

SYSPRO Helps Fuel Growth at PermianLide After Company Outgrows QuickBooks

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■ The Company

PermianLide is the largest US manufacturer of above-ground storage tanks and processing equipment for the oil and natural gas exploration and production companies. The Texan-headquartered company has more than 37 years of operating experience, with two well-known industry brands: Permian Tank & Manufacturing and Lide Industries.

A classic American story, PermianLide started as two smaller independent competitor companies (Permian and Lide Industries) in the 1970’s, each growing to be a successful business in its own right, and ultimately merging in 2008.

Through aggressive expansion, collaborative streamlining of the two operations and the right enterprise resource planning (ERP) technology solution to support that growth, PermianLide now has eight manufacturing plants in Texas, Oklahoma and South Dakota.



At a glance

Company

PermianLide

Number of employees

450

Industry sector

Oil and Natural Gas Industry

- Manufacturing

The challenge

- Company outgrew Quickbooks
- Support rapid company growth
- Visibility into all locations

Solution & services

- SYSPRO Financials
- SYSPRO Report Writer
- Bill of Materials
- Material Requirements Planning
- Work in Progress
- SQL Manager
- Forecasting
- Inventory
- Office Automation

The benefits

- Consolidated view into all data
- Enhanced internal and external communications
- Efficient transaction processing
- Improved customer service
- Accurate reporting
- More efficient processes and operations



(continued)

■ The Challenge

Part of taking any successful company to the next level of growth and prosperity is knowing when, why and how to upgrade to a newer, stronger enterprise software backbone. PermianLide had spent three years using QuickBooks for its financial and reporting requirements plus some limited ERP capabilities.

By 2008, the company felt restricted by its QuickBooks technology capabilities. For example, its headcount had grown to between 400-450 employees, and QuickBooks' payroll solution required multiple systems to handle that volume. Employee records were in separate systems and impossible to track easily and accurately.

The goal was to have one customer file, one warehouse file, one employee file and one general ledger file. SYSPRO, Infor, Microsoft® Dynamics, Epicor and SAP were reviewed.

The QuickBooks replacement search began prior to the merger, so there was just one company involved. The initial scope was four locations with eight warehouses and two consignment yards. The goal at the time was to have thorough financial statements on each location, plus an aggregated view of the company as a whole.

Suddenly, the 'new' organization was going to be considerably larger: a total of 11 locations and 22 warehouses. Also, the new company merging in (Permian) wanted the same abilities that Lide was requesting (facility reporting, plus consolidated operations). The new combined company also needed a holistic view of the merged operations – at every level.



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- Joe Lucas, IT Director, PermianLide

(continued)

■ The Solution

Joe Lucas, IT Director of PermianLide, explains: "Prior to the merger talks, we had already cut our short list to Infor and SYSPRO after a three-month review cycle. We were ready to make our decision to replace QuickBooks with much wider SYSPRO operations, but then the merger took place and we decided to take a second look at the larger field of ERP providers that we had started with.

"The complexities of the various individual and joint operations across two separate companies immediately knocked out some of the vendors, like SAP Business One. Conversely, we were amazed at the sophistication of the analysis and reporting capabilities offered by SYSPRO."

■ The Result

Today, using SYSPRO, PermianLide has a comprehensive view of the two distinct sets of operations in a single view, with detailed reporting as required.

Specifically:

- Each branch has its own sales and manufacturing reporting, though the two can be rolled up for a consolidated view
- Lean manufacturing principles and actions can be evaluated and deployed on an individual, branch or company-wide basis
- Plants can be compared/contrasted for individual operational/financial success, allowing for faster remediations that impact the bottom line
- Sales production reports can clearly show which plants produced the goods and whether that plant sold it themselves or through a supply chain transfer
- Income statements clearly delineate the best performers more accurately; prior reporting had inaccurately shown high-performing plants' operational impact as problematic – through incorrect financial accounting



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Commenting on the additional primary benefits of implementing SYSPRO, Lucas cited ease of use, customization, an open database, excellent reporting capabilities and superior customer service.

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Today, PermianLide has been a happy SYSPRO client for six years and has 15 SYSPRO modules with robust capabilities to support this powerful mid-sized company that is a leader in its field. PermianLide is an excellent example of a company that found SYSPRO to be the perfect solution when they outgrew QuickBooks, and an excellent facilitator of growth through mergers and acquisitions.



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