

CASE STUDY



 **SilencerCo**

Growth in Highly Regulated Industry Required Comprehensive ERP to Unleash Efficiency



SilencerCo is the leader in the highly-regulated market of firearms and outdoor sports. SilencerCo's offerings are manufactured to exacting standards, with a careful approach to engineering, fit, and finish.

SilencerCo's products require perhaps the highest level of material traceability, controlled production, storage and distribution, as well as legal oversight. The management team strictly follows all applicable regulations, including Department of State International Traffic in Arms Regulations (ITAR), Bureau of Alcohol, Tobacco, Firearms and Explosives (BATF), and state and local laws. SilencerCo's

products are manufactured, designed, and tested in the US.

SilencerCo has created a culture of integrity and hard work, leading to profound loyalty and satisfaction by its customer base. SilencerCo's engineering team is constantly working on new products that meet the unique needs of their market.

“ We started SilencerCo because we believe in the right to protect our ears and wanted to help others do the same. ”





Situation

In growing rapidly, SilencerCo had created a collection of home-brewed business systems that were hard to maintain and had limited future growth. In 2015, IT Director Chris Miller started thinking about replacing these systems with something that would enable growth in a cost-effective and easy-to-manage manner. Chris was looking for a solution that would be cost effective,

flexible, and open for integration. He needed the ability to integrate with key control and tracking systems within the factory as well as with regulatory agencies.

Engaging with OSI's staff, Chris was able to install and benchmark Odoo against the other options and determine that Odoo could be a good fit.

“ Our products are built to work and to last. We aim to give our clients the best possible experience. That’s why we offer a lifetime warranty, no matter what, and a 48-hour repair window. We’re proud to be the most chosen suppressor manufacturer in the country. ”

Need-Based Goals

Specific goals for the OSI implementation were developed and agreed upon based on SilencerCo's current most pressing needs. The primary needs were to integrate accounting, inventory, manufacturing, and cost accounting. OSI developed a system that will meet SilencerCo's inventory management and manufacturing needs, as well as billing and accounting. This system allowed SilencerCo to view their profitability

and assisted with inventory management, production management, and reports needed to analyze their business.

SilencerCo needed to automate the inventory/manufacturing process, as much of their inventory and manufacturing process was being completed manually. The goal was to create a complete, integrated solution, with one version of the truth.

Operational goals

- + Specialized warehouse, manufacturing and material traceability functions that matched their unique sales cycle. This included BATF logbook integration, audit trails of all purchases and manufacturing, and careful consideration of RMAs.
- + Quick and effective deployment to their factory floor.
- + Complete and accurate accounting functionality, manufacturing cost analysis, sales and margin calculations, as well as taxes, ownership team management, and other typical financial accounting.
- + Complete manufacturing capabilities to manage their bills of material, production forecasting, and machine scheduling.
- + In replacing the home-built software, SilencerCo strongly preferred the open source approach. The flexibility and freedom of open source software reassured them that they had the benefits of the community, as well the ability control their own destiny.



Approach

OSI's proprietary in-depth, four-step approach to integration ensures a smooth transition to a reliable ERP system which provides better business guidance and control:



Analyze

SilencerCo and OSI conducted a 1-week workshop. Together, SilencerCo and OSI built a project plan, schedule and budget for the initial phase, and began prototyping a new system.



Optimize

Careful analysis ensured that the business processes key to SilencerCo were optimized in the new system.



Automate

SilencerCo and OSI proceeded to work through the implementation together with weekly status meetings and monthly project analysis. The last exercise before going live was a rigorous round of User Acceptance Testing (UAT) that proved the software was ready to support SilencerCo's requirements.



Transition

OSI and SilencerCo worked to coach, train, and support team members as they become accustomed to using the new operating systems. SilencerCo has transitioned to the new system.

“ Our industry regulations leave no room for error; we insist on using the best tools available. ”

CHRIS MILLER, SILENCERCO IT DIRECTOR



Solution

A Successful rollout

- 1 Dedicated team
- 2 Effective testing team
- 3 Careful consideration of regulatory factors and compliance needs
- 4 Leadership & Stakeholder Flexibility
- 5 Regular and Open Team Communication
- 6 Powerful material traceability capabilities aligned with ITAR, BATF, state, and city regulation.
- 7 Manufacturing system that facilitates all critical manufacturing processes.
- 8 Complete and accurate accounting functionality.
- 9 Enhance sales, product and customer insight by implementing CRM, performance management, and control environment



Methodology/Integration

- + OSI engineered a number of adaptations for SilencerCo. Most were related to the serialization of the product and how the ATF requires tracking of those numbers. Because of their highly regulated industry OSI had to even write customizations for tracking their scrap product. Material traceability was a large issue for SilencerCo.
- + The new system was integrated with user interfaces at machine stations, and other key tracking and management systems.
- + Advanced forecasting and finite capacity planning tools were implemented to gain efficiencies that set SilencerCo apart.

“ Odoo enables us to sustain and grow our position as an industry leader. The freedom and flexibility it affords advances our mission to provide the best suppressor technology available and advocate for responsible and safe firearm use. ”



Results

SilencerCo is rolling out:

- + Accounting
- + Manufacturing
- + Manufacturing Costing
- + Inventory Management
- + Material traceability
- + Purchasing
- + Advanced Forecasting

The SilencerCo team now has a complete system to grow and manage their businesses, adding new functionality, in addition to replacing unmaintainable legacy systems and ensuring the highest levels of quality and compliance. SilencerCo is now positioned to effectively grow their business, with a system that supports and amplifies their competitive advantage. The plant manager said it best, "We are now operating at the next level of quality and efficiency."



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