



Company Name
Madison Chemical
Industries, Inc.

Location
Milton, Ontario, Canada

Industry
Polyurethane coatings
and linings

Employees
40

Goals

- Acquire integrated system to support growing business
- Eliminate duplicate data entry
- Replace ad hoc spreadsheets
- Fast implementation
- Support ISO 9002 certification

Solutions

- BatchMaster Enterprise ERP software

Results

- 15% inventory reduction
- Eliminated duplicated data entry
- Improved quality assurance
- Tighter control over formula introduction
- Improved shipping accuracy

"BatchMaster really forms the foundation on which we can grow our business exponentially."

BatchMaster Has Madison Chemical Covered

Madison Chemical Industries, Inc., located in Milton, Ontario, offers a complete line of 100 percent solids polyurethane coatings and linings for a diverse range of clients around the globe. Madison's products have redefined the coatings standards for fuel and water storage, and transmission, in both industrial and municipal applications. For over 30 years, the company's coatings have performed in protecting the infrastructure against corrosion, abrasion, chemical attack, immersion, and wear and tear.

Madison's specialized coatings have played a key role in large and complex capital projects. These projects involve significant advanced planning so on-time delivery of product to specification is mandated. The technical challenges, along with customer expectations, have evolved rapidly over these past three decades, as have mounting environmental regulations. Over time, it became clear that Madison's 10-year old, DOS-based business system could not support the requirements and challenges of a growing company.

"Our biggest problem was support," recalled Richard Northcote, controller and operations manager. "Our old system was supported by one person on a part-time basis, and that put the company at great risk. During the past 10 years we had made many modifications, and these weren't documented properly, compounding the support problem. In addition, we had data management issues. If two users accessed the same master record at the same time, one would crash out of the system. As our company grew, the system just wasn't scalable to handle the increasing volume of transactions."

As the old system didn't cover all of Madison's business processes, manual subsystems sprung up around the company:

"There were a lot of ad hoc spreadsheets," said Northcote. "Everyone had their own version of the truth, and we were suffering. We lacked the data integrity that you associate with an integrated system."

Time for a Change

Under the leadership of Northcote, Madison formed a cross-functional team to evaluate potential replacement systems. Northcote represented production and accounting, and managers from sales/customer service, research & development, and IT made up the rest of the team.

"We focused on ERP solutions for the process industry, and examined systems both large and small," said Northcote. "Some of the large ERP products were quite attractive, but would have required a lot more resources to maintain them. We looked at products from some smaller vendors, but they didn't have the strength or scalability we needed. We wanted to implement a system that would support our business for at least the next 10 years.

"It was very clear that BatchMaster was designed for process manufacturing. All the standard modules are available, including the complete array of laboratory functions. Some of the other programs were quite attractive, but they didn't have all capabilities out of the box and would have required a lot of customization to implement. I liked the fact that BatchMaster was a mature product with all the modules working together."

Five-Month Implementation

Madison began implementing BatchMaster in December of 2005, and went live May 1, 2006.





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Richard Northcote
Controller & Operations Manager

Madison's products are designed to last for decades, even in the most aggressive environments, earning approvals from such industry authorities as Underwriters Laboratories, Steel Tank Institute, AWWA, and NSF International.

"It is essential for a company like Madison to have Standard Operating Procedures (SOP), as various provincial and federal authorities audit us regularly," said Northcote. "Also, we have achieved ISO 9002 certification, so we need to document and maintain consistent procedures. BatchMaster provides guidance for our users through online help and tabs at the top of the screen. Users can call up a document for our SOP, and the system guides them through the correct procedure.

One important modification was required to support Madison's current processes. "Our coatings are two components, when mixed, they form the polyurethane coating that protects the pipes from abrasion and corrosion," said Northcote.

BatchMaster provided Madison with the capability to view two formulas on the same screen. Now Madison has the ability to change one of the linked formulas, and see the impact on the combined final product in real time.

In any regulated industry, tracking material by lot number is essential. "In the past we wrote the lot numbers on our batches, but we didn't have online access by lot number," said Northcote. "The tracking by lot number gives us more control over our materials. This tracking has also improved the accuracy in shipping because now we are tracking and assigning lot numbers to shipments. This gives us an additional check because we know if the lot number is not correct, then the shipment is not correct.

"We have been able to improve the accuracy of our shipping documents. Since we export to the USA, there are a number of shipping and customs documents required. We have been able to easily create forms in BatchMaster so the documents for each shipment can be generated more efficiently," said Northcote.

Fast Results

After just six months, the company is already experiencing benefits from using BatchMaster.

"Master Production Scheduling provides us with a better view of our schedule, and with Material Requirements Planning we are able to plan our material requirements much better. As a result we have reduced our inventory of raw materials by about 15 percent," said Northcote.

In any regulated industry, quality assurance and product testing is an essential part of the business process.

"We are documenting all of our testing in BatchMaster, and this helps us in two ways," said Northcote. "First, we ensure that purchased materials can't be used until they have passed quality control, and secondly, we now have historical information available online so we can examine trends and evaluate supplier performance."

The company has eliminated the duplicate data entry and potential errors previously associated with the introduction of new formulations.

"In the past, the laboratory developed new formulations using Excel," said Northcote. "Before introduction, these new formulas were tested and re-entered into the inventory control system. Now, the laboratory tracks the formulation in BatchMaster, and all someone has to do is hit a button to make it an active formula. If there's a problem with a particular formula, it's placed on hold in the system, and this blocks production from making it. In the past 'holds' were communicated verbally, which was not fail safe.



**"BatchMaster
fits our business
like a glove."**

"We anticipate implementing BatchMaster's Material Safety Data Sheets features in the near future. This will enable us to ensure the accuracy of these documents and further streamline the launch of new products."

Although it is still early in the implementation, Northcote anticipates further benefits as Madison's employees take advantage of the many capabilities BatchMaster has to offer. "BatchMaster really forms the foundation on which we can grow our business exponentially, without additional investment in IT infrastructure," he said. "It fits our business like a glove."

For more information about BatchMaster Software, contact sales@batchmaster.com

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