

MANAGING DIRECTOR, TREVOR BISSETT DESCRIBES HOW ABACA HAS BROUGHT ABOUT A TRANSFORMATION IN THE OPERATIONAL CONTROL OF THE FAMILY BUSINESS.

A REPORT BY DON HAINES.

February 1st 2016 marked the first Anniversary of the wholesale switch by Newmarket, UK based Caps Cases Ltd to Abaca Packaging 3000. All three of its plants were linked by a fully integrated business management system that is providing unprecedented control of every aspect of the business.

Caps Cases was founded in 1982 by Charles Bissett and Peter

Bush, initially operating from a 5,000 sq ft unit on the same site that the parent company now occupies. (The name 'Caps' is a simple acronym formed from the initials of the Christian names of the two founders and their wives.) Although Mr Bush has recently retired, Charlie Bissett still takes an active interest in the fortunes of the business, which is now run by his three sons and an experienced management team.

In 1995 a second branch of Caps Cases was established in Baillieston, near Glasgow, primarily

CAPS CASES – FIRST WITH ABACA'S MULTI-SITE PACKAGE



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to service Scotland's whisky industry and in 2011 the company acquired Croftbench, a small sheet plant situated less than 50 miles away from Newmarket at Hoddesdon in Hertfordshire. The group now enjoys an impressive £19 million turnover, £13 million of which is accounted for by the parent factory, which now occupies 80,000 sq ft. This is very much a family oriented business – Trevor Bissett's brother, Mark, takes care of production, while Jamie fulfils the role of Accounts Manager, with a senior management team consisting of Customer Services Director Lucy Bennett, Creative Director Shaun Stamford and Sandy Gibbons heading up the Baillieston operation.

Owner driven principles

Between the three plants, there is a wide range of converting equipment, most of which at the Newmarket plant. There is virtually nothing that Caps Cases cannot manufacture, from simple corrugated and fibreboard case divisions, through to multi-point glued RRP, high quality printed POS display units and heavy duty pallet boxes in a range of standard sizes.

Trevor Bissett explains, "We are bigger than most sheet plants and smaller than most integrated plants and as we have grown, we have tried to take everything that is good about the scale of manufacturing in integrated plants while retaining the family oriented ethos and heritage of the business. We have combined owner driven principles with a flat management structure and modern manufacturing techniques. That is

what has pushed us on to where we are now, with the help of a great team of people, each taking full responsibility for their own area."

Graham Dickinson, Sales Director of Abaca Systems, knows the company well and confirms, "Looking from the outside, this is a company run by a very driven team who have been here for many years, taking over from the original owners who had been there from day one. There is such a great spirit and positive attitude throughout the business and that approach came to the fore during the weekend of the installation of our system, when everyone worked long hours to get the job done, ready for going live on a Monday morning. They worked until late on the Friday evening and twelve hours or more the following day and Sunday. I deal with a lot of different businesses and it's quite common for there to be one or more employees who are slow to buy into the changes — it can be stressful and can even get a little adversarial. Here, we didn't get any

of that. Problems came along as they do and the attitude was 'what can we do to fix this so we can move on to the next stage'."

The can-do approach was probably helped by the provision of a hog roast one day by HR Administrator Sarah Burch and by the pizzas supplied to everyone on another! Trevor Bissett goes on, "The system was installed at all three of our sites during the course of that one weekend, with one or more Abaca technicians present at each location. We had a full stock check at each factory to load and everyone involved worked incredibly hard, but by Monday morning not one of our customers would have detected any initial changes, which was how we hoped it would be and Abaca continued to hold our hands over the following weeks."

Full control of multiple sites

Abaca has worked with many companies having more than one location, but this was the first installation involving the full



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integration of three plants. Mr Dickinson says, “This was a major software development and our first installation with one site controlling the information at all the other sites, which allows our software to do something that it couldn't do before. They can, for example, ship board into the Newmarket plant and part-process it before shipping it to another plant for gluing. Other multi-site companies can do this, but usually one business would have to buy from the other business on a customer/supplier basis. The trick for us was to bring all of this together, but then to have the ability to split out the numbers for the purposes of calculating margins and bonuses. Where previously Caps Cases would have to use off-line spreadsheets, now, depending on which machine route has been decided on for the job, the software calculates who did what to create that saleable item, splitting out the work done by each site. Other Abaca customers are now reaping the benefit of this development and are adopting the multi-site system. We don't charge customers for

our ongoing software upgrades, so anyone is now able to activate it, though it still costs to add each additional site. The facility is now built into the software, just waiting to be activated, so new customers with future expansion in mind can just pay to add each new site as it opens. The overall cost is lower than for single, stand-alone systems at each location and the administrative cost savings are not hard to envisage.”

