



CUSTOMER CASE STUDY

PLASAN CARBON COMPOSITES EDI



“Using QAD Cloud EDI allows us to focus on our core business while QAD experts handle our EDI.”

Phillip Austin, Plasan's QAD Systems Manager





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PLASAN FOCUSES ON CORE BUSINESS WITH QAD CLOUD EDI PROVIDING ESSENTIAL EXPERTISE AND SUPPORT

THE COMPANY: PLASAN CARBON COMPOSITES

Founded in 2006, Plasan Carbon Composites, is at the forefront of the carbon fiber automotive components movement and the leading provider in

HIGHLIGHTS	
Company	Plasan Carbon Composites
Headquarters	Walker, MI
Industry	Automotive
Products	Carbon Fiber Components
Solutions Utilized	QAD Cloud EDI



North America. The company transformed into a high volume manufacturer three years ago, in response to new vehicle fuel-efficiency standards requiring American-made cars and light trucks to average 34.5 MPG by 2016 and 54.5 MPG by 2025.

Reducing the weight of an automobile, without compromising its integrity, is one of the most effective ways to increase fuel-efficiency. Every 10% reduction in weight results in a 7% increase in gas mileage. Carbon fiber components are lighter and stronger than standard auto body materials providing a great growth market for the foreseeable future.

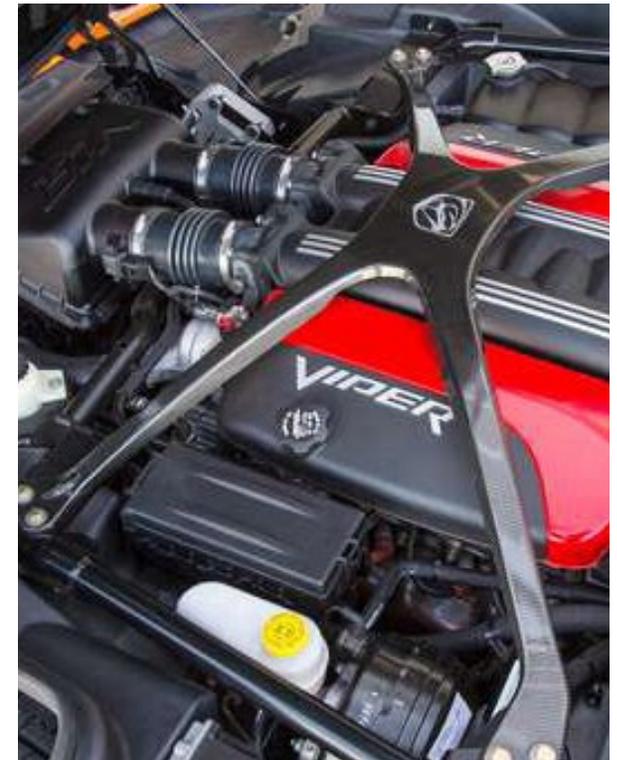
Plasan's 200,000 sq foot manufacturing facility is strategically located in Michigan to be convenient to do business with major auto companies in the region.

Plasan currently has sales approaching \$100 million per year supplying carbon fiber hoods, roofs, splitters for front spoilers, rockers, and rear lifters for Corvette Stingrays and Dodge Vipers.

Production of the carbon fiber components is a combination of robotic automation and highly skilled hands-on finishing. Plasan expects to increase to \$150 million annual revenue in the next five years as they increase their volume and expand their customer base.

THE CHALLENGE: HOW TO CONCENTRATE ON CORE BUSINESS WHILE MEETING EDI REQUIREMENTS

Managing and expanding their automotive OEM customer base means Plasan has to continuously produce high quality products and focus on innovating manufacturing and business processes.



This includes the customer requirement to exchange error-free Electronic Data Interchange (EDI) information with both General Motors and Chrysler.

Correct and reliable EDI is mission critical in the automotive industry. Plasan could not do business with GM and Chrysler without a solid best of breed EDI solution.

It is imperative that data is set up correctly, orders and requirements from GM and Chrysler are received and distributed quickly, and inventory and shipping information is consistently sent on time and error-free. Creating an in-house EDI system requires significant investments in technology as well as a headcount increase.

Plasan's expertise and focus is creating high quality carbon fiber products. They run three manufacturing

shifts 24/7 and setting up an in-house EDI system was neither desirable or efficient.

"We didn't have any systems set up when Plasan started in 2006. At that time we were part of a bigger organization and General Motors and Chrysler approached us to produce carbon fiber components. The decision was made to diversify in the automotive business and Plasan was born," notes Phil Austin, Plasan's QAD Systems Manager. "It makes more sense for us to concentrate in-house on manufacturing, and use outside resources for the crucial EDI expertise."

The Solution: Outsourcing to QAD Cloud EDI

"We did our due diligence investigating the best EDI partners and QAD's strong automotive background made it an early focus," continues Austin. "Many auto industry companies use QAD

which gave us confidence in QAD's capabilities as evidenced by their customer service record."

Plasan implemented QAD Cloud EDI and QAD Cloud ERP simultaneously. Very little modification was needed and the entire installation and testing process took less than three months. Initial training by the QAD EDI team was done and plans for ongoing training designed.

"QAD Cloud EDI was the right choice for Plasan because we prefer having expert management of our EDI communications and translation services without having to hire and develop a dedicated EDI staff," Austin comments. "EDI is crucial for our relationships with our customers and it is a great advantage being able to depend on QAD Cloud EDI for their experience, knowledge and support."

THE BENEFITS: 10% IN-HOUSE COMMITMENT, 100% EDI SYSTEM

"If we didn't have QAD Cloud EDI I don't think we could be in the position we are today," says Austin. "Reaching nearly \$100 million in sales in only four years would have been much more difficult, if not impossible, if we had done EDI in-house. We need to be up and running at all times and having experienced, consistent EDI without worrying about our learning curve means we don't need to pull assets or focus away from our core competency of manufacturing."

Austin notes that even though he oversees the entire EDI process he only needs to devote about 10% of his time to EDI, while 90% of his focus can be on Plasan's current and future manufacturing plans.



“Most companies our size would require full-time EDI administrators but we don’t thanks to QAD Cloud EDI,” continues Austin. “Day-to-day EDI operations run smoothly. QAD Cloud EDI is great at catching errors and fixing them. Our interaction with the QAD team is really good.”

“Using a cloud EDI solution and specifically QAD Cloud EDI has been a great decision. QAD’s digital infrastructure, expertise and customer service are important factors in our current and future success.”

Phillip Austin, Plasan’s QAD Systems Manager

