Tyree Embraces SYSPRO as
Cornerstone of Business Strategy

Established in 1946, Tyree Transformers has become a brand associated with the manufacture of quality transformers. The company is part of the Tyree Group, which has manufacturing and distribution facilities in Australia and New Zealand. Each week, the company handles 473 purchase order line items and 1,317 manufactured items. Approximately 1000 transformers are shipped from its Mittagong, New South Wales factory every month.

Founder Sir William Tyree instilled values of continued improvement and excellence. This culture continues to live on in the company, alongside partners such as SYSPRO that are able to add value and support its vision to always find 'a better way'.

Tyree CEO Keian Barnard says: "Tyree is always striving to be innovative to ensure we continue to provide our customers with value for money. IT systems are an integral part of our strategy and daily operations.

"The effective use of our ERP system is a key focus for us to meet our objectives for ongoing improvement and high efficiency. Tyree continues to integrate SYSPRO into everything we do as a business, and it's a cornerstone of our overall business strategy."

Early adopter

Tyree was an early adopter of quality management, securing accreditation for AS/NZS ISO 9001 in 1990, and constantly carries out in-house testing and development to enhance its products.

The company believes in investing in IT such as Computer Aided Design (CAD), ERP and web-enabled platforms to manage and improve its supply chain and customer service.

As customer orders grew, Tyree needed better visibility of its inventory and integration with its backend system to improve productivity as well as reduce the human errors associated with manual processes. Another push to move to a new solution was an urgent need to improve its reporting capabilities, as the previous system had limited reporting functionality.

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- Bernice Crawford, Business Systems Developer, Tyree

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In 2008, SYSPRO was brought in to replace an in-house application, and the implementation was completed on time and on budget.

The SYSPRO journey continues today, with Tyree expanding the solution to support its growth. Since then, Tyree has added several modules to its ERP system, including Office Automation, Reporting Services, General Ledger, Material Requirements Planning and Work in Progress.

SYSPRO has fulfilled all of the company's main objectives, resulting in improved reporting capabilities, fewer manual processes and enhanced data integrity. Bernice Crawford, Tyree's Business Systems Developer, says data visibility across the entire transformer business has improved, and key business processes have been automated.

"As a result, we have been able to extend the reporting, customize applications and stock-taking functions, and implement full GL integration from sub-ledgers to shop floor data collection and barcode-scan capability in receiving goods," Crawford says.

Upgrading to SYSPRO 6.1
Tyree upgraded from SYSPRO 6.0 SP2 to version 6.1, and deployed the Office Automation module as well as Bin Locations.

The system provides safety stock planning with the demand time fence rule to ensure safety stock is auto replenished within the lead time specified. Reports include 'safety stock pegging', enabling the company to better anticipate inventory requirements and reduce instances of over- or under-supply.

"It's a great help because MRP automatically suggests replenishment of safety stock to ensure sufficient inventory to fulfill order delivery dates," Crawford says.

Tyree developed its customized applications using SYSPRO e.net Solutions business objects, achieving significant time savings and improved productivity.

Business objects enable external or third-party applications to access data without compromising on data security and integrity set out by SYSPRO.

Custom-made for Tyree

"It's fantastic because we can use the business objects to mold and customize SYSPRO to meet our specific business processes. These include job creation by specific criteria such as product class, job classification and division as well as Work in Progress issues and receipt tracking using bar-coded job cards and bar-code scanners," Crawford says. "We can see the exact progress of a job at any point, so we can inform our customers as soon as the job is completed."

The company also implemented a third-party app, RiteSCAN, for purchase order receipts, stock-taking, inventory bin and warehouse transfers. It seamlessly integrates with SYSPRO business objects, enabling stock items to be tracked, booked into inventory timeously and put away into specific bin locations within the warehouse. Previously, these receipted goods were put away in the warehouse using any available space, making it difficult to find the stock when it was needed. Since switching on inventory bin locations, Tyree can easily locate items and this has provided better visibility across the supply chain and into the physical location of stocked items.

"We're now able to scan and capture stock quality and inventory through mobile devices and record the location of the stock stored within the warehouse," Crawford says. "The data is uploaded directly into SYSPRO, eliminating the need for double entry and improving inventory accuracy and operational efficiency."

Automating processes, improving job delivery

Tyree built various applications around its jobs and ordering process, including a subcontract loader which automatically creates purchase orders and links all associated Work in Progress (WIP) jobs. When deliveries are completed, the app automatically kit issues and receipts the WIP job. A pegging report was created which lists all components, including sub-job components within a SYSPRO WIP job, and pegs the supply (purchase order/job/quantity on hand) to the component. This ensures all job-related components are on order or on hand to avoid delays and ensure DIFOT (Delivery In Full On Time).

"The old system did not have a WIP module, so there was zero visibility into the progress of a customer order on the production floor," Crawford says. "Since upgrading to SYSPRO, we now have close to 100% visibility of where the job is on the factory floor, as each WIP job has a job traveler and is scanned (kit issued and receipted) at specific work centers on the production line. This enables our customer service team to provide our customers with an accurate update on the progress of their order, resulting in improved customer satisfaction."

Tyree implemented the Shop Clock module to track direct and indirect time spent on the shop floor. It allows the company to manage its labor capacity as well as compare actual hours versus estimate against WIP jobs, thereby improving future job costing estimates.

The EFT module was implemented to enable payments to be made electronically. Tyree previously had to print and process checks, then post them to suppliers. Invoices are also automatically sent via e-mail to customers as soon as they have been raised. These, too, used to be printed and sent via post.

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Optimizing benefits

To glean more benefits from its SYSPRO system, Tyree is in the process of implementing the Workflow module to streamline work processes for creating requisitions and Purchase Order approval. With the module implemented, e-mail alerts can be automatically sent to the authorizing manager if an order exceeds the authorized value. The manager can then electronically accept or reject the requisition order.

All authorizations are processed electronically via e-mail and approved requisitions are automatically converted into purchase orders for processing.

The company hopes to use the Engineering Change Control (ECC) module, which locks, tracks and records changes made to the Bill of Materials so that there is a proper audit trail.

Crawford is looking forward to upgrading to SYSPRO 7, and believes features such as active tiles, enhanced personalization and flow graph navigation will allow users to view overall specific business processes.

She adds that SYSPRO Espresso will offer significant business benefits for Tyree, enabling company executives to log into the system off-site and access critical data anytime, anywhere.

Elaborating on why SYSPRO has proven its worth, she says: "It's really about the diversity of SYSPRO and ability to mold it to our business needs. It's extremely flexible. You can customize the script completely and add more business processes to the current program."

And like most successful market leaders, Tyree constantly looks to technology solutions to seek new and better ways to ensure reliability and improve service. ❖

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