

Case Study

SunMed

PRODUCTS USED

SALESPAD DESKTOP | DATACOLLECTION | SHIPTO



THE COMPANY SunMed is an FDA-registered, Grand Rapids, Michigan-based manufacturer and distributor of medical devices for use in hospitals and healthcare facilities worldwide. Its product family includes airway management, anesthesia, respiratory, resuscitation/ventilation, diagnostics, oxygen delivery, and surgical care products.

In addition to the SunMed brand, the company's family of products includes resuscitation bag/ventilation systems offered under the Ventlab brand and Ethox Medical's emergency care, surgical, and anesthesia support products.

THE CHALLENGE At first glance, it may seem that growing through acquisition is taking the easy way out. After all, in SunMed's case, with the purchase of Charlotte-based Ventlab and Buffalo-based Ethox Medical, SunMed acquired immediate access to two new customer bases, product lines, and revenue streams.

Look deeper, however, and you'll see that with the acquisition, SunMed also inherited two distinct workflows and two ERP environments, each distinct from SunMed's.

For branding purposes, each company would retain its individuality. Not so operationally. SunMed's operating partner and CIO, Bob Milanowski, assumed responsibility for fashioning three businesses into a single operational entity, SunMed, by migrating them all to one ERP platform. For the first 18 months after acquisition, each company operated autonomously. Over the past 18 months, however, Milanowski has been directing the consolidation.

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KEY BENEFITS OF SALESPAD DESKTOP

- Improved workflow
- Easy order entry
- Unlimited UDFs
- Full EDI integration
- Lot control
- Visibility and control
- Technical support



“SALESPAD MAKES DYNAMICS GP SO MUCH EASIER TO USE ... THERE’S NO NEED FOR THIRD-PARTY SOLUTIONS TO AUGMENT GP.”

Bob Milanowski, CIO, SunMed Medical Solutions

Though a manufacturer-of-record to the FDA, SunMed is more of a typical distributor, with the bulk of its products manufactured overseas, imported, re-labeled, and distributed through a network of 10 large distributors. These orders are generally placed by the container-load; however, SunMed also ships hundreds of individual orders direct to end-users via FedEx or UPS.

SunMed also privately labels some products manufactured in China for its OEM business. Rather than shipping those products to its Grand Rapids distribution center, SunMed ships them by the container-load directly to the customer.

“We don’t own the inventory, we just ship it in, assemble, and ship it out as their product,” Milanowski says. For its part, VentLab sells exclusively through three distributors. The Ethox sales model, like SunMed’s, is a hybrid of direct sales/distributor-based. The bottom line is that SunMed and its ERP system must support both models.

THE SOLUTION SalesPad Desktop. SunMed utilizes Microsoft Dynamics GP, augmented by SalesPad Desktop, ShipTo, and DataCollection. After deploying and establishing a hosted GP-SalesPad environment at SunMed, Milanowski implemented it very quickly at Ventlab, where implementation took three months, and Ephox, where it took only two weeks.

SalesPad took on a lead role as the on-site implementation team for both implementations and worked with Milanowski to identify where SalesPad could bolster GP’s capabilities and help SunMed users more easily access those capabilities. “With any ERP solution you’re lucky if you get an 80 percent fit. There are always things that don’t quite work, so typically you’d have to go to a third party or customize the solution,” he says. “The best thing about SalesPad Desktop is it makes GP so much easier to use. SalesPad also allows us to build on their platform, so there’s no need for third-party solutions to augment GP.”

USE-CASE SCENARIOS FOR SALESPAD DESKTOP As an example, Milanowski points to a new FDA mandate requiring Unique Device Identifications (UDI) for each product. Any company with a federally registered device has to submit, in FDA format, all the physical attributes of that device – a capability that does not exist in GP.

“We can create all the user defined fields and enter all those attributes in the SalesPad solution instead of building another external system to bolt onto GP,” he says “So, when we talk about configuring a device for our EDI, we just go into SalesPad and find the tab with all of our EDI attributes. We also do that with labeling.” Milanowski describes labeling as a “train-wreck situation” at the time of the acquisition, pointing out that 15,000 labeling formats existed among the three companies. Similar to the EDI attributes tab, SunMed put all the label attributes in user fields inside of SalesPad, eliminating the need to create new formats every time another item came out.

