

Edge Manufacturing

The Efficient Way to the 'Short List'

Faced with the daunting task of evaluating ERP systems, Impco Technologies uses the resources of MASG and comes up with a short list in short order

By Gabriel Allan

For more than a decade Impco Technologies Inc., founded in 1948 as AirSensors Inc., had been designing and selling alternative fuel devices, and living up to its motto of "a company dedicated to a better world through cleaner air."

The Cerritos, CA company builds devices that let material movement equipment engines—from lawn mowers to large stationary generators—run off clean-burning propane and natural gas rather than gasoline. These alternative fuel devices are primarily designed to specification for such manufacturing notables as Caterpillar, General Motors, and Zamboni (the company that makes the

ice rink surface skimmers). Impco has about 500 employees worldwide and had revenues of nearly \$87 million

Making the Cut:

How Impco selects potential software vendors

- **Stability/Durability:** A vendor with staying power and a future. A vendor that won't be gobbled up by a competitor.
- **Commitment:** A vendor that knows and is committed to the marketplace.
- **Ready to Run:** A software package that's off-the-shelf and ready to use without a lot of modifications.
- **Size/Strength:** A vendor that's at least mid-sized so that it has a tech support staff large enough to respond in a timely fashion.

in fiscal year 1999. *Forbes* magazine included it as one of the "200 Best Small Companies in America" in 1998.

But technology wise, Impco is in dire need of an update. It is limping along on an enterprise resource planning (ERP) system that just isn't up to the task. The system, installed

in the mid-1990s, lacks the functionality a company like Impco needs, says Rick Range, the company's director of MIS.

"It isn't Web-enabled, for one thing," he says. Range includes the inability to interface among multiple divisions for ordering parts as well as an always out-of-balance general ledger as additional reasons why he's not satisfied with his current ERP software.

Last fall, the company decided to go shopping for an ERP system that would match its superior products and reputa-

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The databases help MASG customers find software vendors and build a set of custom specifications.

tion. Impco had a partner in its quest to locate, evaluate, and select software vendors: Managing Automation Software Guides (MASG), a division of Thomas Publishing Co. of New York. The company's online products, MASG.com and meaonline.net, have helped Impco sort through 129 potential ERP suppliers and come up with a short list of a half-dozen finalists.

"It really was the major tool we used in our evaluation," Range says. "It gave us the ability to sort and rank the software packages according to our own requirements. It paid for itself within a week just in the time it saved me personally." Range oversees an MIS department that has an annual budget of about \$750,000.

Valuable guide

MASG has two products for companies researching software: MASG.com is a free, public site where users can learn about the technologies, products, and vendors in the enterprise software market. Meaonline.net is a paid subscription service that does far more.

Meaonline.net is a powerful software selection tool that helps users reduce the amount of time it takes to research enterprise software products. The service does so by providing quick access to a database that contains detailed information about more than 700 vendors and products. Depending on the databases the customer uses, meaonline.net costs between \$75 and \$495 for a one-year subscription. The system requires Microsoft Internet

Explorer 4.0 or higher.

The databases help MASG customers find software vendors and build a set of custom specifications. The services can then rank the products according to those specifications, compare vendors side-by-side, and even develop and issue RFPs. Because the system is Internet-based, meaonline.net offers its customers almost unprecedented flexibility: subscribers can access the database from virtually anywhere, as long as they have Internet access.

When users combine the resources of the public MASG.com site with meaonline.net, they can identify vendors, obtain background information on potential suppliers, and stay current with the latest industry news. Collectively, the Web site and database provide a useful tool for buyers to find, evaluate, and compare enterprisewide software packages.

Narrowing the playing field

For a company that's known for its technological prowess, the software controlling Impco's business might seem a bit archaic.

Impco's current ERP system, which Range would rather not identify by name, was put in place in 1994 before Range joined the company.

"It just didn't meet our needs," he says. "It lacked some functionality, and there were some areas it just didn't cover. And it really wasn't designed for an international company. We do a lot

of import and export business—but this software doesn't have the import/export documentation process to allow us to ship to, say, Mexico."

Range had a new system in mind when he visited Software Manufacturing and Supply Chain Expo in Los Angeles in the summer of 1999, and met the folks from MASG. Within a matter of weeks, Impco had subscribed to the meaonline.net service, and was filling out questionnaires that would identify software that would meet Impco's needs. With the help of MASG, Impco was able to narrow the field to a half dozen possible suppliers in just a few months.

"Once we found those six, we were able to use other resources, too," Range says. "We read the Dun & Bradstreet reports on the six finalists, we visited their booths at ERP World, and read



Rick Range, Impco's director of MIS.

