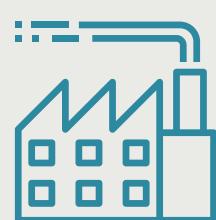# Case Study

Background

As the world's largest single combined production facility for Black Copper Oxide and Basic Copper Carbonate, Adchem (Australia) Pty Ltd were operating a bespoke system that provided little financial visibility.

Adchem needed an ERP system that could improve their operational efficiency and visibility between Head Office in Melbourne and their South Australian production facility in Burra.

ADCHEM

Adchem employs over 50 people at the Burra production facility. A small commercial team is located at the Melbourne Head Office of Adchem's parent company, Ausminco Pty Ltd

The manufacturing facility at Burra has been producing copper chemicals since 1970, and the majority of output is exported to customers in over 20 countries. Adchem's products are used as inputs in a wide range of industrial (wood preservation, automotive, electronic, catalyst, metal treatment, surface coatings) and agricultural (trace element in both animal feed and fertilizers) applications.

Industry:	**Location:**	**Solution:**
Chemical Manufacturing	Production Facility - Burra, SA Head Office - Melbourne, Vic	NetSuite SuiteSuccess Manufacturing Standard Edition

The Challenge

The company identified the need for an out of the box ERP system that could provide more financial visibility and accuracy. Adchem had been using a bespoke legacy financial management system that had been in place a very long time. So long, that there was no one left with any knowledge to manage or maintain the system. With the system server located at their production facility in Burra, the only way for anyone at the Head Office in Melbourne to receive information was via a manual on-site spreadsheet download from the South Australian facility. Any changes would be completed in the spreadsheet and sent back to Burra for the team to manually upload into the system.

Another challenge facing Adchem was at Month End when their legacy system would not allow the Finance team to run the Month End reports while the system was still online. With the system offline, it meant for a full day each month all transactional data, including purchase orders, had to be manually recorded and processed later. These hardcopy records would go missing or were not uploaded into the system once it was back online. With information being sent back and forth between Burra and Melbourne, it was challenging to ensure updates were made or guarantee accuracy.

However, one of the most important issues facing Adchem was the lack of a Purchase Order Supplier Approvals process for the CFO. Purchase orders would be downloaded from the system, sent directly to suppliers, and the CFO had no visibility of what was being purchased or the cost. With no visibility, the Finance team had no budgetary control over company purchases. Adchem needed an out of the box ERP system that could give them real-time access to all their financial data.

In Response

Adchem had embarked on reviewing a number of different ERP products and providers, where they were pitched a license structure that was expensive and more than what they needed. OneKloudX presented them with a lower cost option that still gave them all the functionality they needed for 40% less than the other license structure. With an average of 20 users, OneKloudX provided a cost-effective option that would improve their operational efficiency and visibility across the entire company. To provide further real-time visibility, OneKloudX were able to build the necessary dashboards that provided the Head Office team with the relevant information and insights into:

- Financial hedging information used to calculate the sale price of their product
- Contract details
- Shipping container manifests
- Inventory on and off-site
- Transportation information with supplier details from the production facility to each destination
- Production planning and execution.

OneKloudX has delivered Adchem with a complete financial and operational solution for their company that provides them with the information required in realtime as required by different functional areas of the business

The Outcome

Adchem have a complex manufacturing process that requires overseas purchases of raw materials for processing at the facility in Burra. With NetSuite, Adchem now has full visibility over their purchase orders to ensure they are buying the correct product and quantities at the right price. The Finance team is now able to approve every purchase order prior to posting to the supplier.

"The OneKloudX team has been open and willing to work with us onsite and collaborate in a modern, agile fashion. The flexibility and agility nature of engagement has been a large benefit to the scaling of our projects. We are benefitting from an integrated solution that has resulted in Capex savings, real-time inventory management, and improved procurement processes."

Gavin Smith, Chief Financial Officer

By adopting Netsuite, Adchem has removed the redundant manual processes and reduced their hardcopy storage of important information. The Adchem team can attach any documentation directly to transactions so that anyone viewing a particular transaction has all the information they need at their fingertips. As an added benefit, the digital sticky notes function of NetSuite has been activitated by the OneKloudX team to allow users to flag transactional questions and queries

By improving operational efficiency and providing a 360-degree view of financial and operational activities, the Adchem team have improved their forecasting functions. Using NetSuite, Adchem can now forecast how much packaging materials they will need based on the opportunities they have in the pipeline and how much is already on site. NetSuite has given the company full visibility of this process and means they don't end up buying unnecessary packaging materials that have to be stored until they're needed.