

# Strategic Solutions NW

Implementation of Microsoft Dynamics AX with Forest Products Industry solution



States Industries finds Success with Microsoft Dynamics AX and Strategic Solutions NW Forest Products Industry solution



## Background

Since 1966 States has been providing beautiful, environmentally responsible hardwood panels to architects, craftsmen, designers and manufacturers. The company's panel manufacturing site is in Eugene, Oregon. In addition to panel manufacturing at the Eugene site, States also operates a panel processing plant for cutting, machining and applying edge banding to wood panel components.

States was using an antiquated and highly customized ERP system that was not fully integrated with upfront product configurator causing inefficiencies in the sales process. Creation of customer quotes was cumbersome and slow, due to engineering effort required to perform price buildup and check material availability, which were managed offline. Panel construction rules were held in an engineering manual. Sales would routinely ask Engineering instead of using the manual. It was difficult to keep the manual up to date with engineering decisions. In addition, there were problems in other areas as well:

- System had poor ability to isolate freight component of delivered prices.
- Capacity planning only occurred at a high level, resulting in delivery dates promises that were accurate only to the week.
- Raw material orders were triggered through offline processes that track supply and demand in spreadsheets.
- Purchasing did not have the information required to steer orders to vendors with the best product.

## Project Description

States retained SSNW to evaluate their overall ERP needs and identify the best solution to streamline the quote to order creation process. After careful analysis and prototyping, States decided to implement Microsoft Dynamics AX 2012 along with Experlogix CPQ configurator to support their sales, manufacturing and procurement processes and specifically to be able to rapidly configure, price and quote product. SSNW focus areas included:

- Designing and configuring and customizing Dynamics AX to best meet States' needs.
- Integrating Experlogix CPQ configurator to rapidly configure, price and quote product and minimize maintenance in the Experlogix rules engine.
- Initiating Advanced Warehouse Management processes using mobile technology
- Standardizing freight rating, routing and allocations to sales order items

- Developing processes and tools to evaluate supplier performance
- Deploying SSNW Forest Products Industry solution components including:
  - Sales support for delivered pricing, multiple units of measure, freight and margin analysis
  - Production optimization with scheduling by product attribute and production reporting/tagging workbench for manufacturing personnel
  - Hardwood layup batching and tagging

## Business Benefits from Dynamics AX

*States chose SSNW as our development partner in our installation and continued service of Microsoft Dynamics AX. SSNW provided the support and customization needed to execute our complex vision into reality. With SSNW's help, we have leveraged our new system to allow us to use the enhanced level of data and information available to manage and improve areas of the business where we previously struggled. Features like custom production reporting, integrated product configuration, true analysis of value from competing vendors, true lot tracking of materials and analysis of manufacturing and sales data by product attributes have all contributed towards a greater ability to manage our business effectively. Available, responsive and willing to work together to meet the vision, SSNW has proven to be an excellent partner for States.*

**Andy Weiner – Vice President – Technology**

By implementing Dynamics AX, States enjoyed immediate benefits in sales as well as operations areas. Customer quotes are generated instantaneously through an integrated product configurator that rapidly allowed creation of new products with BOMs and routes. With maintenance of panel engineering rules in the system, the quoting process was much more streamlined. Delivered pricing is included in the quoting process itself which is tied to AX Transportation management.

States also benefitted from improved ability to sell and schedule to constrained capacity and promise delivery dates based on CTP functionality. Raw material orders are now based on MRP and expected requirements and yields from process manufacturing

formulas.

Improved metrics for vendor management via a scorecard based on both material price and product quality.

## About Strategic Solutions NW

Strategic Solutions NW is a technology and management consultancy with many years of experience exploring and applying technology solutions to improve business functionality. We encourage you to browse our site, and invite you to contact us to discuss how we may help your business realize its full potential.

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Partner**

Silver Enterprise Resource Planning  
Microsoft Dynamics AX