Customer case
Cairox

inetum.

RAW facilitates CAIROX BELGIUM in growth and efficiency

CAIROX BELGIUM is a leading supplier of products and systems for heating, ventilation and air conditioning and offers total solutions for HVAC projects for professional installers and engineering offices. The company was founded in 1994 and has grown steadily ever since, thanks in part to its strong customer focus, expertise, accessibility and reliability. CAIROX BELGIUM currently has 180 employees, 2 large logistics warehouses in Zaventem and Vilvoorde, and 12 pick-up warehouses spread across Belgium.

Well begun is half done

The collaboration with RAW dates back to 2003 and has developed into a stable partnership over the years. Johan De Cupere, Operations Director at CAIROX BELGIUM: "We were coming from a DOS environment at the time—more specifically Cubic, which today is essentially a piece of "industrial archeology"—that basically did what it was supposed to do, but ultimately turned out to be no longer suitable for supporting our growing customer portfolio. We looked for and found a new solution in RAW, Inetum-Realdolmen's own ERP solution. In just four months, we started in three countries, with a first invoice on January 2, with no delays in deliveries or goods receipts: a real feat."

Easily configurable

One of the focal points in choosing RAW was the far-reaching yet accessible configuration options for the standard operation of the package. Jan Dhaenens, CEO at CAIROX BELGIUM explains: "Local presence, stock security, good pricing, fast service and flexibility are important factors in achieving our growth. This growth is facilitated by RAW and the system's ability to have processes and workflows configured by our own people, from management to technical service, and from sales and purchasing to the warehouse— all with no need for intervention from IT. With a number of core users, you can already do a lot yourself so that you can work in a relatively simple way, tailored to your organization and users, without having to do any additional programming."

Johan De Cupere: "Think, for example, about setting up order flows, transport handling and pricing structures, but also being able to configure pick-up warehouses, our branches, ourselves is a plus, especially in view of the economies of scale that we're adopting. The control of other peripheral packages from RAW, such as Salesforce and Qlik Sense, is also efficient thanks to the infrastructure openness, which once again facilitates proper operation."

Transparent, consistent pricing

For CAIROX BELGIUM, a transparent and consistent pricing policy is of great importance. RAW's pricing templates ensure that pricing is centralized and that every warehouse uses the same pricing and discount structure. "Mutual 'competition' is excluded. Once the prices have been entered into the system, everything is automated. It increases user-friendliness for our employees while ensuring transparency for our customers, who naturally rely on a correct price," says De Cupere. "We use a standard gross price, which is printed once a year in a catalogue of about 1000 pages for standard products and another 300 pages for air conditioning. Basically, that price doesn't change unless the market forces it. The customer receives a discount on this gross price, which depends on the product group and the customer group to which they belong. The more sales, and depending on the industry, they're going to end up in a certain category. Additional (staggered) discounts or various discounts are possible, again depending on the product group. We also apply discounts on "dead stock" (discontinued items) and a discount on online orders and self-service orders in our pick-up warehouses. This is managed entirely through RAW."

Highly developed and flexible logistics handling

Sales orders can enter RAW through various channels: 50% through the e-shop (Salesforce frontend) and the associated RAW web services, 25% through the quotation module and 25% through sales in the various pickup warehouses by orders at the counter or by email. RAW acts as the central hub, with further warehouse control based on order type. Orders are automatically consolidated or split for efficient picking. Employees don't have to worry about in which warehouse or warehouses the picking should be done. Customers can also count on efficient delivery, with multiple carriers possible depending on the customer and the type of packaging—packages or pallets.

Easily expandable

"When implementing new ERP systems, people often insist on 'standard work,'" says Dhaenens. "But in reality, every company is different. An important strength of RAW is that its functionality is easily expandable. There are a lot of packages that are too rigid for that, either in terms of technology or vendor. RAW is Inetum-Realdolmen's own IP, which is an important factor in our collaboration. The package comes standard with a wide range of functions that can be easily customized to our specific work environment. One of the larger custom options is the quotation module—an important module in our context because it actually accounts for a quarter of our sales. These are often relatively smaller customizations, but they're of great importance to us in increasing efficiency and controlling costs.

"For example, we order a lot from China. The built-in multiplier in restocking allows us to factor in external factors such as the Chinese New Year, distant shipments and reduced production due to smog restrictions, and work with a forecast of, say, six months out instead of three. The multiplier will automatically increase the minimum stocks. A small adjustment perhaps, but important for us in terms of having stock available on time," points out De Cupere.

Another cost-saving adjustment in the logistics handling by external carriers is volume pricing, where a customer's shipping notes per day are grouped onto one shipment. Johan De Cupere: "The volume of all these shipments is added up, which also makes it easier to follow up on everything, including invoicing. In the past, all invoices were sent by mail. Today, 90% of invoicing is done by email, where the carriers' PODs (Proof Of Delivery) are also sent along—as well as the work orders if desired, which is mainly at the request of our larger customers. The biggest benefit of volume pricing is the financial benefit because we only have to pay one-off driving costs. Since we transmit the shipping orders electronically via XML, this also gives us a start for track & trace. In a next step, we want to make this information available through the website, too.

"There are also negotiations underway on diesel surcharges. For example, we have negotiated that a certain percentage of the transport cost is the diesel cost," adds De Cupere. "This percentage is calculated using a distribution key and once a month the diesel price is adjusted in the system parameters, so that the pricing calculation follows automatically. By checking the purchase invoice for transport costs, we also have more insight into the transport costs charged, which helps our negotiating position and saves us from having endless discussions with the carrier. This is no small thing in the current climate of rising energy and commodity prices."

Jan Dhaenens: "To increase handling efficiency, for several years we've also been working with storing pipes at the carrier's external warehouse. Around 110,000 three-meter-long units not only take up a considerable amount of stock, but their logistical handling was also really labor-intensive. By having the tubes delivered directly to the carrier and having them add these to the orders, we reduce the number of operations from five to two. This also means less damage, less manual work and fewer injuries."

Document archiving is a recently added function. Through a simple drag & drop, any local file, including an email, can be attached as an attachment to a RAW entity, with its central archiving on a file server, which everyone can access.

Upgrades and new opportunities

CAIROX BELGIUM accurately monitors software upgrades annually and upgrades at least every three years. Johan De Cupere: "Each new RAW release brings new functionalities and therefore additional opportunities. Thus, we benefit from expansions that have been implemented with other RAW customers and vice versa. For me, that makes perfect sense, but it's definitely not obvious, when you look at other ERP packages on the market."

Stability and efficiency

"We grew together with RAW, and along the way we've used the functions it has offered to further expand our client portfolio. So it's no surprise that our employees are completely familiar with the system and can practically run it with their eyes closed," concludes De Cupere. "For us, that's an important reason to stay the course with RAW. This conservatism creates stability and efficiency, and ensures consistency. I'm excited to see what the future holds."

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About RAW: www.rawerp.com
About Inetum in Belgium: www.realdolmen.com