

AS/400 AND VELUX

A Window on the World



Clarity, Security, Innovation.

These three words characterize both VELUX and its products. An acknowledged world leader in the roof window and skylight market, VELUX, in its 54 years of existence, has carved out a sound reputation for quality and service. A high-performance company needs a high-performance system: VELUX took no chances with the information management programs for its AS/400.

A Tradition of Quality

Established in Quebec since 1978, VELUX has steadily expanded and today employs nearly 30 people in Canada, seventeen of whom work at the head office in Montréal. The firm specializes in high quality roof windows and skylights. Although standard

products account for 95% of its sales, it also manufactures made-to-order models. VELUX essentially serves the residential market, but has some commercial customers as well.

Although VELUX sells only to retailers, it advertises in decorating magazines as well as promoting its products among retailers, architects, and contractors. It even trains retailer sales representatives. According to Nels Moxness, General Manager of VELUX CANADA INC., "We realize the sale may be made at any market level". Word of mouth handles the rest.

Always Listens to Customers

After having used several different systems, in 1990 VELUX finally opted for an AS/400 and Common Sense, a solution developed by IBM business partner SIA.

"We met with SIA in 1986 at an information technology exhibition," recalls Nels Moxness. "We gave them a flowchart describing our processes and the stages involved in our work. They came back to us with a comprehensive solution which suited our needs perfectly."

Most customers order by telephone, so it is important that calls be handled in person, without paper and as quickly as possible. The core of the Common Sense solution is the order-entry module developed together by SIA and VELUX.

Among the other modules are the inventory management module and the financial applications (accounts receivable, etc.).

IBM

VELUX has plans to add a purchasing module and advanced telephone, fax and printing functions in the future.

The statistics compiled by the system are vital for the company. Besides the fact that they have to be sent to the parent company in Denmark, they are the foundation for VELUX's credibility, performance and financial stability. They must therefore be easily accessible to the users and quite safe in the system: Common Sense guarantees data query is easy and the AS/400's reputation for security is well-known.

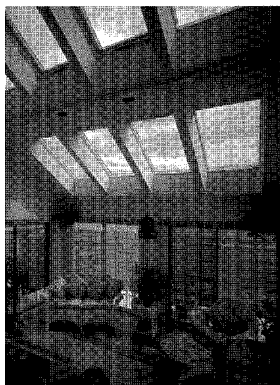
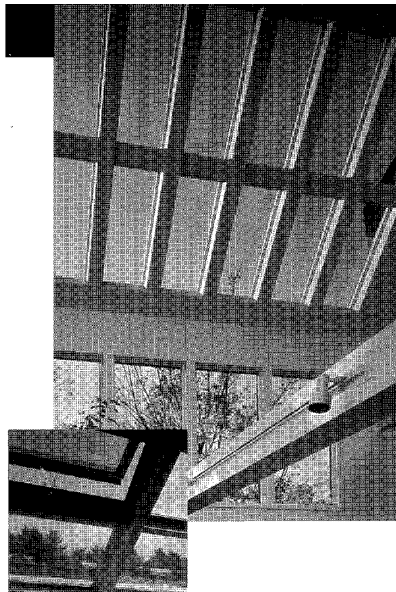
Customized Solutions

But the benefits of the Common Sense solution go beyond traditional applications. SIA created several tailor-made modules based on VELUX's stated needs. For example, since VELUX absorbs all transportation and delivery costs for its products, it was important that they be minimized. To do this, explains Accounting Manager Liza De Finney, "The system groups orders geographically and by date to rationalize deliveries and economize as much as possible."

SIA also wrote an application for VELUX that rationalizes the preparation of products for shipment: the system prints the shipping labels in the order that the warehouse clerk should follow. Here again, rationalization saves time and money.

The AS/400 and Productivity

This close collaboration with SIA was a major help to VELUX in improving its operations and earnings. For instance, the Common Sense inventory management module enabled the company to cut its inventory in half and limit the number of



back orders. Such efficiency contributed to the consolidation of VELUX's position as a leader in its market.

Furthermore, this partnership enabled VELUX to give its employees a pleasant work environment and the opportunity to enrich their jobs and enhance their skills. Whenever possible, repetitive tasks are handled by the system, enabling employees to take on other responsibilities and improve the quality of their work life. Productivity also increased, even though head office staff remained the same, due to fully mastered, perfectly suited technology.

So it is not surprising that the atmosphere at VELUX is at once professional and relaxed. VELUX, SIA and IBM: a winning trio, a great success story!

