Almond to Watermelon. The syrups can be found at all major grocery stores. Da Vinci's customers also include institutional food services and specialty coffee and gourmet tea companies.

### The Missing Ingredient

In 1995 as the demand for specialty coffees and syrups continued to climb, Da Vinci Gourmet realized that its growth was becoming both a blessing and a burden. The company had reached the status of a major supplier in the gourmet industry, but financial and customer information was being maintained and managed on a single personal computer bought years before for the bookkeeper. Sales and customer service representatives did not have a centralized, integrated way to track invoices, inventory, and customer information. While the company's growth was exciting, Davenport and Cotter realized that managing it was the key to continued success. They began the search for a sophisticated software solution for accounting and contact management.

## **Taste Tests**

To help the company make an informed choice about the investment in productivity it was about to make, Da Vinci Gourmet hired a consultant to evaluate its needs and suggest software and hardware options. The consultant presented five choices to Rich Delmastro, controller of Da Vinci Gourmet.

After putting each software package through rigorous testing, we were sold on Navision Software," said Delmastro. "We needed not only a better way to handle our accounting, but also an effective management tool. Navision was the obvious choice."

Delmastro needed a way to move Da Vinci from low-level bookkeeping to management accounting -- integrating data and using it to manage growth, forecast change and assist in the decision making process. Instead of an off-the-shelf accounting software program, Da Vinci Gourmet needed a higher level system of integrated tools.

Oregon-based MicroAccounting Systems (MAS), one of Navision Software's Solution Centers, helped Da Vinci select granules (macro and micro functions) that fit the company's business processes and the hardware that would offer the benefits of current technology. The company purchased granules in eight functional areas: general ledger, purchase and payables, sales and receivables, inventory, payroll, report designer, bill of materials, and contact management.

## **The Winning Recipe**

In his search for the perfect software, Delmastro was constantly faced with software programs that would require him to change his accounting process. But Da Vinci needed to "reassemble" software functions and handle transactions in a way that made sense for its business processes. Navision Financials' granular design accomplished this by breaking the system functionality down into small enough pieces to allow a "recomposition" to take place according to the needs of the business. This translates into scalability, adaptability, flexibility and cost-effectiveness -- exactly the combination Da Vinci needed. The result is a cohesive management accounting and sales force automation tool.

The contact management system has continued to be a big hit among the sales staff. The system has helped sales people design reports to accumulate and track leads for distributors and a "tickler" file for follow up calls. The system is currently managing over 15,000 contacts.

"Contact management allows us to gather relevant information about customers, vendors, employees and prospects in a single place," said Delmastro. "It gives us the tools we need to efficiently manage and carry out marketing, sales and communications campaigns using the same database that supports the accounting system. We've been well-served by the software."

Because of Da Vinci's multiple markets, distributors and sales leads, the company needed the ability to arrange financial data in several different ways. Navision Software's built in Online Analytical Processing (OLAP) capabilities allow the company to extract greater value from the software by providing more flexibility in the ways data can be manipulated and viewed. Navision allows users to define special automatically updated "FlowFields" that summarize information for specific accounting dimensions such as monetary or quantity balances for a combination of GL account and time period, for example. These fields are automatically drill-down enabled to allow navigation to the source transaction data and can display transaction balances based on user-defined filters. Delmastro is a fan of the software's OLAP capabilities because of the flexibility it provides them in providing highly customized information to its customers. "We will often have a customer call us and want a list of the top ten flavors they have bought over the past year," said Delmastro. "Before we had Navision Financials, collecting this information was a manual process. Now we can provide that information very easily to our customers."

Three years after purchasing Navision, Da Vinci is still impressed with its choice in accounting software. The service and training the company has received from MAS has been an integral part of Da Vinci's evolution into a sophisticated accounting and contact management system. "The high quality of service we get from MAS has continued to be a selling point for us long after the purchase was made," said Delmastro. "They took us from a one personal computer situation where almost everything was done manually to an automated environment where we have many tools at our disposal."

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## The Democratic National Committee Cuts Red Tape With Microsoft Dynamics™ NAV

No good business depends solely on either people or technology. It's the mix of trusted consultants and world-class software solutions that is most critical in solving a company's compelling business problems. The same process applies to organizations like the Democratic National Committee.

When the DNC needed to improve its internal accounting system and facilitate the task of reporting to the Federal Election Commission (FEC), it turned to AVF Consulting and Navision Financials for the solution. Andrew Fass, president of AVF Consulting, had been working with two other election campaign committees, the Democratic Senatorial Campaign Committee (DSCC) and the Democratic Congressional Campaign Committee (DCCC) to implement a similar accounting and FEC reporting solution.

