



Wellborn Cabinet, Inc. is a unique, high-volume provider of semi-custom cabinets. In business for more than 40 years, Wellborn Cabinet, Inc. is committed to making quality cabinets and to the satisfaction of its customers.

Hitachi Consulting and Wellborn Cabinet, Inc. collaborated to implement SAP for Mill Products and establish the company as an industry leader in business process and IT innovation.



## Case Study: Wellborn Cabinet, Inc.

### Business Challenge

Wellborn Cabinet, Inc. cabinets come in many styles, types of wood and finishes. And while customers enjoyed Wellborn Cabinet, Inc.'s wide selection of products, the company's primary objective of best-in-class lead time and delivery performance, while experiencing continuous double-digit growth, strained operations and would ultimately limit future growth if a solution was not found.

With more than a half million individual part numbers in Wellborn Cabinet, Inc.'s former inventory system, knowledgeable staff and craftsmen were required to consistently produce product flawlessly through to completion. "Tribal knowledge" was required to overcome system limitations. Furthermore, new product expansion and innovation under their former system was becoming increasingly challenging.

As company leaders set a course for aggressive growth, they studied their industry competition and realized that even though they were not having major difficulties in *running their business*, changes were necessary.

Wellborn Cabinet, Inc. measured its needs, mapped its future and went to work with Hitachi Consulting to step ahead of its competition in the wood industry by implementing a proven technology and strategy.

### The Solution

Wellborn Cabinet, Inc.'s ongoing work to improve manufacturing and distribution processes with Hitachi Consulting evolved into an enterprise-wide implementation of SAP, including Mill Products, SAP's made-to-order solution designed for manufacturers that produce highly configurable products.

Working together Wellborn Cabinet, Inc. and Hitachi Consulting designed and implemented ERP systems to:

- Seamlessly integrate manufacturing and logistics with sales order entry and all end-to-end operations
- Capitalize on the benefits of a product configurator to reduce master data effort and allow future product flexibility and faster "time to market"
- Provide customer centric features such as online order entry and online customer portal (i.e., statements, balances, A/R, etc.)
- Plan shop floor activities to minimize transactions through use of combined "master" orders
- Streamline the manufacturing processes to automate the handling of thousands of daily production orders.

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## Business Benefits

When Wellborn Cabinet, Inc. began using the new system in early 2005, its entire business – sales & distribution, production planning and execution, financials, human resources and payroll was dovetailed into one real-time, integrated working unit for the first time in company history. Potential slow downs in production schedules, or complete shut downs of any phase of manufacturing due to transitioning systems, were avoided through careful, incremental testing of the system during the implementation process.

One of the most noticeable differences to all at Wellborn Cabinet, Inc. is the reduction in inventory part numbers from more than 500,000 to approximately 50,000. The new variant configurator system requires a much smaller number of master parts and provides for greater flexibility in product lines.

Wellborn Cabinet, Inc. is now offering more custom products for new sales orders based on expanding product characteristics and configuration. The new systems and increased automation are helping workers in all areas of the company manage increased volume of orders and prepare for future product lines to come.

Throughout its operations, Wellborn Cabinet, Inc. now has better visibility and more predictability into each phase of its production cycle and into all business processes.

Specific business and system benefits include:

- A more predictable supply chain
- An easily expandable product line
- More efficient, automated processes
- Increased checks and balances to insure accuracy throughout all processes
- Streamlined order documentation
- Expanded reporting tools to track customer orders and performance
- System capacity for next decade of growth, use of latest technology
- Incorporation of existing and new innovations from SAP (\$1 billion in R&D)
- Multi-plant/multi-company integration
- Utilization of state-of-the-art technology in Wellborn Cabinet, Inc.'s industry

*"We took 40 years of historic processes that had evolved over the different phases of our business and started with a clean slate to reengineer our business from the time we take an order to how we deliver our products to the client."*

Kevin O'Neill, General  
Manager Wellborn  
Cabinet, Inc.



## About Hitachi Consulting

As Hitachi, Ltd.'s (NYSE: HIT) global consulting company, Hitachi Consulting is a recognized leader in delivering proven business and IT solutions to Global 2000 companies across many industries. We leverage decades of business process, vertical industry, and leading-edge technology experience to understand each company's unique business needs. From business strategy development through application deployment, our consultants are committed to helping clients quickly realize measurable business value and achieve sustainable ROI.

Hitachi Consulting's client base includes nearly 30 percent of the Fortune 100 as well as many leading mid-market companies. We offer a client-focused, collaborative approach and transfer knowledge to our clients throughout each engagement. For more information, call 877-664-0010 or visit [www.hitachiconsulting.com](http://www.hitachiconsulting.com)

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