

# A Radius Solutions Case Study



## Display Pack

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### Client Background

Display Pack is an industry leader in printed and thermoformed packaging as well as contract packaging services. Founded in 1967, this family-owned company with 450 employees attributes its success to combining the dedication of skilled craftsmen with the latest in computer and manufacturing technologies. Display Pack manufactures all packaging components in its plant, with the capacity to package millions of items each week. The company differentiates itself from its competitors by offering a one-stop-shop for all their customers’ needs.

### Improving Business Operations

Display Pack knew there had to be a better way to streamline its operations and to exchange information throughout its organization. Its business management software was a custom-developed mainframe system, which lacked important capabilities, including a robust estimating system, complete business integration, and the ability to deliver critical information about the company’s financial health. Two consequences of this were that Display Pack lacked a clear view of how to improve its bottom line and the company’s various departments operated independently, which caused breaks in communication and the duplication of numerous steps.

In 1999, Display Pack set out to improve its operational efficiency and profitability. The company identified three primary goals: 1) to implement a more comprehensive estimating system, 2) to integrate business operations, and 3) to reduce the required IT support. To achieve these goals, Display Pack selected PECAS Vision from Radius Solutions. This industry-specific, Enterprise Resource Planning (ERP) system provides sophisticated estimating and scheduling, accurate material control, and inventory management. Streamlining the business operations with PECAS Vision eventually led the way for Display Pack to apply and benefit from “Lean Manufacturing” – a methodology that removes business processes that do not add value to the final output.

“Since implementing PECAS Vision, we can discern our value-added processes from our non-value added processes. This knowledge allows us to identify and eliminate unnecessary and repetitive production tasks,” states Holly Francies, Team Leader at Display Pack. “We reduced the amount of paperwork that transferred hands and eliminated re-keying of information. The system also gives us easy access to financial data that we just didn’t have before. We can look at our numbers and see how well we’re operating our business and how much money we’re saving each year.”



## Improved efficiency and profitability.

### **Business Intelligence to Support Critical Decisions**

Display Pack's integrated ERP system provides Francies with the business intelligence to do more analyzing and to support its executives' strategic business planning. "With today's economic climate, we're looking at data much more closely. PECAS Vision enables us to easily identify the best possible price that we can offer our customers while still maintaining a profit," Ms. Francies adds.

With PECAS Vision, Display Pack can analyze estimating cost versus actual cost, and the variances at each step along the way. In doing so, the company was able to determine that they were only breaking even on work performed for a long-time, high-volume customer. "We learned the hard way that high volume and lots of sales dollars don't necessarily mean that you're making money," affirms Ms. Francies. Display Pack made price adjustments so that the contract would work for both parties – and that high-volume customer is still a satisfied customer today.

Display Pack also uses the business intelligence generated from the Radius Solutions' ERP system to identify its business niche and the geographic regions where it can be more competitive. "I run reports on different locations that indicate what types of products we're selling and to whom. Thermoforming is one of our specialties, and we now know we can be more competitive in this sector, especially in particular regions in the United States," said Ms. Francies.

"Because Radius Solutions' technology is designed for our industry, it required minimal modification or customization. And its ease of use means that I don't have to support the users as much," Ms. Francies comments. Half of Display Pack's 450 employees are active users, and nearly 75% log into PECAS Vision.

Ms. Francies points out that the ERP system allows her to focus on new methods of improving the company's profitability. Already saving thousands of dollars yearly from PECAS Vision, Display Pack has started augmenting its "Lean Manufacturing" program, leveraging the ERP technology to eliminate waste and reduce costs. The company also plans to integrate the supply chain by utilizing PECAS Vision's EDI (electronic data interchange) functionality for efficient processing of customer orders and requests. Francies adds: "PECAS Vision is critical to helping us find ways that we can do better, whether it's simplifying processes or roles. More importantly, with PECAS Vision we know that our company can now handle our projected future growth without adding new staff," adds Ms. Francies.



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