To accommodate the DNC's unique processing and reporting needs, AVF Consulting utilized Navision Financials' built-in customization tools (C/SIDE) to adapt the standard Navision product to the DNC's requirements. AVF Consulting developed a fully integrated "add-on" that was based on a thorough analysis of the DNC's business.

The primary purpose of this add-on is to automate the laborious task of generating the FEC schedules that must be filed on a periodic basis. These schedules have become more complicated in recent years with the increase in "soft money" that the DNC and other national political committees now raise to help fund evermore expensive political campaigns. Tight restrictions on the use of soft money raised from corporations, PACs and unions creates the need for a system that can give management constant feedback on how funds are being raised and spent. The Navision add-on gives the DNC constant access to data that is formatted in line with FEC reporting requirements, which is crucial for the DNC to help achieve its ambitious political goals each election cycle.

The DNC uses Navision Financials to manage the committee's disbursements, including operating expenses and political contributions directly to candidates. To provide a frame of reference, the 1996 election cycle created approximately \$130 million in contributions-all of which needed to be closely documented, along with the expenditure of each dollar. The FEC reporting process occurs periodically. The challenge facing the DNC was that the content of these reports changed 100 percent with each new reporting period.

"I'd been working with a similar organization for more than eight years," says Andrew Fass. "Unfortunately, the product I was representing at the time could never be adapted to my clients' specific requirements. Because the system was inflexible, we were never able to meet their needs 100 percent. Most accounting systems today still suffer from this problem. When the DNC came to me about the FEC reporting issue, we had been working with Navision Financials for approximately six months. It was a perfect fit, as they needed a solution that was structured yet offered maximum flexibility to match the



DNC's business processes. With Navision Financials we finally have a solution that meets our clients' requirements 100 percent."

"Our previous system was based on another system and employed Oracle databases and Crystal Reports software," says Courtney Ruby, the DNC's deputy chief financial officer. "Essentially, AVF adapted an excellent accounting package to our specific environment. In most organizations, there are two different systems for accounting and FEC reporting. By customizing Navision, we're able to handle both processes from within the same software, which has proven to be a great efficiency and time-saver for us."

As deputy chief financial officer, Ruby serves as liaison between the CFO and the controller of the DNC. Her responsibilities include supervising the FEC reporting process. Ruby notes that a key factor in the success of the project is the fact that although Navision Financials maintains our accounting on an accrual-basis, we are able to produce the FEC reports on a cash basis.

"Navision was heaven-sent," says Ruby. "Maria Galdo (the DNC's controller who manages the FEC reporting) is working normal hours now, whether we're involved in reporting or not. That is something that has never happened within the DNC," Ruby notes with a smile.

"We had several obstacles to overcome, but overall I would say the implementation was virtually seamless," says Ruby. "AVF managed and supported the entire process, which greatly diminished the level of stress in the department. I think you can point to one critical success element of the entire implementation: trust between business partners," says Fass. "We knew the DNC's project represented a challenge for us, but we also knew that we had a solid product and a good group of people to work with at the DNC. The results are a fully integrated solution that meets the DNC's requirements across the board."

## Microsoft Dynamics™ NAV Helps Sporting Goods Supplier Stay Ahead of the Pack

Corporate logos are almost as common as sports insignia on casual clothing these days. Attire like t-shirts, golf shirts, caps and outerwear, as well as accessories like bags, towels and blankets emblazoned with a Fortune 500 company's latest positioning statement, make for great marketing tools and memorabilia.

One of the world's largest suppliers of these sporting goods to printers who print the insignia, Broder Bros., Plymouth, Mich., in fact processes 5,000 orders per day for new items, according to vice president and CFO Howard Morof.

But last year, when the company's growth burgeoned - sales were around \$300 million - executives realized that the company had to put its old accounting system on the sidelines and start its next sales season with some new financial technology on its team.

"All of our software applications were home-grown for a long period of time," says Morof. "All of the development was in warehouse distribution and order fulfillment processes. But very little was done on the accounting and finance side, or the purchasing side. We needed to upgrade and integrate all of our processes."

After thoroughly researching the financial software market, the company tried out four software vendors for its financial management team. "We decided we would look for a purchasing and financial management package," says Morof. "Originally, it started out as a financial management package search and it expanded into purchasing."