Customer driven change

The Newmarket site has always been the financial control centre for the entire business, but immediately the new system went live, some interesting facts and figures began to come to light, as Trevor Bissett explains. “Financial control has been greatly automated and management information is now available much faster. We suddenly had a real handle on the stock at each site and the alarm bells rang immediately — why have we got all this stock and how long has that been there — we are now able to operate along far more lean principles.”

Mr Dickinson suggests that this is quite a common experience. “Once the details of the initial stock-take have been loaded, the true picture emerges and often the plant's baler becomes the busiest machine in the place when redundant stock is found to be taking up valuable storage space. This is one of the immediate benefits of the package, which needs no other software to back it up other than a CAD system. We should be doing the rest with our software and we have been increasing the functionality year on year since 1991.

“We have continued to put the resources into our development team to build the package. It's not finished yet and I don't know if it ever will be, because we keep meeting new challenges along the way. A lot of the ongoing development is customer driven change and we try to listen to all suggestions, but realistically can't act on everything. We take business decisions and make changes in directions that are based on what we think is the right thing to deliver and this is very much influenced by advances in technology, with business to business transactions now a significant focus of attention. Caps Cases places all its board orders using our business to business feature and most of the incoming board is tracked with bar code scanning, with inventory control managed using bar code technology. Invoicing from board suppliers is all electronic, taking away the drudge of the repetitive inputting and allowing the software to do the work.”

“NO MATTER WHAT YOU SPEND NOW ON BUYING OUR SOFTWARE, THE BENEFITS WILL OUTWEIGH THAT INITIAL COST MANY TIMES OVER.”

GRAHAM DICKINSON

Creating prices quickly

As have other Caps Cases employees, Trevor Bissett has found himself freed from much of repetitive day to day activities. “Previously, I was calculating every single price, but now I can rely on my sales team to use the system to generate customer estimates, based on parameters that I have put into the software,” he explains. “We’re now creating prices far more quickly and more responsively than we were previously. I’m now only involved in the more challenging elements of our order book, such as high quality print and point of sale work, giving me far more time to focus on the business, rather than constantly being chased for estimates. Just as I am reaping the benefits, if you look at other people in the business, there are lots of little routine things that they used to have to do on a day to day basis which have now been taken over by the software. It’s given them more time to focus on the value-added aspects of their job.”

The way in which customer quotations are calculated has changed and Trevor Bissett outlines the differences. “I used to cost everything from information in my head, but what we have now done is to look at each of our routes and used the shop floor data provided by the system to set up the software to price new estimates accurately and efficiently for our clients. Abaca’s software has enabled us to create management information far more easily, every purchase and sale transaction is automatically coded to the correct ledger and shared sales are split

out between sites, which we never had the facility to do before. We can now control our raw material stock and finished stock effectively, which has had the effect of freeing up space at each of the sites and our handle on production capacity is much more accurate. It’s a lot harder than it used to be to persuade our Production Director to fit work in to the schedules! I think that this plant is a perfect example of how a large business with a lot of equipment and with so much throughput can handle scheduling so easily, with a variety of diverse equipment being scheduled at the same time. Our sales team can now look at a view-only production schedule screen and instantly give a customer a lead time without having to pester production management. Vehicle loading is also now more efficient and transport planning more effective and more visible to everyone. As soon as an order is loaded we can see what’s going where on which day, and plan accordingly.”

New Portal

Customers of Caps Cases cannot have missed the effects of the increased efficiencies in production and logistics, but they are also reaping the benefits of another Abaca innovation, the Abaca Portal, which was launched at the 2015 Sheet Plant Association Trade Show. Trevor Bissett comments, “The Portal allows any of my customers to log onto our system and look at what orders are outstanding, view invoices and credit notes and even individual stock levels of their jobs. That

facility also exists for our external sales people, who have the ability to log on remotely, just as our customers can, and prepare themselves very effectively for any face to face meetings.”

Mr Dickinson gives more details. “Since we launched the Portal there has been strong interest from many of our existing customers, attracted by the flat fee per month for access, regardless of the number of accounts being made visible. This is a true portal and no customer data whatsoever is held on our servers — all we do is provide a substantial broadband facility for our customers’ customers to access details of their own account and only their account. We have a number of broadband suppliers, so that we have back-up if one goes down temporarily. Caps Cases has embraced the entire Packaging 3000 concept and they very quickly began to see the benefits. But it’s difficult at the outset to quantify the advantages that this will bring to the business of a prospective new customer. All I can tell them is what I genuinely believe, backed up by the experience of installing the system at so many locations, which is that no matter what you spend now on buying our software, the benefits will outweigh that initial cost many times over.” ■

