



SCMEP helps International Knife and Saw save hundreds of thousands of dollars

International Knife and Saw (IKS) was presented with a conundrum.

In 2006, IKS' parent company divested itself of all IKS products and facilities, leaving the manufacturer to face an uncertain future. A new ownership team consisting of four, veteran IKS managers quickly moved to acquire all related product lines and manufacturing assets, saving jobs and industry in the process.

But still, IKS -- a world-renowned manufacturer and marketer of high-quality industrial cutting tools based in Florence, S.C. -- was confronted with a daunting transition. The company badly needed a software system to help manage its growth, particularly in areas of accounting, inventory and production control processes.

So the company reached out to the South Carolina Manufacturing Extension Program (SCMEP), a reliable resource for all state businesses. SCMEP provides a host of strategies and solutions to drive growth and expand resources; just in 2008, SCMEP clients reported more than \$254 million in impact to the state of South Carolina.

With the assistance of SCMEP, International Knife and Saw procured DBA Next Generation Software which works to maintain sales orders, raw material cost and procurement, track in process jobs, and inventory levels in "real time".

SCMEP dipped into its quiver of resources and outside expertise to provide IKS with a consultant to assist in design, implementation and personnel education to meet the company's system and data needs.

The benefits have been extraordinary, particularly in terms of cost-savings and staffing.

"We suspect we've saved several hundreds of thousands of dollars per year," says Jim Ranson, Vice President and National Sales Manager for IKS. "Plus, we've been able to maintain staff during slow periods of business."

Making the changeover seamless

IKS required state-of-the-art technology in order to quickly respond to market and business concerns, and to effectively manage the plant's day-to-day undertakings.

The privately-held company produces about \$15 million in sales per year, operating mainly from its 110,000-square foot plant in Florence. IKS also has centers in Canada and Mexico, along with several sales channels in strategic locations around the world, which is essential given the company's scope.

IKS supplies more than 60,000 types of knives and saws to an assortment of industries. The company builds blades for almost any cutting application, selling products in five separate segments: printing, packaging, paper converting, tissue and towel, and metal. Several industrial giants such as Georgia Pacific, Kimberly Clark, Proctor and Gamble, Mittal Steel and DuPont trust IKS because of the products' craftsmanship and superiority.

Negotiations with International Knife and Saw's parent company occurred in a short timeframe, necessitating a seamless change-over. For a time, IKS ran the operating system of its parent company, but it quickly proved too costly.

DBA was chosen because of its value proposition. The software supplies a cost-effective means of business. "We have some very savvy folks here. They've had experience with some of the best software and the worst," Ranson says. "They've seen a lot of software programs coming through here, and they're all very pleased by the DBA system."

SCMEP's advice and counsel

SCMEP paired IKS with Larry Smith of ITB, a skilled consultant who provided advice and counsel to IKS on the requirements of DBA's data structuring prior to batch loading.

He also helped install the software onto the IKS server, set all required defaults, and provided input and suggestions to IKS regarding separate category groupings, such as Customers and Vendors, and Operational and Reporting Purposes.

Further, SCMEP and Smith set up and executed training for all designated systems users regarding specifics for properly utilizing DBA software. SCMEP's after-install program also involved phone and on-site support for an entire year after implementation, a huge advantage for IKS.

"First of all, Larry was intelligent and creative. He was able to point us in certain directions," Ranson says. "He was available to us as well. Sometimes you need an answer immediately. Having access to a partner like that is tremendous."

On time and on budget

In the end, it only required five months for SCMEP to complete DBA installment and implementation, a project that was completed on time and on budget.

"We have lots of inventory -- thousands of SKUs," Ranson says. "It was a constant struggle to find and search for items. We couldn't have done it any other way that would have allowed us to keep tabs on items."

For IKS, its partnership with SCMEP was one worth exploring, and one that still bears fruit today. "I don't think our business could have survived without something as strong as DBA," Ranson says. "When you lose track of inventory, you lose track of customers."