The reason for that was simple: the 12-person accounting department had to verify the 11,000 stock-keeping units, or individual items, which moved through each of the company's five facilities to customers on a daily basis.

Morof and his colleagues put Navision Financials and three other major accounting software packages through the paces. "We ran through the demos, allowing users to get a touch and feel of the software. We did not choose Navision the first time. The software we did select failed to address our needs, which is moving information," he notes. "When it came to operating on a daily basis, the software failed miserably," says Morof.

"It could not effectively exchange information between our mainframe computer system and the software package. It became clear to us that it did not have the tool set to do what we needed. We threw it out."

So Navision was called back in and given the job. As far as Morof and his colleagues are concerned, Navision Financials made the all-star team for financial software packages.

Navision Financials is a fully-integrated, customizable 32-bit multi-user accounting and business management solution. It is based on a high-performance, client/server architecture, and functions include, general ledger, accounts receivable, accounts payable, order entry, purchase order, bill of materials, payroll, human resources management, foreign trade and contact management. It runs on Windows NT, Windows 95, OS/2, IBM AIX and HP UX platforms.

"We're moving 5,000 SKU's of data per day across the database," says Morof. "We needed to integrate so it would flow smoothly every day."

The company's mainframe, a Unix-based DEC Alpha, was linked to a Compaq Reliant Server running Navision Financials and linked to 12 PCs from Micron Technologies. "We called Navision back in during late November," recalls Morof. "We targeted a 'go live' date of spring. We hit it on May 4, at the beginning of the accounting period. What the other group couldn't get done, these guys (Navision) accomplished in a short period of time."

Morof says that the reason for the success is that the Navision Financials software "is built to integrate and move data back and forth in an outstanding fashion." He also notes that Navision's Solution Center, Frontline-US, Inc., Ann Arbor, Mich. (formerly known as Nohr & Associates), was able to quickly customize the software to fit Broder's processes.

The company has a 26-user license for Navision that is enabling Broder to perform profitability by customer analysis, as well as profitability by SKU, and profitability by vendor analyses. "That allows us to maintain a true layer of inventory. It is extremely precise," says Morof. "We're looking for a lot of decision support out of the software. We're asking a question of the system and getting appropriate answers."

What's next for the sporting goods giant? Kathy Nohr, president of Frontline-US, notes that purchasing, payables and general ledger accounting functions are now integrated in the system. But that is just what she calls "phase one" of the project. "Their sales order entry did not communicate with general ledger. That can be a problem," says Nohr. "There was a lot of duplication of effort."

"Phase two" of software upgrading is under way. They (Broder) are adding advanced inventory management and purchase forecasting, which will give them even greater decision support systems through Navision Financials. "They are a big company," says Nohr. "Their purchasing process is a big deal."

## Microsoft Dynamics™ NAV Helps Randcor Get Connected

Unlike many traditional manufacturers, Randcor, an ISO9002-certified contract manufacturer that develops cable harness and electromechanical assemblies and sub-assemblies, specializes in low-volume, high-mix business. As a result, the company has some special needs not only in its manufacturing operations but also in its financial department.

Randcor's business mix means its systems must be able to efficiently process high volumes of orders for small quantities. As a contract manufacturer, the company has short lead times and must move highly specialized products, including power distribution assemblies, large harness, umbilical, coax, flat ribbon and discrete wire assemblies "in and out the door" quickly.

This requires manufacturing capabilities beyond a traditional MRP, so programmers at Randcor set out to develop a business solution that could be tailored specifically to the company.

Having worked off a Cobol-based system for many years, Randcor Operations Manager Jack Randall was determined to find a software package with a strong accounting management foundation, manufacturing capabilities and the flexibility to develop customized modules based on the demands of Randcor's production line.

After much investigation, Randall concluded that "most MRP's with the desired functionality were too complex and inefficient to use, and the systems with modest functionality lacked powerful and efficient customization tools."

Finally, with the aid of Portland-based Accounting Software Professionals, Randall found his answer with Navision Software. Randall and his team of programmers used Navision as a springboard to build an integrated manufacturing solution.

"A large percentage of software is tailored to repetitive manufacturing, or at least starts out that way, and then features are added in an effort to meet the needs of contract manufacturers. This approach causes the software to be cumbersome for the contract manufacturer. There are software packages that are written specifically for contract manufactures but I haven't found any yet that have robust functionality and customizability," said Randall.

"We needed a solution that we could customize so badly that we were willing to start from scratch. The requirements planning had to be faster (near perpetual) than many of the repetitive manufacturing products we tested. In comparison, Navision with added source code rights, programming tools and strong basic features stood out as giving more value for the money."