Impco could not have generated its short list without the information provided by MASG.

about them in the trade press," he explains. "We also had our own knowledge of them in house, and we were able to learn more by visiting vendor Web sites. But we would never have been able to do that if (meaonline) hadn't narrowed the field first."

Indepth evaluations

The evaluation process MASG outlines is extremely detailed: almost 5,000 questions need to be answered as part of the process. "You have to answer each question with 'I must have that service', 'It would be nice', 'I don't really need it' and so on," explains Range. "It's time consuming, but we understood it was critical."

Range acted as administrator for the project, assigning his staff of seven to work on different aspects of the database. "It took about a month, but we went through it all," he says. He assigned a manager with expertise in a particular area to review that area in MASG. When they were finished, the company had a weighted list of potential suppliers.

Simply put, Impco could not have generated its short list of suppliers without the voluminous information provided by MASG. In addition, without the ranking and comparison software, the job would have taken far longer and taken far more of the company's resources, Range says.

"We did a lot of research, but it served well as a foundation for everything else we did," Range says. "Being able to weed out the packages that

didn't meet our requirements was very important," he adds. "If they didn't include project management software, we immediately weeded them out." That meant that Range didn't have to waste time pawing through documentation for each product to make sure that all the functionality they needed was included in each package.

Range says he found the system reliable. He checked this out by attending software demos. "The evaluation is usually right," he says.

For price and performance, the system is without peer, according to Range. "The Web's the only way you could get that amount of detailed information," he says. "And I looked at another package that offers the same kind of functionality, but it cost thirty times more than MASG. We decided that there were better ways to spend that much money."

"We might have hired consultants," he says. "But MASG was much less expensive. Besides, we felt we had enough expertise in house that we wouldn't need consultants." Not only that, but the software could be accessed from anywhere. "I could look at it at home or in the office, and the other users could do the same," he says.

In fact, the software provided more functionality than Impco needed. "You can, for example, modify the weighting for a question to make service more significant in the rankings than functionality. But frankly, that was too cumbersome, so I left it with the default settings. It was much easier to do it

MASG Builds Strong Systems Five Ways:

Some benefits to using meaonline.com

- **Portability:** It can be used from the office or home, or anywhere you have Internet access.
- **Inexpensive:** A subscription to meaonline.com can cost 4% of what a competing system costs.
- **Comprehensive:** Includes more than 700 vendors and software products.
- **Ease of use:** Anyone can use the software with a minimum of training.
- **Predefined requirements and detailed questions:** The software helps you determine exactly what you're looking for through a comprehensive series of questions.

that way," explains Range.

No product is perfect, and there were some things Range wishes he could change. "I'd like to be able to add some of our own questions in addition to the criteria provided by MASG," he says. The software also recommended a couple of companies with less than 10 employees. "We needed bigger companies than that,

"We were pleased with its ability to load our requirements, and then rank suppliers."

Information Resources Impco Used

- Meaonline.com
- Dun & Bradstreet reports (paper-based and on the Web) for vendors making the "short list"
- Trade press for news and reviews
- Vendor Web sites
- Personal knowledge of in-house staff

so we eliminated them," he adds.

Overall, Impco is more than satisfied with the product. "We were especially pleased with its ability to load our requirements, and then go through and rank suppliers," Range says.

"The only thing it didn't include is information about our old system," Range says with a laugh. "We wanted to do a comparison with our current system, to make it more obvious to upper management that the current package wasn't up to date. But our product wasn't even listed!"

Making plans

Range and his team have narrowed their choices down to six ERP suppliers. While the company's CEO has put the final purchasing decision on hold "for a while," Range says he's ready to pick up where they left off once he gets the green light again.

"Working from the short list, we'll meet with vendors several times," Range says. "We'll give them a scenario: 'Here's what we want to put in, here's what we expect to get out.' That will help us narrow it down to three, and from there we'll have them come in with detailed presentations so we can make a final selection."

Range isn't betting on who will win: "I don't personally have a favorite—I've never used any of them myself." But Range does know what kind of company he's looking for.

"We're looking for a company that will be around next year—that won't be gobbled up, or go out of business. It has to be committed to the marketplace and offer a product we can use without much modification."

Impco's management team will make the final selection, with recommendations from Range and the MIS department. But one thing is certain—they couldn't have reached this point without MASG.

"I spent \$500 for MASG. I got that return on investment within a week," Range says. "And that was just in the time it saved me." ■

Gabriel Allan is a freelance writer in northern New Jersey. He's been writing about manufacturing software for decades, including some of the first articles about MRP II.

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