

SYSPRO Helps Prepac Move to Direct Fulfillment Program

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- Michelle MacKinnon, Controller,
Prepac Manufacturing

■ The Company

Founded in 1979 by President and CEO Steve Simpson, Prepac began as a prefinished product manufacturer, creating custom printed and finished particleboard shelving. Today, Prepac is one of the largest producers of Ready-To-Assemble (RTA) storage furniture in Canada, boasting full-service representation throughout North America, and distribution centers in Western Canada and Pennsylvania. As the company has grown, so has its range of products. Although still specializing in RTA storage, the company has added home furnishings and specialty media storage to its product mix. In May 2005, Prepac moved into its current 120,000 sq. ft. operation in Delta, British Columbia.



At a glance

Company

Prepac Manufacturing

Industry sector

Furniture and fittings
▪ Discrete Manufacturing

The challenge

- Transition to an order fulfillment business model
- Exponential growth in volume and orders
- Need to tighten control over production and freight processes

Solution & services

- SYSPRO Financials
- SYSPRO Manufacturing
- SYSPRO Distribution
- SYSPRO e.net Solutions

The benefits

- Integration with customers' systems
- Ability to automatically process high volumes of business transactions in a variety of electronic formats
- Successful transition to order fulfillment business model
- Improved relationships with business partners
- Increased control over supply chain



(continued)

■ The Challenge

Prepac's success with its catalog- and Internet-based customers, combined with growth in special order and kiosk sales, prompted the company to begin a direct fulfillment program in 1999.

Michelle MacKinnon, Prepac's Controller, says: "We used to sell to customers who would warehouse our product. Now, a substantial amount of our business has moved to a fulfillment basis."

Internet retailers constitute one of Prepac's fastest growing markets. Online consumers purchase Prepac products on retailers' web sites. Each order, along with a delivery address, is forwarded to Prepac. The product is shipped directly from Prepac to the customer, and delivery is guaranteed in 24 hours.

According to MacKinnon, growth has been exponential over the past few years, in terms of both volume and orders. "The key thing we needed was the ability to easily add new customers and match up with their electronic requirements," MacKinnon says. "We have orders coming in different formats, such as EDI and XML, and we need to be able to pull all that information into SYSPRO. We also needed a high degree of control over our production and freight processes."

■ The Solution

To facilitate data interchange with its partners, Prepac chose to leverage Microsoft's .NET component architecture to deliver SYSPRO's e.net solutions. "SYSPRO's business-to-business tools allow us to integrate with our customers' systems," she says. "They also enable us to process a high volume of business transactions automatically in a variety of electronic formats."

■ The Result

SYSPRO e.net Solutions has helped Prepac make a successful transition to an order fulfillment business model. At the same time, it has helped improve relations with business partners, and increased the company's control over its supply chain. "Prepac promises shipment within 24 hours, and we promise to have the item in stock. To live up to our agreements, we have to be constantly evaluating our stock and our production. SYSPRO allows us to do that," MacKinnon says.



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