Having chosen Navision as its core product, Accounting Software Professionals was recommended as the best Solution Center for our needs. Accounting Software Professionals had already spent a year developing the foundation of a manufacturing module. "Although I was willing to start from scratch, I'm really glad I didn't have to. ASP created all the pieces that make sure the financial data goes to the right place on the General Ledger, and that's the toughest part of creating an integrated manufacturing and accounting solution," said Randall.

Founded in 1987, Accounting Software Professionals was the first certified Navision Solution Center in the US and was in the key position to assist Randcor with its vast knowledge of accounting and business management solutions.

With the goal of helping Randcor implement a customizable business solution, ASP's first course of action was to have Randcor programmers undergo Navision's extensive training program. The programming team first completed self-study materials, and then a two-week developer's training course at ASP. The second week of training is dedicated to developing a project that customer needs.

"Writing a program to work with other programs is like painting a picture to fit the style of home. We knew how to paint, but ASP taught us how to make it fit in", said Randall.

"The programmers at Randcor were very involved with the installation of this product and their commitment is apparent in its success," said Lewis Gouge, ASP sales consultant. "We provided them with the core product and the proper training, and they took the initiative to develop an outstanding manufacturing solution."

The development team was able to create the following features to streamline the manufacturing process:

**Engineering Change Orders (ECO):** A system for tracking changes to the products and manufacturing processes, streamlining the engineering changes

**Quality Data Collection:** The module allows tracking of non-conformances found during inspections, and provides management with real-time quality data that can be analyzed for trends. Problem trends can then be identified and remedied. This comprehensive quality data collection is gathered during inspections at vital points in the production process - Receiving Inspection, In Process Inspection, Test and Final Quality Control

**Resource Data Collection:** The module allows manufacturing to record real-time how much time is being spent on each work order. Employees clock into the job when they start, and clock out of the job when they are done, and the system automatically deducts break times. Supervisors are able to see who is not working on a job at any time, and also make corrections to the previous day's data before it is posted. This data is then used to determine resource cost variances

**Cost Estimating:** This is the most proprietary of the modules created by Randcor. This functionality allows the sales representatives to give customers the most accurate quotation possible. The price of a product is based on costs for labor, materials and overhead. Each order entered is linked to this cost estimate. This allows the requisition system to inform purchasing of the exact price that was used when the customer was quoted. It also allows the resource planning system to inform manufacturing of exactly how long the work order should take to build. With this system there is no need for standard costs or static routings. Every cost on every work order can be traced instantly back to the original quotes provided by suppliers, and the original resource cost estimate. Finally, the material and resource variances (between actual and estimated costs) flow all the way to the General Ledger and can be reported in many different ways. The process is streamlined significantly, allowing Randcor to get the best price for materials, and has reduced the time to perform cost estimating and material requisitions by half

**Tooling database:** This module establishes a relationship between tools and components. It creates automatic pick lists of tools required for a job. Before, manufacturing personnel had to

reference a catalogue to determine which tools to use. With the tooling database in place, a list of necessary tools is automatically created. The form gives instructions on what tools to use, when to calibrate them and when to service them. Additionally, calibration and maintenance records can be kept for each tool

Corrective Action: ISO9000 standards require that a company have effective quality systems in place, and this module allows Randcor to record, track and report its internal corrective actions in its efforts to continuously improve.

These additions have helped Randcor improve workflow, enhance customer service, and increase cash flow.

"The power of Navision lies in its ability to change while still being incredibly reliable," said Randall.

"Because there were so few programming restrictions on the software, we were able to create the best solution possible for our business. This is very important in the manufacturing industry because although they all have the same basic systems, the variation in how these systems are implemented is vast. In today's competitive world, manufacturers cannot afford to change or compromise their processes to match the way a software package works; they must be able to change the software to match the way the company works most efficiently."

## Sento Technical Innovations: Managing Growth by Maximizing Technology

For any company, the prospect of going public is both exciting and daunting. For Stephanie Johnson, corporate controller for Sento Technical Innovations, the company's decision to become publicly-traded in April 1996 marked its phenomenal growth and success in the technology industry and its subsequent need to raise capital quickly and acquire additional businesses. Having been in operation since 1969, Utah-based Sento also wanted the ability to share ownership with its dedicated employees.

