

Manufacturing Case Study



Northern Feather

Introduction

When Northern Feather (Home Furnishings Ltd) merged with fellow duvet & pillow manufacturer Snuggledown in 2000 was the new business consolidated and quickly grew. Combining manufacturing facilities and administration in Lancashire, it was clear that increased levels of transactions were going to create administrative headaches and storage issues. The company therefore sought options to optimise working practices, notably in sales and purchase order processing. Planning for growth meant that the systems in place would be an important foundation for the future.

Northern Feather was introduced to Invu by its IT reseller – by utilising the document management, automation and integration capabilities the finance department could streamline the sales order and purchase order processes.

The Organisation

Part of the John Cotton Group, Northern Feather employs 120 staff and specialises in the manufacture and sale of quality natural down and synthetic duvets and pillows. The company supplies a raft of major UK high street retailers including John Lewis, House of Fraser, and Dunelm Mill. Manufacture of all goods takes place at its Wigan plant.

“Invu has had a transformational impact on our business.”

Brian Wilcox,
Financial Controller



Northern Feather achieved:

100%
increase in transactions without
increasing headcount

Integrates with:



The Challenge

Initial discussions centred on an obvious immediate problem – lack of space for document archiving. However, after an in-depth discussion about Invu’s capabilities with their IT reseller, it was clear document archiving was just the beginning. By using Invu Workflow the company could also improve business processes to create a genuine difference to paper based order processing, this could deliver a solution a potential limiter to Northern Feather’s aggressive growth plans.

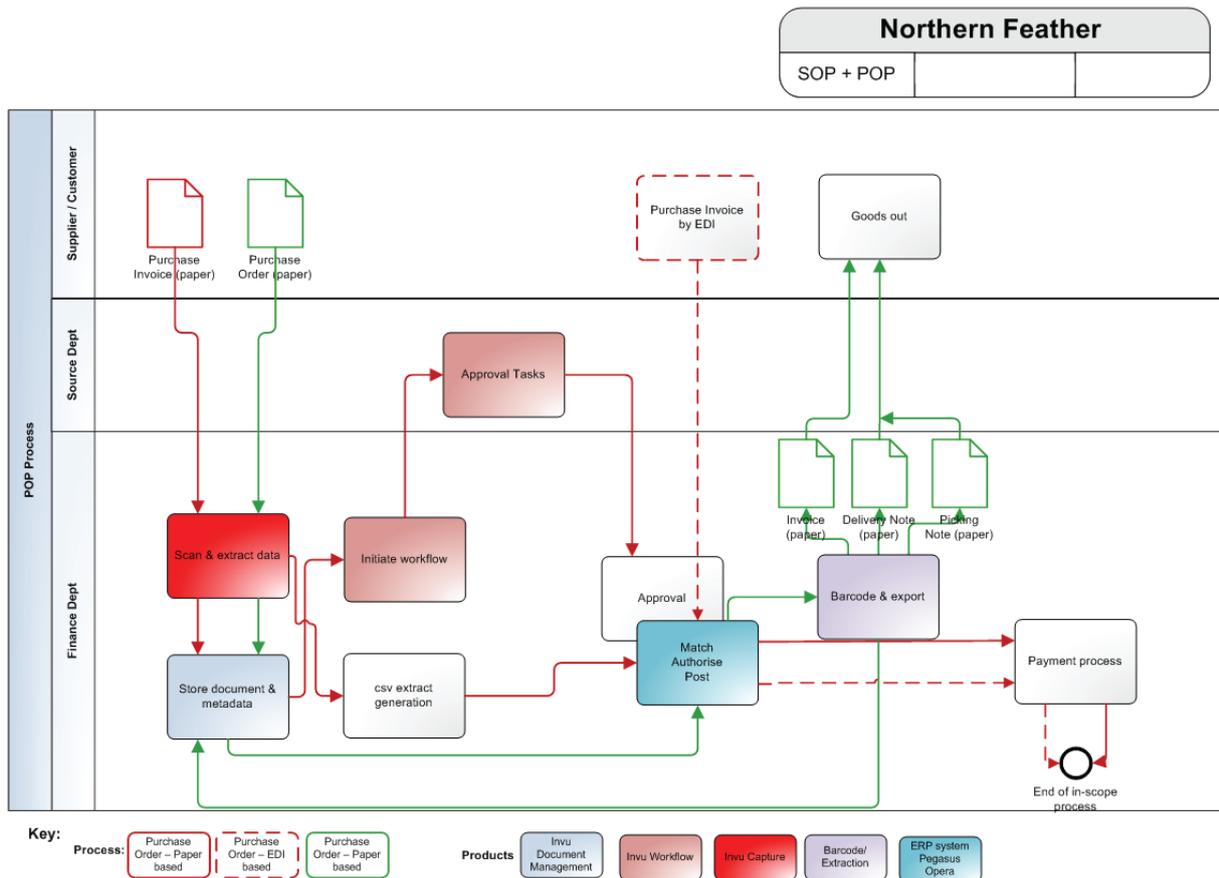
The Approach

Process

Extending Invu’s capabilities opened up a number of business efficiency opportunities. In particular, Northern Feather looked to streamline order processing by integrating Invu with the ERP system in place, Pegasus Opera. From the outset, a collaborative approach was important to agree requirements and deliver a pragmatic solution. Northern Feathers worked closely with its Invu partner throughout. Brian Wilcox, Finance Controller at Northern Feather, considers this the bedrock of the project success: *“Our IT reseller understood how our business works and could match our needs against the innovations available. Together we worked up workflows and structures which would work best for us. We know this saved us a lot of time and effort.”*

Northern Feather supplies major retailers, the majority of whom can trade using electronic ordering via EDI. Sales order processing would therefore work with Pegasus Opera using EDI with copies of documentation generated and archived in Invu Document Management.

