

Nellson Nutraceutical and iQ4bis: Succeeding By Protecting Margins



MAXIMIZING MARGINS MEANS COST CONTROL

“We are a 100% contract manufacturing business,” says Marc Gottlieb, Director of ERP systems. “That means cost containment is an immensely important and ongoing challenge for us, because producing for a customer at a contracted price means that controlling costs is the only way we can preserve our margins—and so impact profitability.”

“With multiple locations running multiple ERP systems, it was very difficult and time consuming to see all the data related to a single customer,” continues Gottlieb. “Yet that need was critical to better understand our operational performance in each customer situation, and was driving us toward a corporate decision to consolidate ERP systems—a long, costly process.”

ONE COMPANY, TWO ERP SYSTEMS, THREE PLANTS

Nellson Nutraceutical is a private-label contract manufacturer of nutrition bars and powders, with manufacturing facilities in the US and Canada. The US facilities use a Ross Enterprise ERP system from CDC Software, while the Canadian facilities run a JD Edwards system. Consolidating information from the various locations was difficult, and involved running reports in Canada, and emailing those results as Excel files which were in turn combined with another Excel file from the Ross system at headquarters in the US. The process worked—but it was labor-intensive, inefficient, and error-prone.

iQ4bis DELIVERS A SINGLE VERSION OF THE TRUTH

Adopting iQ4bis allowed Nellson Nutraceutical to defer an ERP system conversion. “With the various ERP system adapters feeding data into our single iQ4bis system,” says Gottlieb, “we have a single version of the truth. We can drill down into sales results to understand our customers better, and recently we’ve expanded to look at some of our purchasing and inventory information, analyzing vendors for volume discount improvements and so on. The analytical capabilities delivered by iQ4bis are absolutely critical to our goals of cost containment and margin preservation. We give our operational groups the consolidated information they need to analyze their results and make better decisions, and at the same time, we avoided the pain, delay, and expense of an ERP system conversion.”

Successfully Consolidating Results from Disparate ERP Systems Enables Better Operational Performance

BUSINESS CHALLENGES

- Report consolidated results from multiple ERP systems
- Defer the costs and pain of adopting a new company-wide ERP system
- Support due diligence requirements for potential acquisition
- Produce a “single version of the truth”

BUSINESS RESULTS

- Quickly produce consolidated reports by extracting data from two ERP systems
- Avoided the expense and delay of consolidating multiple locations under a single ERP system
- Met due diligence requirements in support of acquisition
- Delivered a “single version of the truth” without massive infrastructure investment

WHO USES iQ4bis IN NELLSON NUTRACEUTICAL

- Financial team including operations, budget and cost accounting
- Sales department
- Purchasing and inventory departments
- Manufacturing operations

BENEFITS FOR NELLSON NUTRACEUTICAL

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ASSOCIATED PLATFORMS

- Ross Enterprise ERP
- JD Edwards ERP

iQ4bis VIEWS

- iQ4bis Analysis
- iQ4bis Web Analysis

KEY REASONS NELLSON NUTRACEUTICAL SELECTED iQ4bis

- iQ4bis’ experience with JD Edwards
- Need for consolidated information from multiple ERP systems

DUE DILIGENCE FOR AN ACQUISITION

Using iQ4bis to pull data from disparate systems and report merged results enabled Nellson Nutraceutical to quickly produce accurate, consolidated reports

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*Marc Gottlieb,
Director of ERP Systems,
Nellson Nutraceutical*

on corporate sales history and other key performance indicators to meet critical requirements. “We recently underwent an ownership change that put us through a difficult period of meeting due diligence

reporting requirements,” says Gottlieb. “It was a tough process, but iQ4bis allowed us to meet those reporting requirements and in the end, be successfully acquired. It enabled our new ownership group to have the understanding of this business—and the confidence—that they needed to move forward with their acquisition strategy.”

“iQ4bis has helped us to understand our business better. We’ve had to look at things differently, and operationally we’ve become more efficient. We’re a much stronger company,” says Gottlieb. “iQ4bis’ JD Edwards implementation expertise is a major plus, and the bang-for-your-buck factor with iQ4bis is extremely high.”

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