

MIDMARKET ERP

Intuitive rewrites solution using Microsoft .NET; gets acquisitive in the process

ERP provider **Intuitive Manufacturing Systems** has seen some milestones in the past year or so. First it was acquired by an equity firm, and since then made some acquisitions of its own. All the while, Intuitive was completely rewriting its flagship product on the Microsoft Windows NT platform.

These things sit well with customers such as **Leading Edge Hydraulics**, a Rockford, Ill.-based maker of hydraulic fluid carriers used in construction, agricultural, and material-handling equipment. "We've had very aggressive growth over the past three years, and we're pleased Intuitive is taking steps to continue growing as well," says Russell L. Dennis, Jr., a company VP.

Intuitive was acquired late last year by **Marlin Equity Partners**. "Intuitive has a happy installed base, and good profitability," says Ray Rebello, director of marketing at Intuitive. "The acquisition by Marlin is an aggressive step to ensure we continue growing. It gives us the financial resources to go forward."

According to its Web site, Intuitive's customer base boasts more than 1,000 corporate licenses.

Not long after being bought, Intuitive announced it was acquiring **SupplyWorks** and its supplier collaboration platform, and next, **Relevant Business Systems**, which offers a project-driven enterprise solution found primarily in the aerospace & defense industry.

"Our goal was to acquire a full-function supply chain management solution that meets multi-location supplier collaboration needs," says Intuitive CEO Chuck Gillam. "SupplyWorks has been

recognized as a leader in developing this functionality, and has consistently delivered measurable ROI to customers."

Intuitive has always been a Microsoft shop, but decided to rewrite on the .NET platform for faster extension development, easier maintenance, improved connectivity and security, greater Internet utility, and lower total cost of ownership. The solution—Version 8—set for release this summer, is being tested now.

"Intuitive took the opportunity to not just rewrite code using .NET, but to completely redevelop the solution and add new functionality," says Rebello.

At Leading Edge Hydraulics, they are quite interested in Intuitive's new

Dennis says. "We need to give customers what they want when they want it. Otherwise, opportunities vanish right before our eyes."

The Relevant acquisition gives Intuitive the opportunity to better serve the A&D market, as well as other project-driven industries, Gillam says, leaving Intuitive with solutions across the spectrum of make-to-stock, configure-to-order, and project-driven supply chains. Many midmarket manufacturers must excel at two or more of these supply chain models, Gillam maintains.

"Intuitive acquiring SupplyWorks means we gain capabilities we need, and it will all be under the Intuitive hood—which is reassuring," Dennis says. "We want to set up portals for supplier collaboration, streamlining data exchange to improve performance. At the same time, we don't want to hire a bunch of people to develop a solution. IT is absolutely critical for us to establish a world-class supply chain. Having this type of integrated solution from a single supplier is quite valuable." ■



Chuck Gillam, president and CEO of Intuitive Manufacturing Systems, says recent acquisitions have enabled the vendor to offer solutions across the spectrum of make-to-stock, configure-to-order, and project-driven supply chains.

capacity requirement planning (CRP) capabilities, Dennis says.

Leading Edge has roughly 400 work orders current at any time, and 130 work centers to manage. Customers change orders frequently and management needs to determine quickly what impact a change will have on resource allocation, labor, and delivery.

"The faster we can tell what the impact will be, the more likely it is that we'll get the order because we can commit to it,"

Fast facts

- In a 2005 survey of nearly 300 companies, Boston-based **AMR Research** found more than one-third of small and midsize businesses are implementing new ERP systems, while 71 percent of all companies plan to increase spending in 2006.
- In August 2005, AMR projected that in the next 12 months, discrete manufacturers using ERP or manufacturing software expect to either upgrade or replace systems, at 38 percent and 42 percent respectively.
- The worldwide market for ERP solutions continues to grow and will exceed \$21 billion in 2010, according to Dedham, Mass.-based **ARC Advisory Group**. In a recent report, ARC says the worldwide market for ERP is expected to grow at a compounded annual growth rate (CAGR) of 4.8 percent over the next five years. The market was \$16.67 billion in 2005, and is forecasted to be more than \$21 billion in 2010.