Project Summary

Known as the #1 supplier of air-activated heat warmers, Kobayashi Americas manufactures and distributes more than 600 medical device and over-the-counter personal care products under multiple brand names. Merger and acquisition activity within their industry has been a boon for the Japan-based healthcare manufacturer, and there is no sign of slowing down. Kory Keenan, IT Manager, remarks of their ambitious growth strategy, "We are on a constant cycle of buying, consolidating into our operations, and then looking at another purchase."

Starting out as a family business but now operating as a subsidiary of parent corporation Kobayashi Healthcare International, Kobayashi Americas develops a range of products requiring separate regulatory considerations creating varying compliance concerns. With so many differentiating products being manufactured and distributed, Kobayashi realized the complexities managing disparate products within one system and sought assistance through a proud partner of Sage X3—Blytheco.

How Kobayashi Streamlined Manufacturing Processes with Sage X3 (Enterprise Management)

A Blytheco Client Story

Company: Kobayashi Americas

Location: Dalton, GA

Industry: Consumer Health Care Products

Number of Employees: 150

Software Replaced: Sage 500 ERP

Solution(s) Considered: Sage X3 (EM), NetSuite, and Microsoft Dynamics

Solution(s) Implemented: Sage X3 and Sage Inventory Advisor

Website: www.kobayashiamericas.com

Why Now

Kobayashi Americas develops products ranging in use from relieving minor aches to keeping warm. It became apparent the complexities of producing various branded products within one system made it impossible to continue merger and acquisition expansion into other verticals.

Together, Blytheco and Kobayashi discovered Sage Business Cloud X3 was the platform to lead the manufacturer into new industry acquisition. "We had an old system with a lot of manual aspects to it," Keenan admits. "We decided it was time to really make a change and redo our whole business, and Blytheco was with us every step of the way." Keenan added, "We basically restructured all our business processes to take advantage of Sage X3."
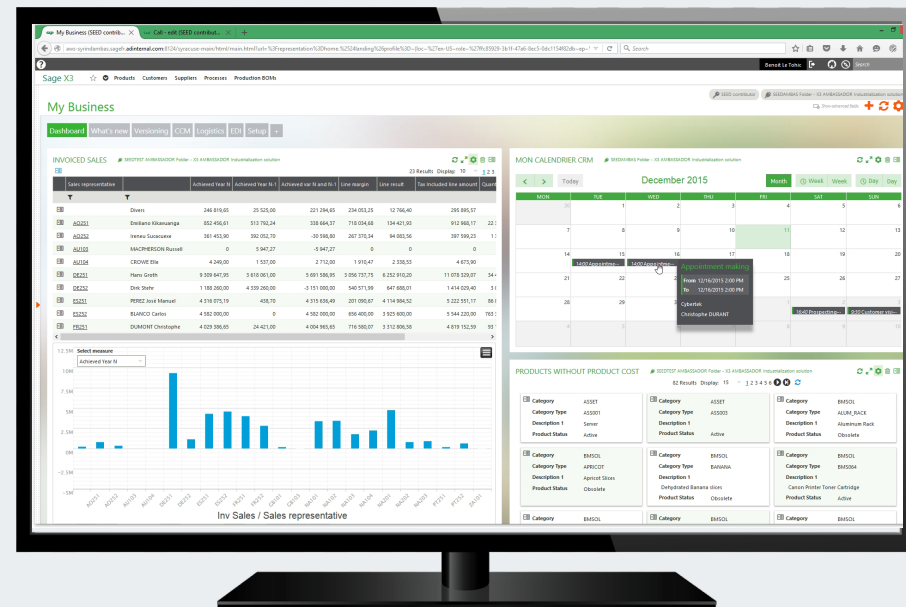
Challenges Faced

1. No regulatory compliance, limiting expansion
2. Failing warehouse management solutions
3. Incorrect shipments and order quantities
4. Lack of dimensional accounting functionality
5. Multiple disparate systems and no consolidation
6. No ability to manage multiple product lines or mergers and aquisitions
7. Manual manufacturing processes, human error, and heavy reliance on spreadsheets
8. Limited staff engagement and solution adoption

Our Solution

1. Regulatory compliance and quality control
2. Built-in warehouse automation
3. Robust shipping and inventory management
4. Flexible dimensional accounting
5. Data consolidaton into one platform
6. Ability to easily manage multiple product lines and mergers and aquisitions
7. Discrete manufacturing process automation, performance dashboards, KPIs, and analytics
8. Personalized roles for all staff members

Client Perspective

"We had an old system with a lot of manual aspects to it. We decided it was time to really make a change and redo our whole business.

We moved to Sage X3 because we needed a system to allow us to focus on highly regulated markets and would be compliant within those regulations. That way we grow without having to assess our system's compliance and available customizations.

We basically restructured all our business processes to take advantage of Sage X3's flexibility, customizability, and the ability to run on-premise, or as a cloud-based solution—whichever we need.

X3 takes it from the point of purchase, to distribution, to billing, to accounts payable in a single platform. It keeps all of our electronic signatures, all of our compliance information, and alerts us as items move throughout our warehouse so that we know in real time where our product is and to which customer it was delivered.

In the next 10 years, we're planning to double our business and aim our focus to the pharmaceutical side, growing significantly. I can see Sage X3 growing with us and allowing us to continue to develop and grow as the industry develops and grows."

—**Kory Keenan, IT Manager**
Kobayashi Americas

sage X3

Product Highlights

- Regulatory compliance
- Product traceability and lot control
- Recall compliance and audits
- Robust and flexible workflows
- Discrete manufacturing
- KPIs and dashboard reporting

"If you're doing things manually, you don't know how much you're leaving on the table."

—**Kory Keenan, IT Manager**
Kobayashi Americas

Key Results and Milestones

Reduced manual and paper processes by 100% in the first year	Increased sales by 20% bringing Kobayashi to $1.4 billion globally	Achieved companywide visibility in less than 5 months