

INFIMACS Boasts MRP Relevant To MROs

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On April 16, 2002 **Relevant Business Systems** (www.relevant.com), a privately held ERP vendor for small to medium discrete complex manufacturing companies, announced availability of a major new feature in its flagship INFIMACS II ERP solution that allows its Maintenance Repair and Overhaul (MRO) customers to run MRP (Materials Resource Planning) based on inventory item condition. Created especially for aircraft and related maintenance organizations, as well as other businesses that deal with the service, repair and overhaul of their customers' items, the inclusion of Item Condition Code Capability addresses the need of those companies that stock by item condition. This functionality allows for demand by item condition to be matched against inventory by item condition. It also allows for inventory management and MRP-based supply planning by condition code.

According to Chuck Stevenson, Relevant Business Systems' VP of Marketing, when a system does not have Condition Code Capability the MRO operation will need to use multiple item numbers. This work-around causes confusion and significant problems in terms of planning, work order supply/demand management and it creates a big opportunity for bloated inventory and for mistakenly using the wrong item condition in a customer's repair if work order substitutions are not always carried out precisely. It virtually invalidates the initial reason the company purchased the ERP system in the first place.

"With the Condition Code Capability there is no need for workarounds in regards to item planning or costing," noted Stevenson. "When a single item with multiple conditions such as new, used or overhauled exists within the system, it allows each item/condition to be uniquely planned and inventoried, as well as carry its own cost."

Market Impact

Having encroached upon the stronghold of vendors like SAP, Oracle, Baan, Western Data Systems (WDS), Epicor Software, Mincom, Indus, Glovia, Cincom Systems, MRO Software, J.D. Edwards, Lilly Software, IFS, and Made2Manage, Relevant's trump remains provision of deep domain-expertise functional 'must have' features, as to up the ante for the above formidable opponents.

Only recently has Relevant ramped up its marketing efforts in earnest. These efforts are helped by yet another notable enhancement to INFIMACS II that should render Relevant ever more amenable for the MRO sector. The company's INFIMACS II MRO suite of programs was designed specifically for the aircraft industry and it satisfies Federal Aviation Administration (FAA) requirements for reporting and transaction tracking purposes. Relevant remains focused on satisfying the needs of its target market, especially in the A&D and MRO industries. MRO companies have very stringent requirements they must meet regarding tracking parts and condition codes.

While many of these functionalities may sound ordinary and appear to be offered by many vendors as 'supported' when responding to RFI documents, subsequent product demonstration often reveals the need for some tweaking or even for a major modification in order to satisfy stringent customer requirements. The devil is always in the details. As a good example, the native ability to run MRP by Condition Code is not a feature typically found amongst a majority of mainstream ERP systems. To enable an ERP system to track the condition of a component (e.g., new, overhauled, once used, refurbished, or a combination of these) and to restrict mixing inventories of materials with different condition codes, would require a colossal modification. Also, the operational flow of an MRO business is very different from the typical manufacturing company, and Condition Code Capability for both planning and costing is critical to properly manage and represent costs, determine pricing and portray margins in an MRO company. Without Condition Code Capability by item it is extremely cumbersome to maintain multiple item costs for the same item or to plan it appropriately.

Also possibly unique in the market is Relevant's incremental introduction of enhancements as opposed to doing it through one big product release to roll out everything that is new and exciting. The general industry practice of bugs and/or lack of functionality becoming patches, and then this collection of patches being presented as new features in the latest product release, has often made product upgrades appear to the customer as almost a new installation. Instead, as new functionality is added to the product, Relevant's customers have immediate cost-free and painless access to the upgrades. With this latest feature, the customers have the capability of having a single item with multiple costs associated with it.

Therefore, Relevant may have much more to offer than meets the eye. Given the magnitude of the Joint Strike Fighter (JSF) contract recently awarded by Pentagon to Lockheed Martin, a Relevant's high-profile customer reference, one should expect to hear more similar news from Relevant within certain similar project-based and asset intensive, MRO industries.

User Recommendations

The current market trend industry-wide is towards vendors that can provide comprehensive solutions for medium-sized companies. Relevant seems to have a fair shot at delivering that to project-based discrete manufacturers such as aerospace contractors, contract manufacturers of electronic components, and MRO organizations with revenues up to \$300 million.

Potential Relevant customers, primarily North America based, should certainly consider the offered product line, bearing in mind what the above-mentioned competitors have to offer. At least, INFIMACS II should be evaluated to raise the bar for other vendors offerings in the contest in terms of demonstrating their EDI, work breakdown structure (WBS), project management, Earned Value reporting, repair and overhaul, engineering, purchasing, MRP, and costing. These companies should also consider the above-added functionality for an addition to their requirements list.