

Tuff Torq Corporation



About the company.

Tuff Torq is a world-class manufacturer of hydrostatic and gear drive transmissions for manufacturers serving a variety of industries—from outdoor power equipment to off-road applications to the marine industry. The company, based in Morristown, Tenn., has produced nearly 6 million hydrostatic transmissions since its opening in 1989—making it a market leader in the field. Tuff Torq's components can be found in many major consumer name brands, and it strives to produce superior products at the most economical price. Its operating platform is based upon three simple principles: Quality, Engineering and Price. With a commitment to engineering precision, the company is able to deliver on-demand production, enabling OEM customers to be highly cost effective in fast-moving, hyper-competitive markets.

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STUART COLE, SYSTEMS ENGINEERING
MANAGER, TUFF TORQ

Setting the strategy.

Many of Tuff Torq's OEM customers are engaged in a difficult shift from traditional dealer models to business models that revolve around meeting the increasing demands of mass retailers. Instead of the predictable, flat-schedule, forecast-driven manufacturing arrangements of the past, they are now challenged to produce and deliver their products on demand. As big-box retailers such as Home Depot, Sears and Lowe's Home Improvement Stores continuously raise their expectations, Tuff Torq's OEM customers—companies such as John Deere, Husqvarna, Craftsman, Simplicity and Snapper—seek greater agility and responsiveness from their own suppliers. In this increasingly fast-paced environment, Tuff Torq needed the capabilities and systems necessary to embrace the build-to-demand model of production. Its spreadsheet-driven planning cycles, which tended to last as long as four days, were no longer adequate in this real-time marketplace.

Getting business specific.

To address the growing demands of its OEM customers, Tuff Torq reevaluated its current planning capabilities, order management processes and ERP capacities. It was clear that the company would need to invest in new software, systems and process flows in order to accelerate turnaround times and revitalize its planning and manufacturing capabilities.

"Our problem was meeting the customer's needs at a moment's notice," says Stuart Cole, systems engineering manager, Tuff Torq. "We had to react to our customers' needs for on-demand scheduling and production. But, we didn't have clear visibility into our orders and forecasts."

Central to the organization's challenge was its reliance on an array of disconnected spreadsheets to keep track of forecasts. It was becoming impossible to keep up with ever-changing orders and forecasts when critical information remained disparate and decentralized. Nor was the company able to rapidly process and manage orders due to the manual, error-prone approach the company was relying on for processing them.

Having invested in Infor's ERP solutions 11 years earlier, the company was confident it should seek ways to further

facts at a glance:

> company	Tuff Torq Corporation
> solution	Infor ERP
> product	XA
> platform	IBM® System i®
> database	DB2/400
> industry	Manufacturing and Distribution
> employees	120
> country	USA

leverage and extend its existing Infor ERP XA system. The ERP system had run steadily and dependably on the IBM iSeries platform over the years, making it clear that the upgrade path was the most cost-effective and reliable solution to its current challenges. Working with Infor partner CISTECH, Tuff Torq decided to implement three new modules—addressing its needs for advanced planning, forecasting and electronic commerce capabilities. "We have worked with CISTECH since 1996," says Cole. "Their consultants know our business requirements and help us streamline our processes and leverage new technology tools. We consider them part of our team and could not have implemented the solution without their assistance." The modules were implemented and integrated over a 10-month period, setting the stage for a new burst of profitable growth.

Seeing results.

The payoffs associated with Tuff Torq's new system investments have been clear and immediate. Having addressed the requirements of its OEM customers for rapid turnaround and just-in-time delivery, the company reports solid gains in market share.

The most visible benefits revolved around improvements in planning. Having eliminated the profusion of unmanageable spreadsheets and consolidated forecast data in the new advanced planning database, planners are now able to respond more quickly to customer requests and make daily adjustments in line production schedules.

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“Our planning cycles have dramatically shrunk. We went from a four-day to a four-hour process,” says Cole. “Now we can see the ebb and flow of the factory and take steps to even it out.”

The company has also benefited from a streamlined order management process. Where previously the service personnel were manually keying orders into the ERP system (after printing them out), now orders come in directly via the electronic commerce module. “Now we are managing exceptions instead of treating every order as an exception,” adds Cole.

This has resulted in clear service gains. With new orders constantly arriving, the service team often had stacks of orders that needed to be re-keyed into the system. Automating the process of order entry and forecasting, however, has enabled the group to handle more sales and deliver higher service levels without adding extra personnel.

By automating data entry, eliminating spreadsheets and consolidating forecasts, Tuff Torq has significantly enhanced planning and production performance. Now, sales and production departments can work off the same, constantly updated, data sets, helping the company accelerate delivery and avoid mistaken production runs.

All these moves with Infor ERP XA have made Tuff Torq more agile, responsive and competitive. “We can rapidly react to changes in demand created by our customers’ customers,” says Cole. “We can respond in a timely manner and we can utilize labor and materials more efficiently than competitors that have not made these smart investments.”

Doing business better.

Looking ahead, Tuff Torq is most interested in determining how it can drive its improvements in agility and responsiveness back into its own supplier base. Rather than fax or email purchase orders to suppliers, it wants to connect with them in such a fashion that they gain the same visibility into forecasts and component demand the company’s production planners now possess. “We want our suppliers to react to us with the same speed that we are reacting to our customers,” says Cole, suggesting that an investment in Web-based supplier relationship management software may be in the offing.

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STUART COLE, SYSTEMS ENGINEERING MANAGER, TUFF TORQ

“Common data and increased speed—with our customers and our suppliers—is the key to our future success.”

About Infor.

Infor acquires and develops functionally rich software backed by thousands of domain experts and then makes it better through continuous innovation, faster implementation options, global enablement, and flexible buying options. In a few short years, Infor has become one of the largest providers of business software in the world. For additional information, visit www.infor.com.

Customer Profile

Infor Corporate Headquarters
13560 Morris Road
Suite 4100
Alpharetta, Georgia 30004
USA
Direct: +1 (800) 260 2640

Contact your local
Infor office regarding
availability of products
in your region.

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www.infor.com