



AIM Hits its Target for Business Model Transformation



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Company or Organization

American Industrial
Manufacturers & Building
Materials

Headquarters or Location

Plano, TX USA

Industry, products, and services

Building Products

Web site

www.aimbuildingmaterials.com

SAP® solutions

SAP Business ByDesign

Partner

Navigator Business Solutions
www.nbs-us.com

A building products company constructs its future in the cloud

Based in Plano, TX, **American Industrial Manufacturers & Building Materials (AIM)** is the consolidation of five regional manufacturing companies. AIM operates manufacturing plants and warehouse locations strategically located throughout the United States. The company produces over 500 products, which are sold through a variety of channels in the building materials market.

Even though it is a combination of existing entities, Michael Manning, Chief Technology Officer describes AIM as a “startup company.” As such, it began without a common business software application.

“One of the first things we realized,” Mr. Manning says, “was that we were going to need an IT

system. But we knew that we were operating on a startup budget, so we wanted something that was going to be economical. We wanted something with a great reputation. And we wanted something with great brand recognition.”

That “something” turned out to be SAP Business ByDesign.

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An ideal fit

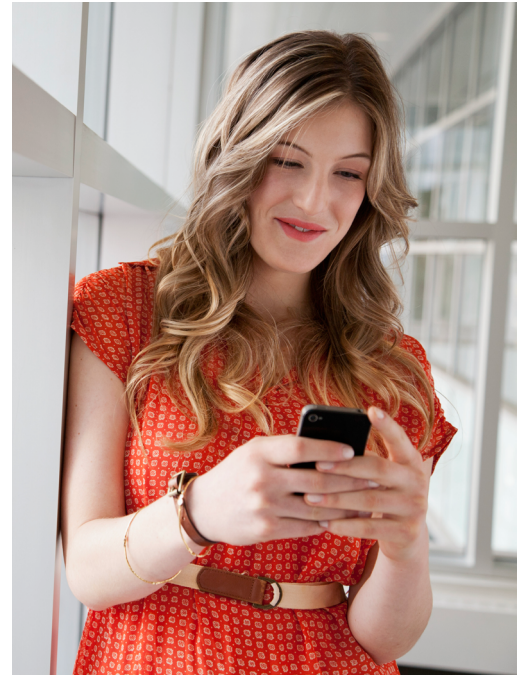
“SAP Business ByDesign fit our business model,” Mr. Manning says. “Since we were so dispersed, and so new, we knew that we didn’t want to go through the investment of a hardware system. We also didn’t want to add the headcount that is necessary when you have an in-house system. So we knew cloud was the answer for us.”

The fact that this cloud-based solution was from SAP gave AIM added confidence.

“Cloud didn’t scare us at all,” Mr. Manning says, “because we knew SAP was going to be hosting it. We had 100% trust in their ability to not only protect our data, but to provide the uptime that we wanted. It was just the right thing.”

As with any “startup,” cost was also a critical decision factor.

“We were very impressed by the pricing of SAP Business ByDesign,” Mr. Manning says. “We looked at what the total cost of ownership was going to be, and we were very pleased.”



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A foregone conclusion

For AIM, choosing SAP was really a foregone conclusion.

“Quite frankly,” Mr. Manning says, “we knew from the beginning that we wanted SAP, because in a former organization, the CEO and I used the SAP All-in-One application, and it literally transformed our company. So there wasn’t a decision to make; we knew what we wanted. But at the time we were incorporated, we didn’t know that SAP Business ByDesign existed.”

Looking to see what was new, Mr. Manning visited the SAP website. “I was very pleased to read about

the SAP Business ByDesign product,” he says. “We thought it was the answer to our search. It was start and stop right there.”

In fact, SAP Business ByDesign became one of the first resolutions of AIM’s board of directors. “As a startup,” Mr. Manning recalls, “we knew that we’d quickly have to run order to cash processes, and all the steps in between. And being mobile, as many of us are in this company, we knew could access SAP Business ByDesign from virtually anywhere in the world. So it made perfectly good sense to us.”

“SAP Business ByDesign allowed us to get off the ground and run our business.”

Michael Manning, Chief Technology Officer, AIM



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A smooth implementation

For its all-important implementation process, AIM looked to SAP for a certified partner.

"I noticed that one partner won some rather prestigious awards from SAP," Mr. Manning says. "So I figured that was a vote of confidence from SAP itself."

His confidence increased when he contacted Navigator Business Solutions, an SAP Gold Partner. And I was very impressed with Navigator's willingness and quickness to respond."

The implementation partner worked with SAP and the various owners of AIM to set up demonstrations of SAP Business ByDesign. Together, they demonstrated how SAP Business ByDesign would bring the entire AIM organization together into a cohesive whole. And, they showed how quickly the cloud-based application would enable AIM to begin managing all of the organization's processes, from order taking, to shipping, to invoicing, to vendor payment. All from day one.

Full implementation took just a few weeks, proving that Mr. Manning's confidence was well placed. "I thought it was going to be a safe decision to make," he says, "and it ended up being a very good one."



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Full functionality – without modification

In SAP Business ByDesign, AIM found a cloud-based solution that was complete, integrated, and ready to run the entire enterprise – from financials, to human resources, to sales, procurement, customer service, and supply chain.

“Without SAP Business ByDesign,” Mr. Manning says, “we would not really know how to accept orders, process orders, record shipments, and just do basic order-to-cash transactions. It allowed us to do those things very easily, and so it fit a very, very important business need for us.”

A turnkey application was critical, Mr. Manning says. “We knew that we would get an ERP application that would do everything we wanted, business transaction-wise, without any modifications. That’s one of our basic rules – we modify nothing.”

Mr. Manning and his company especially appreciate the document flow functions of SAP Business



ByDesign. “We are one corporation,” he says, “but transactions are handled by many people in different companies. So it gives us a nice comfort level of knowing who did every transaction and when. We can trace everything about an order, from its receipt until its payment is deposited in the bank.”



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Enabling synergy and economies of scale

AIM's business model is unique in the building products industry. It is designed to create synergy and economies of scale across competitive areas of the building products market, such as manufacturing capacity, raw materials sourcing, and distribution.

SAP Business ByDesign helps facilitate that model by allowing the company to manage on one platform – while also enabling autonomy within any region or business unit.

For instance, AIM recently launched a national brand of reflective coatings, mastics, driveway maintenance products, caulks, sealants, adhesives, air barriers, modified bitumen membranes,

and specialty products. In addition, the company has strategic private label customers including both national and global companies in the building materials segment.

That kind of complexity requires an ERP application that delivers control over every transaction – and yet the flexibility to adapt to any business or product strategy.

“What I like about SAP Business ByDesign,” says Mr. Manning, “is the forensics that it gives. Every transaction is stamped, who did it and when. We have to do that for our internal auditing purposes.



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Spreading the word

AIM is spreading the word about SAP Business ByDesign.

“We have independent companies that are components of AIM,” Mr. Manning says. “but they have their own legacy IT systems. The owners of those companies are looking at SAP Business ByDesign for their organizations. We think it would be good to have the entire network on SAP.”

In addition, AIM plans to delve deeper into SAP Business ByDesign to add new functionality.

“Eventually we would like to get into using the manufacturing function,” Mr. Manning notes. “We’re a firm believer that if you use the manufacturing module with its bills of material and routings, you really know your cost to produce. And you really know if you’re making money or not making money on every product. So that’s a goal of ours.

“But for the here and now,” he says, “we’re just happy with what we’ve got, and we’ll add as we can.

“If I had to do it all over again,” Mr. Manning concludes, “there’s no doubt in my mind that we would make the same decision.”



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