Some Purchase Orders could also be handled by EDI and a similar approach. However, most suppliers still work with paper purchase orders and invoices. These would need to be captured and archived. All documents would be tied to the relevant supplier record in Opera.



The Approach

Sales Order Processing

Key to all paper based sales orders was a simple barcode – simply allocating a unique document code to each order and reading this gives Invu a primary document key and a lookup into the Opera system. On its own, this created a considerable time saving for the finance department.

Brian explained, *“We wanted to eliminate clerical tasks and automate as much as possible. Being able to automate the sales order process had a real impact on the business. Customer orders are now scanned into Invu, attached to the Pegasus sales order and dropped into Invu. We can then generate the picking note and attach them using the document number. When picking notes come back from the warehouse these are scanned and attached. The barcodes were a transformational feature: beforehand we would manually update secondary information in Opera – it was a time consuming job.”*

Purchase Order Process

Most purchase orders remain paper based. The purchase order process links goods received notes to purchase or supplier invoices and through to the purchase ledger automatically. *“This has created a big change in the purchase ledger department,”* explains Brian. *“We can immediately identify an invoice whenever there is a credit control query. By using the association of notes within Invu we can identify at what point the document has gone through the purchase order process. If it’s held up for any reason or not been passed for payment we can tell immediately and feedback.”*

Workflow

Documents requiring approval can be distributed electronically to stakeholders using Invu Workflow, allowing the company to become increasingly paperless. Brian continued *“we don’t have any paper documents stored through the sales order process - everything is stored electronically; we don’t keep paper copies so we have a high level of accuracy.”*

“Turnover has doubled in the last 6 years and transaction levels have soared. We could not have managed without Invu.”

Brian Wilcox, Financial Controller

Key Benefit Areas

Business Processes Improved

Although a ROI has not been measured Brian is convinced Invu has paid for itself many times over. There has been a significant change in business processes within Northern Feather achieved with no change in employee numbers. Brian is delighted with the change. *“There was obviously a cost involved to integrate Invu with Opera. However, Invu has allowed us to manage twice as many transactions with the same number of staff. Our turnover has increased from £10m in 2004 to £20m in 2010 with prices virtually static. Without Invu we wouldn’t have managed the sheer increase in transactions, whilst also removing human error to improve our working processes as a whole. Invu helped us define and enforce our processes by adding more structure and discipline to the way we worked.”*

Key Benefit Areas

Reduction in Paper Consumption & Storage

The number of queries not completing the full purchase order process has massively reduced, from 6 inch piles of paper to less than half a dozen documents within the first 6 months of operation. *"Invu Document Management and Invu Workflow have removed the opportunity to put an invoice on one side and forget about it. Uncompleted tasks remain at the top of the Workflow module until a person carries out an action on it and so it doesn't get left to human nature. Queries are sorted out far quicker, payments get paid on time, and there are fewer queries. It also has a positive effect on the staff as they have all the information they need at their fingertips."*

Confidentiality Requirements

There was some apprehension amongst the workforce with the changes that Invu and the new process would bring, notably a concern around potential headcount reduction. Brian took a different view, *"Adapting our working processes with Invu removed many time-consuming tasks in the sales and purchase office, for example filing and coding. Staff see the benefits – their roles are more straightforward and queries are much reduced. They would not want to go back to the old methods. It's also easier to train new staff with Invu – it's simple to pick up, and processes are already in place as they fulfil tasks in an existing workflow."*

Carbon Footprint

Invu has reduced the number of customer and supplier queries. When sales or purchase order queries are received they are handled quickly. Staff can immediately identify any discrepancies and solve issues there and then.

Future Steps

Northern Feather continues the transformation to its business operations. The accuracy of content extraction and validation has been greatly improved with the upgrade to Invu Capture (powered by Abbyy). Paper documents are scanned and key data identified, extracted and used for identification and matching purposes. The introduction of Invu Capture has increased confidence in the technology still further and this additional piece in the jigsaw has reduced the time spent in posting to Opera. Brian is convinced that the changes are positive and looks to the future with some optimism, *"Invu has been a key element in the transformation of our business. We intend to continue optimizing our processes with Invu."*

Solution Summary

- Increased order processing capability
- Streamlined finance processes
- Reduced costs
- Lower print costs
- ERP Integration

Northern Feather implemented its Invu software with Invu reseller Copifax. Contact Invu for more details.