MISTAKE PROOFING

Service center selects new ERP system based on speed, accuracy, customization, discipline and convenience

BY CORINNA PETRY

Peerless Steel, which has four locations across Michigan, works with customers across Michigan, Indiana, Ohio and southern Ontario. The company stocks carbon steel, tool steel, alloys, aluminum, specialty steel and cast iron in a variety of shapes including flat and round bars, plate, sheet and angle. Services include annealing, grinding, deburring, heat treating, machining, cutting, sawing, straightening and stress relieving.

"We have outgrown our system," says Peerless Steel President Carl Bartells. "It was time. The last software we brought in was installed in 1999. If software lasts two decades, getting the proper system is essential. "Peerless Steel went through a thorough search for a vendor," seeking a partner that would guarantee successful implementation, says George Walton, president of Stouffville, Ontario-based 4GL Solutions. "They looked at all developers of metals software and other ERP platforms that are not metals specific," he says. 4GL Solutions' Steel Manager III suite of software "checked all the boxes from a functional and technical standpoint."

Peerless sought a system that would integrate everything and work extremely well at each stage of the business: sales, purchasing, operations, accounting and logistics.

STREAMLINING

Speed is essential to Peerless Steel. Walton notes that Peerless has a "very fast-paced environment. The system needed to

Bartells credits Steel Manager III with being "incredibly intuitive." It takes the logic in a word or text, fills out the rest of the word or provides three options about where certain inventory might be stored. "This allows an experienced rep to go faster and helps train new staff," he says.
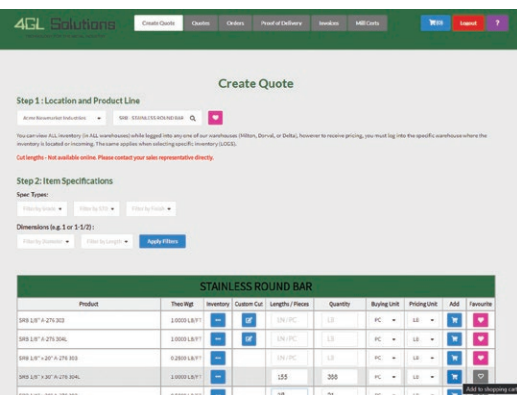
handle quotations fast," particularly quotes for in-house and outside processing services. "thousands of quote lines come in daily, so the process has to be intuitive and efficient. Sales functionality is key to them," Walton says.

Peerless put Steel Manager III (SMIII) through a series of speed tests. "It's probably the first time we went through testing that rigorous," he says. "We went through day-to-day examples. We entered those examples—their customers, their order codes. We had stopwatches out." 4GL technicians "entered the orders as quickly as possible."

Then Peerless' "own people entered the same orders with stopwatches and recorded the process. It was intense [but] we passed their speed tests with flying colors."

The next test was warehouse functionality, managing orders and inventory with handheld scanners and barcoding; the goal was to streamline these functions.

"They liked the way we handled warehouse, production planning and the multiple processes, tracking times for accuracy," Walton says. "Sales would enter an order and estimate

production time, but we give them actual data that compares estimated times versus actual times" to complete an order.

PURCHASING FUNCTION

Peerless has centralized its purchasing and wanted to streamline that process with ERP software.

According to Walton, Peerless buyers "needed to see what they have in each location, what incoming stock is arriving, what usage is on their existing inventory, and be able to better determine exactly what to buy. And it is a fast process."

SMIII can suggest order quantity, and then Peerless can use the system for its RFQs: "take the order and send it to a series of suppliers, get a price, then once they decide on a vendor, then take the RFQ and automatically create purchase orders."

Peerless also expressed interest in 4GL Solutions' electronic data interchange (EDI) capability, which automates data entry by merely transferring digital files. Advanced shipping notices, packing slips, mill test reports, pre-receiving records are all prepared ahead of time without manual intervention, says Walton. "Taking the human hand out of it reduces errors."

Then, when the ordered material arrives, the receiver simply checks that everything matches. "Hit a button and the inventory enters the system. By using value-added networks, the interface is standardized and the functionality is smoother," he says.

LAUNCH PLANS

Bartells is a 36-year veteran of the steel industry and has been with Peerless for eight years.

"We went through a very exhaustive search. 4GL was very patient. It was essential to get this right for the long-term trajectory for the company," he says.

"We looked at more than a dozen companies and got it down to four fairly efficiently. We tested those four thoroughly and from all angles. In the steel distribution business, speed is everything. Speed is essential on quoting, but we need it to work for all departments."

The company will install the ERP system at one location first during first-quarter 2023, and then migrate to its other branches within 60 to 90 days after that.

In addition to its success with all the speed tests, "there were other factors that put 4GL on an island of its own," says Bartells. "It is impressive when the owner of the company [Walton] is incredibly involved in the product, programming and customization. Frequently, you see the president during the pitch process, then they disappear. Walton is involved in everything on our behalf. The people differentiate 4GL from its peers. All they do is focused on service centers. All their employees focus on steel software or have worked for service centers. They speak our language. There is no gap in the communication. These people really get what we do."

IMPRESSIONS

Bartells says he made a list of the benefits his team will realize once Steel Manager III is implemented.

"With my role, the dashboard is going to be a massive upgrade. I can click once or twice and see all my major metrics, slice it by branch, add branches together, separate them out. I can look at data now but it is not quite as complete or efficient. I can go and run four or five different reports for each branch. But now, that will be my home screen and it's customized. When going from a meeting to a conference call, I can—within seconds—get a snapshot of what's taking place throughout the organization."

Bartells credits Steel Manager III with being

"incredibly intuitive. As part of the intuitive nature of the 4GL system, it is taking the logic in a word or text, fills out the rest of the word or gives you three options about where you are storing certain inventory. This allows an experienced rep to go faster and helps train new staff.

"Our people gravitated toward it because it follows common sense and logic," which is extremely important when employees are "entering thousands of quote lines a day," Bartells says.

Another benefit is that the programs will help Peerless to "mistake-proof our business. The discipline within the system will eliminate the few mistakes we have."

E-COMMERCE

Peerless Steel will install Steel Manager III's Customer Portal. "We will allow customers to see what we have in stock or get a quote 24/7. We want our customers to send us a purchase order whenever they want, not just between 8 a.m. and 5 p.m. weekdays. The system will allow us to be open whenever they want to shop. This was an essential feature for Peerless."

In addition to the Customer Portal, Peerless will install 4GL Solutions' MTR Automation module, Linear Nesting module, Plate Nesting integration to SigmaNest, Barcoding module and ScanToPDF Batch Scanning program.

The service center also intends to use 4GL Solutions' Cloud Server program. "With an Open Client architecture, Peerless' staff can connect to Steel Manager III with any internet-connected device from anywhere in the world," Walton explains.

"We are impressed with all of it," Bartells says of SMIII. "It's one platform, everyone gets it, it's next generation, it works well and it's very seamless." ■