

# INFORMATION DRIVEN

25 years of questions and listening: customers' answers help create efficiencies



Handheld scanners and barcoding incorporated into SM3 help service centers maximize warehouse efficiencies.

BY MODERN METALS STAFF

**S**teel Manager III, the marquee ERP product from 4GL Solutions, provides industry-specific functionality, advanced estimating capabilities and real-time visibility to help service centers achieve speed, accuracy and efficiency throughout their operations.

With user-friendly interface, seamless integration and mobile access, the software system is the result of 25 years of continuous improvement from a father-son duo. Much of this improvement is the result of writing code to answer a customer need.

After emigrating from South Africa to Canada, George Walton obtained work writing code for steel companies. He would later write a similar code for the next company. And so on. Eventually, he realized he could write code for his own business and founded 4GL Solutions in 1984. His son, also named George, joined the Toronto-based business in 1999 after studying chemistry.

## CONTINUOUS IMPROVEMENT

The men were aware there were unique software requirements in the metals industry. “We saw an opportunity to help these companies gain efficiencies and build a business. That’s when Steel Manager III (SM3) was born. We’ve been improving it ever since,” explains the younger Walton, who became president 15 years ago. He devotes much of his time to business improvements, customer-facing sales and implementation.

The elder Walton, at age 83, is focused on programming and the technical side of the business. In the early 2000s, while conducting due diligence with a customer, inevitably a question would be posed. The Waltons would address that question in a custom software solution, then incorporate that capability into 4GL Solutions’ next SM3 update. All this customer feedback is baked right back into SM3. “It’s been 25 years of continuous improvement—[based on] us listening to our customers,” asserts Walton.

## UNIQUE NEEDS

4GL Solutions serves the metals service center



George Walton Sr. and George Walton Jr., left, have baked 25 years of listening into the SM3 software, developed specifically for service centers.

**“IN ESTIMATING LINEAR NESTING, SM3 IMMEDIATELY TELLS YOU HOW MUCH SCRAP IS GOING TO BE GENERATED AND AUTOMATICALLY GROSSES UP OR CHARGES THE CUSTOMER FOR THAT SCRAP.”**

GEORGE WALTON JR., 4GL SOLUTIONS

sector exclusively, with customers across North America and in Australia, Ireland, Malaysia, Singapore and the U.K. The Waltons cite a long list of industry needs necessitating a metals-specific ERP system that’s not off-the-shelf.

“The metals industry addresses theoretical weights, unit flexibility, accounting for cutoffs and scrap, gross-up calculations, linear nesting to optimize cutting tolerances, yield loss calculations, traceability, MTR tracking. The list goes on,” says Walton. “There’s so much out there that’s very, very unique to metals. It’s difficult for a midsized (or larger) service center to run their business with an off-the-shelf ERP system.”

Today, SM3 is a fully integrated ERP system that helps service centers streamline their operations. The SM3 software solution includes purchasing, inventory control, quoting, sales, both inside and outside processing functionality, linear nesting, plate nesting integration to SigmaNEST, EDI integration, barcoding, shipping manifest, accounting and reporting modules all linked for improved efficiency and profitability.

Generally, once a quarter, 4GL Solutions releases an update to SM3, reflecting the subtle changes and improvements suggested by customers. The software is now on version 3.22, with each update occurring automatically as part of a maintenance agreement.

Log Num	Heat Number	Type	Size	Avl Invent Qty	Onhand Qty	Avl Pcs	Length	Lid Cost	C	M	S	R	Received	Country	Of Origin	Product
A000001	123		1" x 12'	0.0	32.0		144.0	2.3500					02/25/19	SWEDEN		SRB 304 1"
A001019	123		1" x 12'	7,943.5	247	144.0	3.0284						06/15/20	INDIA		SRB 304 1"
D000723	DBD2		1" x 12'	32.0	32.0	1	144.0	2.5000					08/20/18			SRB 304 1"
L000184	NA		1" x 12'	12.8	390.4	1	144.0	1.0000					07/21/16	USA		SRB 304 1"
L000196	NA		1" x 12'	0.0	38.0		144.0	1.0000					07/21/16	AUSTRALIA		SRB 304 1"
L000226	891234		1" x 12'	108.0	108.0	6	144.0	2.6000					12/31/18			SRB 304 1"
L000230	81773		1" x 12'	90.0	90.0	5	144.0	2.6667					10/08/16	CANADA		SRB 304 1"
L000231	18827		1" x 12'	96.5	3		144.0	2.6667					10/08/16	AUSTRALIA		SRB 304 1"
L000232	18827		1" x 12'	144.0	144.0	8	144.0	2.6667					10/08/16	SWEDEN		SRB 304 1"
L000241	T0021993		1" x 12'	418.0	418.0	13	144.0	3.6400					10/17/16	AUSTRALIA		SRB 304 1"
L000242	199200P		1" x 12'	321.5	1,447.0	10	144.0	3.6400					10/17/16	SWEDEN		SRB 304 1"
L000243	X91442		1" x 12'	965.0	965.0	30	144.0	3.6400					10/17/16	AUSTRALIA		SRB 304 1"
L000558	712374		1" x 12'	0.0	322.0		144.0	1.6284					12/31/19			SRB 304 1"
L000561	N/A		1" x 12'	96.3	96.3	3	144.0	2.0000					04/07/17			SRB 304 1"
L000566	812354		1" x 12'	0.0	161.0		144.0	2.0000					06/26/17			SRB 304 1"



Locating a specific piece of plate or bar is made easy when inventory is managed electronically through SM3. The SM3 dashboard (above) displays a vast amount of information about products.

