

AIG Sales streamlines processes with Sage on open source



Softline Enterprise & UniSource Software
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Enabling it to adapt rapidly to changing customer demands, automate business process and deal electronically with its customers - these are some of the benefits seen by steel pipe and fitting merchant, AIG Sales, after deploying Sage Enterprise Solutions' Line 500 business management solution recently. The move reflects a more general trend in the steel pipe industry towards embracing information and communications technology (ICT) to handle what have long been manual or paper-based processes.

Until recently, AIG Sales had been running a simple DOS-based accounting and inventory system. However, escalating customer demands and an increasingly-unreliable system prompted the company to investigate other options.

"In general, the steel pipe industry has tended to lag behind the times in terms of information and communication technology adoption," explains Gordon Phillips, sales engineer at AIG Sales.

"Our primary customers are mining houses, well-known early adopters of technology that are now more regularly using Internet-based trading systems. As a key supplier, we had to ensure that our IT infrastructure and internal processes could handle Internet trading and maintain an efficient supply operation."

After evaluating the solutions on the market, AIG Sales chose to work with Sage Line 500 on Linux - configured, installed and supported by Sage Enterprise Solutions' authorised business partner, Unisource. The system manages all financial processes, as well as works and sales orders, bills of materials, product distribution and information analysis.

Paul Gama, director of Unisource, says that while initially reticent to go the open source software route, AIG Sales is reporting good stability and throughput on the system.

One of the key issues that AIG Sales can now address effectively is that of managing the outsourced fabrication of units made from the raw materials it holds in stock. The company despatches components and receipts assemblies using a works order and purchase order linked into one document - this enables them to track their work in progress effectively.

"This facility now provides AIG Sales an effective and efficient tool to manage the outsourced fabrication which in the past was a manual paper-driven process fraught with inefficiencies," says Gama.

Looking at the broader issue of bringing ICT into an industry such as his, Phillips notes that choosing technology that is suited to the business - rather than changing the business to suit the technology - is paramount.

"It would have been easy for us to get drawn into the world of large-scale enterprise resource planning solutions [as many companies in the industry have]. While ERP systems have the potential to assist a business like ours, they are generally too cumbersome, too rigid and too difficult to install," says Phillips.

"We needed a system that was flexible, cost-effective, stable and that could help us adapt to market demands quickly and easily - all the while maintaining the efficient operation of our business. That's where Sage Line 500 came to the fore."

For more information on **Sage Enterprise Solutions**, visit www.sageafrica.com.

For more information on **UniSource**, visit www.unisource.co.za

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