



KONICA MINOLTA

COUNT ON KONICA MINOLTA

Customer Success Profile

MAGNAFLOW, INC.



MANUFACTURING SOLUTIONS

MagnaFlow, Inc.
22961 Arroyo Vista
Rancho Santa Margarita, Ca 92688
Tel: 800.824.8664
www.magnaflow.com

▶ MagnaFlow Taps Konica Minolta for High Performance, Paperless Enterprise Content Management (ECM)

INDUSTRY: Manufacturing

SOLUTIONS:

- Hyland Software's OnBase Enterprise Content Management (ECM) system

BACKGROUND: MagnaFlow, Inc., an aftermarket auto parts manufacturer, makes high performance direct-fit converters and cat-back systems, universal mufflers, and builder's kits for fabricating custom systems. The Rancho Santa Margarita, CA-based company processes 5,000 orders during peak months and has revenues of nearly \$100 million in the past few years.

When Stephen Kasprisin joined MagnaFlow as chief financial officer, one of his top priorities was to reduce invoicing errors and grow the company without needing to hire within the accounting department.

Kasprisin also wanted to streamline document management processes to enable instant access to sponsorship and promotion documents for tracking and performance purposes. He also wanted the entire company to use more electronic documentation.

"We've always embraced technology and looked for opportunities where we can enhance the productivity of our workforce, make it easier for customers to do business with us and make us more efficient while saving money," said Kasprisin.

The existing paperless system MagnaFlow had in place was inefficient and required a lot of upfront work to implement and load software for each department. It could take up to 20 minutes to find a single document, and only MagnaFlow's legal and accounting departments were using it. "Everyone else shunned it," Kasprisin said. "It was just too hard to use."

As the software licenses came up for renewal, Kasprisin and Marc Mendez, MagnaFlow's senior director of information technology, decided to look for a better solution. They needed an electronic document management system that could be a strategic tool used company-wide to automate standard transactional business process.

SOLUTION: MagnaFlow turned to strategic partner Konica Minolta Business Solutions U.S.A., Inc. (Konica Minolta) as a well-known partner in designing business intelligence solutions for manufacturers. After initial discussions, Konica Minolta recognized MagnaFlow needed more than just a document storage and retrieval solution, and recommended Hyland Software's OnBase Enterprise Content Management (ECM) system, a full feature, highly configurable and robust transactional system that takes a document-centric, business process approach.

The OnBase system gave MagnaFlow a better information management tool to make business decisions and enhance company operations. Additionally, the Konica Minolta OnBase solution improved document security, ease of access, and auditability for all documents and content across the entire organization.

The Konica Minolta change management process also allowed MagnaFlow to extend the OnBase ECM solution beyond its paperless accounting department, and move human resources, engineering, production and sales in the direction of electronic documentation.

RESULTS

- Improved Productivity enabling the doubling of revenue without adding staff.
- Reduced Errors of Manual Entry and Processing
- Added In-depth Business Intelligence Reporting
- Improved Document Security, Accessibility and Audit-ability
- Improved Customer Service



The OnBase system integrates well with IFS, the robust system handling many aspects of MagnaFlow's operations, and Esker, which it uses to convert customer orders into digital forms. The combination of products allows MagnaFlow to seamlessly capture data from incoming orders, and feed it into IFS with little or no human assistance.

Before implementation, the Konica Minolta professional team consulted with MagnaFlow about business processes and created a computer model to fully automate workflow. The implementation, which didn't need any custom code, was completed within the time scheduled and on budget, Kasprisin said. "There were no surprises."

"The Konica Minolta team was professional, knowledgeable and easily communicated technical aspects to those outside of IT in plain English rather than jargon," Mendez said.

The Konica Minolta OnBase solution allows clients like MagnaFlow to leverage their current technology, reduce employee-training costs and improve adoption because the software integrates seamlessly with many core business applications. Employees work in the programs that work best for them, like Microsoft Outlook, for instance. With OnBase, there was no extra processing, scanning or proprietary hardware needed.

The transactional solution handles complete document management, from input through archival and destruction. Documents are centralized, searchable and can automatically link to the appropriate account, customer, or employee.

That's important for MagnaFlow's accounting team, which handles 3,000 to 5,000 orders a month and tracks some 40,000 product SKUs. "Getting the right part to the right person quickly is administratively challenging," said Kasprisin.

"We were able to move all of our documents out of our legacy system into the new system because Konica Minolta had the expertise with both systems," said Kasprisin.

BUSINESS IMPACT: With the help of Konica Minolta, MagnaFlow is efficiently handling its dramatic growth. Employees are highly productive; important documents like sponsorship contracts are easily and quickly retrieved; and errors are minimal.

"I have no file cabinets," Kasprisin said. "How many accounting departments can you walk into and not see file cabinets or file clerks trying to file or find paperwork?"

MagnaFlow processes 5,000 orders a month during the peak season, a volume handled by the company's three person accounting team. The company's investment in the Konica Minolta OnBase solution allowed Kasprisin to keep his accounting team small, which saves MagnaFlow about \$100,000 plus annually. MagnaFlow invested in software rather than hiring five additional people at \$30,000 salaries.

"We've grown from \$50 million in sales to nearly \$100 million with only two new people in accounting," Kasprisin said. "95 percent of my receivables are current and I haven't sent out a paper invoice in three years."

When Kasprisin needs to call up one of MagnaFlow's 80 promotional contracts, he does so with a click of a button. He doesn't need to call and interrupt several salesmen to see who might have the contract, be referred to someone else who may have had it last, and then wait for that person to bring it to him or email it.

"We used to lose a lot of the documents because we keep them in sales or marketing and when someone needed it and no one could find them," Kasprisin said. "Now it is right there so you have it when you need it and I don't have to interrupt sales."

"The mindset of today's CFO is that if you aren't looking to improve and make your company more efficient, you are going to lose ground to your competitors," Kasprisin said. "After my experience with Konica Minolta, I wouldn't go to work for another company unless they agreed to install the Konica Minolta OnBase paperless system."

OnBase[®]

a Hyland Software solution



KONICA MINOLTA

About Konica Minolta

Konica Minolta Business Solutions U.S.A., Inc. is a leader in advanced document management technologies and IT Services. The company focuses on complete business solutions including production print systems, digital presses, multifunctional products (MFPs), managed print services, vertical application solutions and related services and supplies. Konica Minolta has won numerous awards and recognition including being recognized as the #1 Brand for Customer Loyalty in the MFP Office Copier Market by Brand Keys for six years in a row. For the third consecutive year, Buyers Laboratory LLC (BLI) has named Konica Minolta as the winner of its "A3 MFP Line of the Year" award. In 2012, Konica Minolta also received "Document Imaging Solutions Line of the Year" recognition from BLI – and has been named to the Dow Jones Sustainability World Index in recognition of the company's economic, environmental and social performance. For more information, please visit www.CountOnKonicaMinolta.com and follow Konica Minolta on Facebook (@Konica Minolta Business Solutions U.S.A.), YouTube (@KonicaMinoltaUS), and Twitter (@KonicaMinoltaUS).