Foundational
e-Business Services

McNeilus Steel enjoys the benefits of business-to-business e-commerce with Foundational as its EDI department

The Customer

McNeilus Steel is a family-owned full line steel distributor and processor dedicated to providing the best in material quality, responsive customer service, and on-time delivery. Serving the upper Midwest region since 1948, McNeilus Steel is comprised of over 450 employees and three warehouses located in Dodge Center, Minnesota, Fargo, North Dakota, and Fond du Lac, Wisconsin. Each location sells and delivers hot roll and cold finish bar, tube, pipe, sheet, plate, flooring, grating, stainless, aluminum, rebar, and other miscellaneous ferrous and nonferrous metal products. McNeilus Steel also offers metal fabrication services, including shot blasting, laser and plasma cutting, bending, rolling, machining, rebar fabrication, sawing, and robotic beveling.

Customer Challenges

McNeilus had been a long time satisfied user of Paragon's Metalware ERP system. This system was chosen because it addresses the needs and challenges that are unique to steel processing. One of these challenges is EDI, or electronic data interchange. McNeilus integrated Metalware with the help of outside consultants and an EDI translator software application. While this solution enabled the Metalware application to effectively communicate with McNeilus's trading partners, the cost of maintenance and manpower to manage the system was significant. It was difficult to cost justify expansion of the EDI system, resulting in an implementation that was limited to only the highest volume trading partners.

The Foundational Solution

Foundational e-Business offers an outsourced EDI service that integrates seamlessly with most ERP systems, including Metalware. Essentially, Foundational acts as your EDI department. This managed service was the perfect complement to Metalware, and the right solution for McNeilus. Furthermore, Foundational has deep experience with EDI for the steel processing industry. This knowledge, combined with the Foundational e-Business platform resulted in a system that enabled McNeilus to expand the scope of their EDI implementation and enjoy widespread benefits.

Now Metalware is able to seamlessly communicate with any EDI enabled trading partner —and for a fraction of the price of traditional EDI.

McNeilus Steel, Inc.
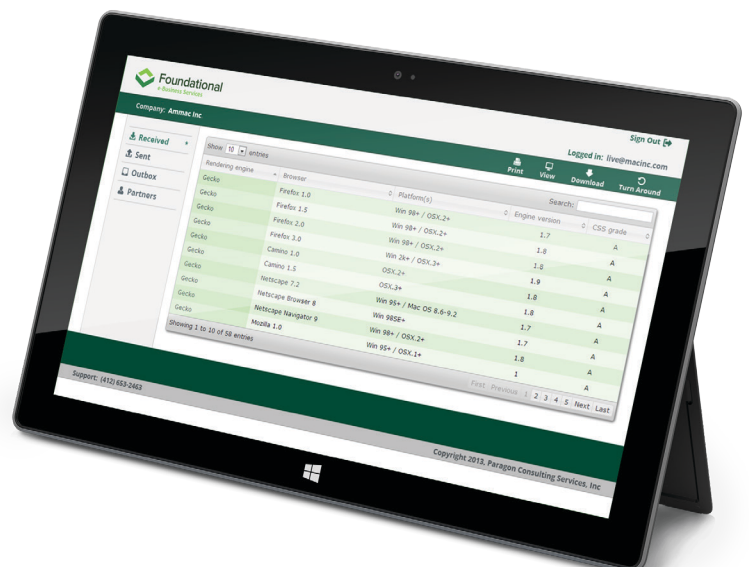
Measurable Results

Due to the extremely cost effective nature and seamless integration of Foundational's e-Business Platform, McNeilus was able to expand the scope of their EDI implementation by 500%. McNeilus cites various areas where the Foundational solution and its powerful integration with Metalware have made a positive impact on the business.

Material purchasing

Prior to working with Foundational, McNeilus staff had to physically count and track down inventory in the warehouses, then create a "buy report" that showed what materials needed to be reordered, and orders were manually placed with the mills. Since integrating Metalware with Foundational e-Business, McNeilus has been able to use vendor managed inventory to dramatically streamline the ordering process. Metalware's inventory system tracks inventory levels and keeps suppliers informed via EDI. Suppliers monitor this information and create fulfillment orders based on pre-determined inventory levels. McNeilus is able to keep inventory levels low and know that they'll have the materials they need when they are needed. Inventory turns very quickly, and smoothly, at McNeilus.

Material Receiving

A majority of all inventory receipts are now processed with EDI; and EDI receipt processing could not be simpler. The mill sends a ship notice transaction with specific details about the material being received. Metalware knows what is coming as soon as the mill ships it! When the material is received to the warehouse, the user simply scans a bar code label on the items and the Metalware system is alerted that the material has been received to the warehouse. No manual entry; no room for error.

Sales Order Processing

Some customers send orders via EDI; this results in significant time savings. The sales reps simply need to look over the orders; no manual or double entry. The sales rep can take the time that was once spent manually processing orders and spend that time generating new business and servicing existing customers.

Foundational e-Business is the Glue

A capable ERP system such as Metalware, when combined with an effective and efficient e-business platform, such as Foundational, creates a powerful synergy. Dramatic business process improvements are the result when ERP can communicate seamlessly with customers and suppliers. McNeilus does not need to keep EDI experts on staff – Foundational acts as their EDI department. All EDI inquiries and modifications are addressed by the staff of experts at Foundational , so McNeilus knows their system will run smoothly without fail, enabling them to focus on providing excellent products for their customers!