

# Isuzu

relies on its system provider to lead the way

**Isuzu needed a system provider with skills and experience, but the key requirement was to make it happen quickly. IDS met every situation.**

## Number One in Australia

Isuzu General Motors (I-GM) has been the number one selling marque in the Australian light/heavy truck market for over 20 years. With around 30 per cent of the market, Isuzu currently sells around 5,000 trucks each year across a 60 strong dealer network.

Isuzu's success in Australia has resulted from two fundamentals: first, listening to its customers has meant they only specify the right trucks for Australia's specific applications and second, an on-going commitment to after-sales service and support that clearly sets Isuzu apart from its competitors.

"Trucks represent working capital to a business and downtime costs money," said Aninka Morhall, I-GM Staff Operations Manager. "Running an efficient spare parts operation in tandem with a good warranty program is just as important as the initial purchase to our customers."

## Growth forced relocation

Until recently, Isuzu shared a spare parts warehousing operation with General Motors Holden, Australia's leading supplier of passenger motor vehicles. However, the phenomenal growth of Holden's passenger car sales was placing considerable pressure on the joint facility and after both companies sat down and worked through the options, it was decided that Isuzu's spare parts operation should be relocated.

"We were totally reliant on Holden at the time, in terms of both the physical facility and the

supporting IT infrastructure," Ms Morhall said. "Finding a new location to house the operation proved to be a relatively easy, if lengthy, task. We soon realised that the mission critical issue was establishing a new IT system and bringing it on line in a very compressed timeline."

## Searched for a system provider

Isuzu researched potential systems providers, issued a project brief to selected suppliers, and received presentations from a shortlist group that included IDS Enterprise Systems, an Australian owned business with a 20-year history of providing systems for the automotive and durable goods industries.

"IDS won the contract based on its skills and experience, but by the time we got to the point of making the selection, the key requirement was to make it happen quickly," Ms Morhall said. "We knew IDS had the technical skills, but this project also placed a premium on project management and being able to meld a project team quickly."

"IDS met every situation, and to everyone's credit the 'go live' date was achieved," Ms Morhall said.

## Unique software

IDS' core product, IDS<sub>e</sub>42, focuses on managing information flows within and between the key supply chain blocks of inventory purchasing, shipping, customs and receiving, inventory and sales management, financials, warehousing and dispatch, and warranty and service. It also allows the business to track, analyse and manage the flow of information not only down the supply chain, but across the entire enterprise.

## Company Profile

Name:	Isuzu General Motors
Region:	Australia
Operation:	Import and distribution
Products:	Light and heavy trucks
Website:	<a href="http://www.isuzu.com.au">www.isuzu.com.au</a>

"IDS won the contract based on its skills and experience."

Aninka Morhall,  
I-GM Staff  
Operations Manager





A unique feature of the Isuzu solution is the use of an outsourcing partner, TNT Automotive Logistics, to manage and operate the warehouse. Although outsourced parts distribution is common in the Australian car industry, it's a first for the truck industry.

"We now have the logistics expertise of TNT and a technology partner in IDS, coupled together in this unique facility," Ms Morhall said. "Their blend of skills allows Isuzu to provide the earliest possible response to the unique needs of our customers."

Ms Morhall said that, looking back, separating from Holden gave Isuzu the chance to build a spare parts and warehousing system around its exact needs and the future needs of the business.

The Isuzu/TNT facility is located adjacent to Melbourne's Western Ring Road, providing unparalleled access to national and international road, rail, air and sea transport infrastructure. It comprises around 5,000 square metres of storage floor space and has the flexibility to expand or reconfigure to accommodate new parts handling techniques.

### Latest technology capabilities

The IDS technology incorporates the latest online, real time ordering capabilities. For example, seconds after a dealer enters an order into the system, availability is confirmed and the delivery outlook determined. Any part in stock is then ready for picking at the warehouse.

Importantly, the system has been designed so that information is entered once only, and typically at source. Data changes appear instantly in every relevant area of the business – stock, inventory, financials, etc – so there is no uploading of data or re-keying of information.

Isuzu took a staged approach to implementation. "By necessity we chose to implement certain key modules of IDSe42 first -- the spare parts and warehousing management modules -- but IDSe42 represents an investment to do a range of things differently and we are now turning our attention toward some exciting new initiatives."

"Without the weight of a three month timeline, this implementation would have been viewed as being highly successful," Ms Morhall said. "Considering the pressure we were all under, it was an extraordinary accomplishment."

### Issues

- Spare parts re-location
- Need to establish new IT infrastructure
- Need to create basis for growth
- Need for web ordering capability
- Re-entry of the same data

### Solution

- Supply chain software solution for the automotive industry
- Modules for
  - Inventory purchasing
  - Shipping
  - Customs and receiving
  - Inventory & sales management
  - Financials
  - Warehousing and dispatch
  - Warranty and service

### Capabilities

- Supply chain visibility
- Third party warehouse integration
- Vehicle monitoring and tracking
- Service, warranty and spare parts monitoring
- Customs and duty payments
- 24/7 online ordering

### Value

- More efficient spare parts organisation
- Improved dealer performance
- Dramatically reduced operational errors
- Basis for expansion flexibility
- Faster and more efficient order process as data entered once only
- Increased customer satisfaction



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