



AAF Ltd set to meet growth aspirations with Dynamics AX & HSO

ROBERT CARLING,
GENERAL MANAGER,
AAF LTD

“The future for AAF looks really good. It is a good market to be in, but you do need a good system to back you up, and that’s where Dynamics AX and HSO come in.”

CHALLENGES

- ✓ Ambitious growth plans constrained by legacy system
- ✓ Islands of information resulting in inconsistent data reporting
- ✓ Unreliable management information

SOLUTION

- ✓ HSO Equipment solution, based on Microsoft Dynamics AX 2012

BENEFITS

- ✓ Modern system to support growth and innovation
- ✓ Single ERP platform to support all core business processes
- ✓ Accurate and insightful management reporting
- ✓ Solution design fit for purpose

American Air Filter Ltd (AAF), is an international manufacturer of equipment for control of air supply and noise abatement in gas turbines, used in the power generation and oil & gas industries worldwide.

American Air Filters maintains operations in 22 countries with more than 3,000 employees worldwide, and over 300 people in the UK. AAF Limited works with customers such as General Electric, Rolls Royce, Siemens and MHI.

AAF was founded in 1921, and in 2006 was bought by Japanese Daikin Industries, Ltd.

BUSINESS CHALLENGES

A year and a half ago, AAF Limited in the UK identified the need for a new ERP solution due to a breakdown in the company's bespoke 17 year old legacy system.

The existing system, which was responsible for managing reporting and financial reconciliation, as well as providing critical statements at the end of each month, was failing. The technology behind the bespoke system had been developed in house, and AAF Ltd has, over time, needed to develop over 100

applications to run alongside it in order to keep up with business changes, and remain operable.

“The technology was starting to fail because of the amount of data we were pushing through it.”

GORDON WALKER, IT MANAGER

- **Administrative burden:** Nick Carr, New project manager for ERP implementation at AAF Ltd, highlighted, “The problems with the current ERP system were mainly around the availability of management information and potential technological failure. We had basically saturated our administration of the current system so any more growth would mean more administrative burden.”

- **Bespoke solution:** “We relied heavily on a prior member of staff who subsequently retired, and took a lot of knowledge around the bespoke element of the package with him” continued Carr. Resolving this issue became a key selection requirement for AAF Ltd when looking for a new ERP solution, that it needed to be managed by a third party vendor, to ensure consistency and continued knowledge even if internal teams changed.
- **Lack of integration:** AAF Ltd was experiencing a lack of integration between applications and the bespoke system, restricting business development and growth. The current solution was simply not designed for the size that AAF Ltd has grown to, which meant that the technology was creaking at the seams. The restriction of growth and lack of scalability meant that in order to effectively manage growth and develop the business further, AAF had to look at bringing their ERP solution up to date.

“The key requirements of the new ERP solution would be to take all the bespoke modules and condense them into one single working solution,” Carr explained. “The availability of management information was very slow and it was hindering business performance. We also had technical issues and a heavy reliance on spreadsheets.”

The lack of integration also meant that AAF was limited in ways key management documents could be recorded and shared. The reliance on spreadsheets was causing not only inefficiencies in creating and sharing reporting documents, but also increasing risk of human error.

AAF Ltd, realised something had to be done, and began a process of evaluating suitable solutions that could support their current and future business aspirations.

THE SOLUTION

A detailed pitch process saw AAF Ltd work down from a list of over 97 companies and solutions. The pitch process included presentations and demonstrations from leading ERP players including; SAP, JD Edwards, EFAX, Epicor and IFS.

After an extensive 18 month tender process, AAF Ltd selected HSO as their preferred vendor, of Microsoft Dynamics AX for their new ERP solution, due to their technical expertise around the Dynamics AX, their understanding of AAF Ltd's business and their knowledge and experience in the manufacturing and oil & gas markets.

Each supplier was evaluated on its merit over two full day operation demonstrations to a full AAF Ltd selection committee. The

committee, from a cross section of AAF's business, selected Dynamics AX due to its integration functionality, ability to be implemented and maintained by a third party external vendor, and ability to service both back and front line office requirements.

Robert Carling, General Manager and Director at AAF Ltd says, “We have chosen HSO and Microsoft Dynamics AX, because it is a safe and reliable solution. Dynamics AX is a Microsoft product and we understand Microsoft as a company have a huge development programme which means that there will be no maintenance issues going forward. The selection of both HSO and Microsoft Dynamics AX make us feel safe for whatever the future holds for AAF Ltd.”

While Martin Townsend, Senior Financial Controller at AAF Ltd adds that “There is a lot of flexibility in Microsoft Dynamics AX, the project financials screen can be tailored to suit the reporting information required to manage our business effectively. Which makes it the perfect choice for AAF Ltd.”

It was more than just the technical knowledge behind AAF's decision to award the project to HSO, there was more than one Dynamics partner in the process, “they really came in and appeared to understand us and our business and rose to the front of the Microsoft option quite quickly. They understand our kind of business very well. And they know about the kind of outputs that we're looking at the different interfaces that the different users around the business will be looking for” continued Townsend.

“We chose Microsoft Dynamic AX because it is a one platform solution that can integrate our entire business.”

NICK CARR, PROJECT MANAGER

Gordon Walker, AAF IT Manager says: “HSO were actually just incredibly detailed in everything that they did and wanted to understand every aspect of our business and the culture within it to ensure the solution would meet our needs.”

Walker continues: “The relationship between AAF Ltd and HSO has grown to be exceptionally strong, their technical knowledge of the product is unparalleled, as is their understanding of AAF Ltd and our industry as a whole. And since the pitch process we have already recommended HSO to other businesses because of their clear technical and industry expertise.”

Hso

the results company

 Microsoft Dynamics AX

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