

Falcon Technologies, Inc.



About the company.

Falcon Technologies, Inc. (FTI) is the Midwest's leading distributor of data and telecommunications products. Located in St. Louis and Ladsonia, Missouri, FTI began by providing custom cable assemblies for the industrial, commercial, and data communications markets. The company expanded its offerings to include a full line of computer network infrastructure products ranging from cables and connectors to racks, cabinets, test equipment, tooling, and power protection devices.

The company's mission is to focus on total customer satisfaction: not only meeting customer needs, but offering convenience, a wide selection of products, accuracy and speed in processing orders, and expert support before and after the sale. Among its prominent customers are MasterCard, Savvis, and UPS, as well as hundreds of school districts, government institutions, and contractors.

To learn more about FTI, visit www.falcontech.com.

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STEVE FRAYN, CONTROLLER, FALCON TECHNOLOGIES



Setting the strategy.

After several years in the business, FTI's management team recognized that its legacy accounting system was no longer adequate for managing its rapidly growing business. Lacking distribution-critical functionality such as usage histories, suggested purchase orders, and turnover reports, FTI understood the benefits of implementing an industry-specific solution. Its objectives were to help the company significantly raise productivity levels and lower costs.

Steve Frayn, controller at FTI, surveyed the company's department managers to identify their requirements and match them with software solutions. After evaluating their responses, Frayn winnowed the solution supplier list because many could not meet FTI's exacting requirements. The few remaining competitors provided product demonstrations and discussed how their solutions could benefit FTI.

Getting business specific.

Infor™ ERP SX.enterprise software, presented to FTI by Infor partner Earnest & Associates (E&A), emerged as the leading contender. Notes Frayn, "The Infor ERP SX.enterprise demonstration showed us how the software could alleviate our specific problems regarding sales order processing, nonstock item handling, and other key issues, such as how to help a customer service representative be more productive."

FTI also learned how custom modifications could help FTI achieve even greater productivity levels. "What convinced us was attentiveness to our unique business needs and thorough answers to questions demonstrating that Infor ERP SX.enterprise could solve our business problems," comments Frayn.

"We knew that Infor ERP SX.enterprise could help us measurably improve our performance," said John Baragiola, president at FTI. "But it was also important for us to work with a local company like E&A that understood our market and could serve as a single source for hardware, software, and implementation services."

facts at a glance:

- > company Falcon Technologies, Inc.
- > solution Infor ERP
- > product SX.enterprise
- > industry Distribution
- > employees 20-49 (seasonal)
- > country USA

Seeing the results.

After implementing Infor ERP SX.enterprise with customized changes to match the customer's exact needs, E&A delivered it to FTI's main office in St. Louis. The next step consisted of extracting data from FTI's legacy system, uploading it, and providing training sessions with FTI staff.

Since implementation, FTI has accrued a wealth of benefits. FTI's managers attribute the remarkable results to using Infor ERP SX.enterprise. "We've been able to keep the overall headcount the same while growing our business by over 50% due to the efficiencies resulting from using SX.enterprise," says Frayn. "Now our people can do much more in less time."

FTI has also seen productivity gains extend through all its functional areas. Frayn says that he no longer needs to work overtime to shut down the system, close the books at end of month, extract reports, or engage in other routine tasks. "It takes one-fourth the time it once took to post AR checks," says Frayn. Other areas where Infor ERP SX.enterprise has made life easier for him: setting credit limits, producing monthly reports, capitalizing freight costs, and updating prices.

Delivering end-to-end functionality for distributors, SX.enterprise offers advanced technology and service-oriented architecture that enable easier administration, increased business process automation, and faster access to information, saving users time and costs.

In the critical area of purchasing, FTI has benefited from SX.enterprise's rich inventory replenishment function. Seasonality has been particularly important in helping FTI minimize its costs and better service customers. Frayn explains, "We sell numerous items that are in demand when repair work begins during the school summer break. But if we're out of stock on a single key item, we risk losing entire orders." Using SX.enterprise, FTI can look back 12 months, calculate the forward usage for the summer season, and purchase exactly what it needs to have on hand at just the right time. "With fewer stock-outs," says Frayn, "we have fewer last-minute purchases and avoid paying premium freight charges. When the season closes, SX.enterprise 'knows' we can thin down on our stock levels for those particular items, saving us money going forward."

Most importantly, SX.enterprise has proven essential in helping FTI's customer service representatives (CSRs) process 75 to 100 sales orders per day via telephone and service counter. FTI employees can now access extensive, system-wide information such as sales orders, purchase orders, receivables, and payables. CSRs can answer virtually any inquiry with ease, allowing them to focus on higher value tasks such as providing in-depth, consultative sales help to its many technically savvy customers.

"Competitors can meet you on price but not on service," Baragiola says. "You'll lose business if you spend 15 minutes to get an answer that your competitor can provide instantaneously. With SX.enterprise, we gain quick access to information we need to stay competitive."

When FTI moved into a larger facility to support the company's sustained growth, it implemented an upgrade to SX.enterprise that included the event manager function. FTI reported quantitative and qualitative benefits from the project: improved business processes, including enhanced inventory management capabilities, sales and manufacturers' reports, document management, and branding. The event manager function enables email alerts to be sent to key personnel when predefined parameters are met, such as when inventory levels threaten to create stock-outs or customers have reached their credit limits.

The technology assists FTI with more proactive management of its operations and allows it to address problems before they become disruptive.

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JOHN BARAGIOLA, PRESIDENT, FALCON TECHNOLOGIES

FTI also began using SX.enterprise to improve inventory management and purchasing. The company ranked its product lines into categories A through E, with 5% of its least-selling products belonging in the E group. After only a few months of actively reducing these items from its inventory, FTI has only 1% of its total inventory in the E group. "If you calculate how much slow-moving inventory costs to carry, this reduction represents a substantial savings for our company," Baragiola declares.

In summary, Infor ERP SX.enterprise has helped FTI:

- Grow the business by over 50% with the same staff
- Reduce time to post AR checks by 75%
- Improve efficiencies in setting credit limits, producing monthly reports, capitalizing freight costs, and updating prices
- Provide CSRs with instantaneous access to all data
- Prevent stock-outs, last-minute purchases, and premium freight charges
- Save costs by reducing inventory of least-selling products

Doing business better.

Following implementation of barcode scanners at its sales counter to eliminate part number errors and inventory discrepancies, FTI plans to implement Infor's barcoding solution to extend the barcode scanner functionality in the warehouse. After that, FTI may integrate an Infor module to provide enhanced self-service options for its customers via the web. "It's important to invest in your operations," says Baragiola. "We wanted software designed for a distributor, and Infor ERP SX.enterprise has allowed our managers to move our company's performance up to the next level."

About Infor.

Infor acquires and develops functionally rich software backed by thousands of domain experts and then makes it better through continuous innovation, faster implementation options, global enablement, and flexible buying options. In a few short years, Infor has become the third largest provider of business software. For additional information, visit www.infor.com.

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