Sento Technical Innovations provides state of the art products, consultation, training, and support solutions in the rapidly growing information technology and computer networking markets. In the 1997 fiscal year, Sento's revenues were almost \$18 million, an increase of 27 percent over the previous year. The company's services are delivered through four subsidiaries which span the globe: Spire Technologies, Inc., DewPoint Distributed Solutions Inc., Spire Systems, Inc., and Australian Software Innovations, Pty Ltd.

Going public also brought with it some unique challenges. "The reporting functions we had to comply with once going public were mind-boggling," said Johnson. "Every time I turned around, another government agency or industry analyst needed a different type of report containing different information. Our accounting system simply could not handle it."

## Searching for a Solution

Sento needed a comprehensive accounting and business management software that could manipulate data from several different divisions and produce audit trails, specific financials and various management reports. Johnson initiated a search for the ideal software by hiring a consultant to narrow down her choices. From the choices presented to her, Johnson picked four software packages which she put through rigorous hands-on testing. One of the four packages she selected was Navision Financials, a 32-bit accounting and business management solution designed for Windows NT.

Johnson had three major questions in mind when evaluating accounting software. First, how scaleable is the system for coping with Sento's business growth and reporting functions? Second, how well does the system perform under a high- volume transaction load? Third, how adaptable will the system be to Sento's business processes?

Navision's capabilities immediately intrigued and impressed Johnson. Sento needed financial software that could be customized with great detail according to its diverse products and services including integrated software solutions, Internet and Intranet solutions, security systems, data storage and recovery systems configuration, installation and outsourcing. The fact that the products and services are delivered through five subsidiaries presents a unique financial reporting challenge.

## Visionary Accounting

With responsibility for a large, publicly-traded company that is growing and acquiring new companies every year, Sento's accounting staff is an essential element in managing the company for continued success. Having prepared for the IPO and operated for six months as a public company with a low-level, off-the-shelf accounting software program, Sento was feeling the consequences of a lack of continuity, simplicity and maintainability.

"We really needed a software solution specifically tailored for us that could deal with the complexities of our situation as a wholesaler, retailer, distribution network and service provider in an international environment," said Johnson.

Navision's granular design provides exactly the kind of customization required by Sento. Most companies need to "reassemble" software functions around their business processes and deploy the software as a series of tightly coupled processes based on user-defined workflow and to-do lists. In other words, the software should fit the company not the other way around. Navision software's granular design accomplishes this by breaking the system functionality down into small enough pieces to allow a "re-composition" to take place according to the needs of the business. This translates into scalability, adaptability, flexibility and cost-effectiveness.

Another benefit recognized by Sento was Navision Software's built in Online Analytical Processing (OLAP) capabilities. OLAP provides more flexibility in the ways financial data can be manipulated and viewed. Users can define automatically updated "FlowFields" that summarize information for specific accounting dimensions such as monetary or quantity balances for a combination of GL account and time period, for example. These fields are automatically drill-down enabled to allow navigation to the source transaction data and can display transaction balances based on user-defined filters.

## Customization is Key

"Navision Financials immediately struck me as a powerful solution for Sento," said Johnson. "It had all the features we were looking for plus a few I hadn't expected, like the ability to 'drill down' with just a few keystrokes from a specific ledger entry into all the functions that contributed to it."

Jim Reid of PC Business Solutions in Upland, California, one of Navision's international network of Navision Solution Centers, says that Johnson's reaction to Navision Financials is typical for those who see the software in action. "Stephanie is right -- it is a powerful solution for any business because it can be easily modified to fit their needs," said Reid. "The software is designed to fit in with how a business works; the business doesn't have to fit in with the software."

The ability to tailor a user interface cinched the decision for Sento. With so many divisions and subsidiaries, the company needed a method to create custom screens for them without allowing access to the entire system.

"The flexibility to arrange a user interface just for our shipping department, for example, is a real asset," said Johnson. "It makes for ease of use – the shipping department shouldn't have to sort through the whole system to enter and utilize the information they need, and the accounting department shouldn't have to re-enter their information or figure out some convoluted way to import their data."

## The Intelligent Choice

After using Navision Financials for almost one year, Johnson reports that the software is exceeding her expectations. "Navision Financials is the intelligent choice for Sento. It handles our immediate needs and allows us to add to and change the system as the company grows," said Johnson. "Navision's ability to customize the software to our needs and specifications really sets them apart from any other choice presented to me." Traditional manufacturers, Randcor, an ISO9002-certified contract manufacturer that develops cable harness and electromechanical assemblies and sub-assemblies, specializes in low-volume, high-mix business. As a result, the company has some special needs not only in its manufacturing operations but also in its financial department.

- **The End** -