



Universal Paper and Plastics streamlines stock levels with Sage Inventory Advisor

Universal Paper and Plastics, a nationwide supplier of printed napkins, bathroom tissue, kitchen towels and related products, has improved its inventory management and ERP performance to improve business efficiency. The company deployed Sage ERP, including the Sage Inventory Advisor module, which analyses historic inventory activity to identify shortages and streamline stock levels.

"We supply over 400 SKUs [stock keeping units] to chain stores around the country," says David Sher, GM of Universal Paper and Plastics. "We maintain a 48-72 hour lead time for orders, from the customer contacting us to product being in their hands, so it's critical that we have stock where we need it, when we need it."

The company was growing, and needed to improve its processes. "Before Sage ERP X3, everything was done manually," explains Sher. "We had Excel spreadsheets and sales reports pulled from old systems which we would manually analyse and forecast three to six months ahead."

UPP turned to Sage ERP X3 for its financials, and was happy with the fundamentals, but wanted more from its inventory management in order to forecast better. "When we first looked at Sage ERP X3, it didn't have a forecasting module that suited our business," Sher said. "Sage ERP X3 is really set up for make to order businesses, but we're the opposite. Only 2% of everything we do is made to order, so the need for forecasting was critical. Our implementation partner recommended Sage Inventory Advisor."

Sage Inventory Advisor is a cloud-based inventory management service integrated into Sage ERP X3. "Sage Inventory Advisor helps us with planning and distribution," Sher says. "It feeds back into Sage ERP X3, and helps us understand when and where the inventory activities are taking place. As an add-on cloud-based module, it's very affordable."

All the decision making roles within the business have been affected by Sage Inventory Advisor, Sher says. "From the production manager to the lady who orders materials, from distribution and delivery to the national sales manager." The module gathers historic data from Sage ERP X3 and uses it to model expected inventory behaviour, identifying potential shortfalls ahead of time and reducing overstocking and waste. "Sage Inventory Advisor takes historical data and builds up a model of the business," Sher explains. "The more history it has, the better it can forecast."

"Planning production on Sage ERP X3 has saved us a lot of time, and we're much more accurate," Sher says. "It's very different from how we used to do things manually, but working with it every day people got used to it quickly." Sage Inventory Advisor offers a dashboard interface to its stock management data, but Sher says his team prefers to work centrally in Sage's core system. "For us, Sage Inventory Advisor is a key component for Stock management within Sage ERP X3. On its own it's more of a visual tool, an overview. We do all our work directly in Sage ERP X3 - if we need to know how much stock we'll need for the next three months, Sage ERP X3 projects that based on figures from Sage Inventory Advisor."

With the core system working smoothly, Sher says he is already looking for product improvements to get more from Sage Inventory Advisor, particularly in company-wide forecasting. "I'd like easier ways for sales people to include forward projections and factor in risk percentages for supply issues or potential strikes, or new business from opening up a market in a new country. That could help it calculate more accurately. At the moment we can adjust the forecast for unforeseen increases or decreases in stock, but we have to do it per product from month to month."

"We're very happy with Sage ERP X3, even though we've only been live for about seven months – Sage Inventory Advisor takes time to build up, and the more history it has the better it can forecast. We're still looking forward to realising its full potential."

"Manufacturers need efficient, flexible, industry-specific business solutions to help them improve their competitiveness and deliver customer value," says Keith Fenner, senior vice president for sales at Sage ERP Africa. "The variety of production processes requires the ERP platform to be dynamic and reliable while operating in mixed mode environments. Sage Inventory Advisor can help companies reduce inventory by up to 35% and increase sales by 10% or more, using its cloud-based inventory management system."

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Sage ERP Africa

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