“All we did was configure 15 different label attributes, and now when a new item rolls out we just set up that label configuration,” he says. “It’s much more user-friendly than trying to do it in GP, and it’s another great example of how we’re able to expand on the SalesPad Desktop platform rather than building something from scratch. That’s a great value-add.”

In addition to SalesPad Desktop, SunMed deployed SalesPad ShipTo, creating an interface between GP and 3rd-party shipping software, and SalesPad DataCollection, which plays a critical part in warehouse management. Lot control, for instance, is an FDA requirement that adds a new dimension to SunMed’s tracking procedures in the warehouse.

“Not only do we need to keep track of inventory, locations, and quantities, we also have to keep track of lot numbers, and we need to be efficient in doing it,” Milanowski says. Lot control makes each transaction exponentially more complex. “If you’re a high volume supplier, and we are in one segment of our business, you have to have some automation. GP’s lot traceability is good, but it’s just not user-friendly,” he says.

“SalesPad gives us important supplemental capabilities in lot masking. We set up our mask in SalesPad and track it, and the solution automatically sets up that lot number when we do the receipt.”

VALUE ADD-IN FOR MANUFACTURING PROCESSES SalesPad Desktop is a value-add in for SunMed’s manufacturing

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processes as well. The picking process has always been paper-based and was a long-standing pain-point for SunMed. The company's process for taking product out of inventory and putting it into WIP was inefficient at best. Reporting delays and errors were common as product moved from inventory to WIP, leading to cycle count inaccuracies.

"If a cycle count was done immediately after someone picked a product for a manufacturing order and they hadn't entered that transaction yet then we'd count it as a variance. But in actuality, we really never knew when that pick took place," Milanowski says. "And the longer the time lag between the physical pick and when that pick was reported, the more chaos we created. We simply didn't know if we truly had a variance or if a product was picked for an order." He worked with SalesPad to build manufacturing transaction processing into SalesPad DataCollection. "So now, when we pick for manufacturing orders we can execute those transactions on the hand-helds, as if we were picking for a sales order. That was a huge win for us. We've got all the manufacturing transactions available in real-time on the hand-held."

Electronic data interchange (EDI) integration is critically important to SunMed as well. We spent a lot of time working with SalesPad, Desktop first integrating a third-party EDI solution then rewriting it to work directly in SalesPad," Milanowski says. "Ninety percent of our orders come in via EDI, and with that capability in SalesPad we don't even touch them."

SalesPad Desktop also enhances SunMed's pricing processes. "In GP, sales pricing is challenging," Milanowski says. "It almost forces you to independently manage all items and prices for each

customer. SalesPad allowed us to layer on some hierarchical pricing, where we can default to a price list that the customer belongs to, but we can also define any special pricing for a given customer."

EASY DATA ACCESS, GAINING NEW INSIGHTS Though Milanowski finds it difficult to put a dollar figure on SalesPad Desktop's contribution to SunMed, he says its value reaches far beyond managing and automating workflows and processes at the operational level. SalesPad's impact can be felt in virtually every corner of the organization, from customer service and sales to the executive suite.

"SalesPad is such an intuitive tool. It's so easy for customer service reps to access information from different sources and aggregate it when they're interacting with customers," Milanowski says. "That's important from a customer satisfaction perspective. And because SalesPad streamlines those customer interactions, we probably have one third of the customer service reps we'd need if we didn't."

Milanowski adds, "SalesPad also gives our salespeople and executives insights into data that they'd never otherwise have. It's not that the information isn't in GP, it's just that it might take you 10 screens to get to it. SalesPad lets everyone tailor their data searches to their needs, whether that be analyzing sales by product, customer class, or geography, uncovering trends or comparing this year's sales to last. It's information at your fingertips. That's a lot of value in one product. There are a lot of other EDI, order entry, or report-writing providers. We could have found ourselves having to work with six or eight third-party products. But, from a value standpoint, you get it all with SalesPad."