**ACCURATE INVENTORY**

“What is my fastest and slowest moving inventory?” That’s one example of a customer question that SM3 answers. Armed with this information, a service center can strategically structure the warehouse and product placement for greater efficiency. Accurate inventory management also enhances the sales process.

“If you don’t have accurate, visible inventory, then you don’t know what you have to sell. Easily seeing all your remnants and stock, and being able to implicitly trust what you see,

## SOFTWARE SOLUTIONS

makes the sales process efficient—which ultimately makes the customer experience better,” states Walton.

Another advantage is improved warehouse operations. With inventory accurately captured in SM3, a warehouse employee no longer needs to search the yard or racks for a specific cutoff or plate. That time can be focused on picking customer loads.

### STREAMLINED WAREHOUSE

“In what rack is that 4-inch-thick remnant of A36?” Using a handheld scanner, SM3 tracks when a piece of stock is moved from one bin location to another to ensure real-time inventory. “Without automated inventory tracking, it could take days for a physical change to be recorded. In a matter of minutes, SM3 updates the ERP system,” Walton says.

Using the scanning and barcode system also reduces the number of errors in operations. “For example, if you have an order for 1-inch-thick Grade 304 stainless steel round bar and the operator scans a 7/8-inch round bar, the system will alert the operator: That’s not for that order,” he explains.

### MANAGEMENT DECISIONS

“How efficient are my vendors?” SM3 features a series of standard reports that capture the ERP system’s data to aid leadership in making strategic business decisions. For example, reports can be run to provide vendor performance insights. “You can see which vendors have frequent late shipments or back orders and determine whether you need to talk with that vendor or find a replacement,” says Walton.

Data analytics can also be applied to the sales function. SM3 has a lost quote reason report. “This gives management insights into why they may not have landed a piece of business.” Walton says users are likely to ask themselves: Are our prices too high? Did we not have the product in stock or was our lead time too long? “With SM3, management can really home in on where to make business improvements to increase their quote-to-order ratio and sales efficiencies.”

Shop floor efficiencies are also captured with SM3. Data can reveal the profitability of a specific machine. “Our reports can reveal how much revenue a machine is generating versus how much cost is going into that piece of equipment. You can ask if it’s even worth it. SM3 can give you those metrics as well,” Walton adds.



Using an integrated ERP system, like SM3, to track inventory helps minimize human error in picking or restocking.

### LINEAR AND PLATE NESTING

Plate processors might ask how they can minimize scrap and waste on the plate. Manually calculating this answer can be time consuming. With the SM3 linear nesting function, the estimating team can input the customer requirements and let the software perform the calculations automatically. “In estimating linear nesting, SM3 can immediately tell you how much scrap is going to be generated and automatically grosses up or charges the customer for that scrap,” notes Walton.

To avoid any double entry of nesting details, SM3 is integrated with SigmaNEST. “If you build a nest in SigmaNEST, it will automatically create a production order in SM3. And the remnant produced will automatically link back into inventory. You can easily see skeletons and the actual shape of that drop, even if it’s not a square or rectangle,” states Walton. Depending on the service center’s scrap policy, SM3 can earmark the remnants and skeleton for the scrap bin or return to inventory.

### E-COMMERCE

Another common question is when is that truck scheduled to arrive? The answer to this and a myriad of other administrative questions are built into SM3. Users can go online and access order status, retrieve proof of deliveries, print mill certifications or download invoices. “Every service center could benefit from the administration side. Not everybody’s going to sign up for the e-commerce side yet,” notes Walton.

For service centers who are ready for

e-commerce, 4GL Solutions will assist. “We’ve had e-commerce functionality for 20 years but couldn’t really get people to buy into it. Now service centers are moving in that direction,” reports Walton. With pricing algorithms incorporated into SM3, the ERP application can support automated pricing for e-commerce.

### CUSTOMER SUPPORT

In September 2023, the Waltons sold 4GL Solutions to Jonas Software, a company that owns hundreds of software businesses around the world from a wide variety of industries. But the Waltons remain in place and continue to foster a family owned atmosphere. The younger Walton devotes much of his time to potential and new customers, assessing their business needs and suggesting process improvements. This hands-on support and dedication inform the next list of customer needs for future software updates and serve as key differentiators for SM3.

“Our implementers are from the metals industry. They understand the steel businesses, what the pain points are and how to solve them. And that’s what differentiates us from our competitors. Our people help our customers get the solution they need to improve their business. None of this would have been possible without the support of my amazing team,” explains Walton. “I get a lot of joy out of coming into a company, seeing processes and then turning those into increased efficiencies—and having a happy customer,” concludes Walton. ■

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