



CUSTOMER CASE STUDY

# METALSA

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**Hernán Macías, Global CIO, Metalsa**





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## LONG-TERM RELATIONSHIP WITH QAD IS A WIN-WIN FOR GLOBAL AUTOMOTIVE COMPANY

### THE COMPANY: METALSA

Metalsa manufactures structural components for the light and commercial vehicle markets. This includes frames, suspension modules, body structures, safety



HIGHLIGHTS	
<b>Company</b>	Metalsa
<b>Headquarters</b>	Monterrey, Mexico
<b>Industry</b>	Automotive
<b>Products</b>	Structural components for light and commercial vehicles
<b>Solutions Utilized</b>	QAD Enterprise Applications

systems, hinges, transmission modules and fuel tanks for passenger cars and light trucks as well as chassis frames, side rails and cross members for heavy trucks and buses.

Headquartered in Mexico, Metalsa also has operations and technology centers strategically located worldwide, including Argentina, Australia, Brazil, China, Germany, India, Japan, Mexico, South Africa, Thailand, Turkey, the United Kingdom, and the United States. And a workforce of more than 10,000 employees around the world.

Metalsa manufactures products for more than 30 major automotive original equipment manufacturers (OEMs) around the world. The company has a strong and clear vision for providing their customers innovative solutions and is focused on safe and sustainable product and process technologies offering quality and service at a competitive cost.

Metalsa is a privately held company founded in 1956 and has been part of the holding company Grupo Proeza, since 2007.

### THE CHALLENGE: GROWTH OF GLOBAL COMPANY INCREASES NEED FOR BETTER COORDINATION ACROSS MULTIPLE LOCATIONS AND GREATER INVENTORY CONTROL

“Metalsa has been very successful,” comments Hernán Macías, Global CIO of Metalsa. “We’ve expanded globally and in output, and this has resulted in many challenges. All positive -- but challenging.”

“QAD has helped Metalsa grow globally. We really have found a loyal partner to support us.”

Hernán Macías, Global CIO Metalsa



Some of the challenges Metalsa has experienced with their success include:

- Consistently improving inventory control over their 200 locations, each with daily transactions.
- Minimizing raw material over-ordering with optimal raw material planning
- Standardizing processes and technology globally
- Maximizing transparency and visibility of information all along the supply chain
- Effectively identifying the optimal areas of opportunity
- Restructuring teams as needed to maximize effectiveness
- Developing the best connectivity between their various independent, but reliant processes

#### THE SOLUTION: DEVELOPING A RELATIONSHIP OF TRUST AND RELIABILITY WITH QAD ERP

“Fifteen years ago we decided to place our trust in a QAD ERP system because of the functionality, ease of implementation and cost, and it has proven to be an excellent decision,” notes Mr. Macías.



**99%** IMPROVED INVENTORY CONTROL  
**20%** REDUCTION OF RAW MATERIAL

“The relationship Metalsa has with QAD is hard to find in this industry -- loyalty, commitment, and mutual support. QAD is a proven, reliable solution for Metalsa,” says Mr. Macías.

“QAD is a global company which is a great support to us,” adds José Ángel López, Supply Chain Coordinator. “While we’ve been working with QAD, Metalsa has expanded to sites around the world and QAD’s multi-language, multi-country capabilities have been invaluable. Having access to both QAD’s technology and knowledgeable support staff has been a great asset to us.”

#### THE BENEFITS: SUCCESSFUL LONG-TERM PARTNERSHIP RESULTS IN GREATER VISIBILITY, CONTROL AND COST SAVINGS

“QAD is involved in the entire operation of Metalsa,” comments Mr. López. “We trust in what our QAD ERP system provides us and many decisions are based on that information. Our operational metrics results are enlightening and help us identify areas of opportunity and ways to restructure our teams to achieve operational excellence,” explains Mr. Lopez.

“One clear example of that is the QAD inventory tracking and control. With daily transactions in more than 200 locations, we monitor the reliability of the inventory on a weekly basis. With the QAD ERP system supporting us, our inventory reliability today is up 99%.”

“QAD also advised us to set parameters for raw material purchasing and, as a result, we have been able to improve the efficiency of our planning process. This led to a reduction of 20% of raw material usage.”

Benefits Metalsa has realized with the QAD ERP system include:

- Standardization across Metalsa’s global locations
- Ability to better share knowledge and improvements generated in other regions throughout the company
- Improved inventory control -- reliability increased to 99%
- Better connectivity between processes
- Greater visibility of information throughout the supply chain
- Raw material Inventory reduction of 20% through better parameter setting of raw material planning

Metalsa won an award at Explore Mexico, a regional customer conference, for their success in using QAD Enterprise Applications globally for over 15 years.

“QAD supports Metalsa in every way. The QAD-Metalsa relationship over the years has been very strong. It is one of trust and a win-win,” concludes Mr. López.

