



# Standard ERP

## Tenax, Chemicals production

### Webpage

[www.tenaxus.com](http://www.tenaxus.com)

Industrial and household chemicals producer Tenax in Latvia uses Enterprise by HansaWorld to control cost price of more than 500 items.

Tenax, Ltd is the biggest industrial and household chemicals producer in Latvia as well as the biggest insulation material producer in Baltic States. Tenax owns such brand names as Tenapors (insulation material), Kurmis, Elba, Skudra (household chemicals), Tenafix (sealing materials), Tenakorts and Tenabits (roofing materials).

### ■ SITUATION

In 2002 Tenax chose Enterprise to replace Kentaurus PRO. Lusja Mulica, Finance Manager of Tenax explains, "As our organization expanded we needed a multi-user system as more employees needed to have access to the data and reports. We also increased our production volumes and decided that we needed a system with integrated production functionality.

Tenax had a number of key requirements which their new system needed to support. These were: production integration so that the finance department could view information about cost prices, flexibility, multi-user technology and cost performance, because budget was limited. The Enterprise solution covered all key requirements and was the only solution that matched Tenax's budget.

### ■ SOLUTION AND BENEFITS

The system implementation and support was provided by HansaWorld certified partner «Grasko» Ltd. Tenax currently has an eight user system with integrated Accounts, Cash Book, Fixed Assets, Expenses, Logistics, Purchase Orders, Pricing and Production.

#### Production cost price control

To manage the production of over 500 different product lines Tenax makes use of item «recipes». Each recipe contains information about the quantities of raw materials which must be used to produce each finished item, and also details of the direct costs associated with the production. Depending on the production volume all direct costs are calculated automatically, booked to the appropriate accounts and allocated against the item.

Other of the cost that need to be tracked are the indirect costs such as electricity, salaries



and machine depreciation. In most cases indirect costs are hard to allocate against a single item. Tenax has solved this problem with Enterprise. Now, all indirect costs are divided according to the production volume and added to the direct costs in the recipe. The system takes into account different rates for machines when it is in use or idle.

#### Precise information for decision making

"Information about the total cost price per item is essential for our management and marketing departments, because it is the basis for future pricing, product development and marketing promotion investments," says Mulica.

#### Individual customers treatment

Enterprise's Pricing functionality provides Tenax with an individual offer for every customer. "Our customers are wholesalers who distribute our products to the shops. Every wholesaler is different — local or international, large or small — everyone has to be treated individually. To do this we have different prices for different customers. Enterprise's Pricing module helps us manage this process. We have created and assigned different price lists to every customer. This makes sure we use the right prices and right volume discounts every time we raise an invoice and we do not have to double check information is correct. If we had to enter prices and discounts manually it would take so much time and would generate mistakes leading to unhappy customers." — says Mulica.

#### Easy and efficient fixed assets management

The Fixed Assets functionality allows Tenax to manage assets handling and allows quick depreciation calculations. "When we looked at the Fixed Assets we were most impressed by the ease with which depreciation could be handled. Now we spend only a short amount of time managing assets!

All assets are classified and grouped, allocated to a member of staff and the actual storage place registered. More than 10 fixed assets reports provide us with all the information we require. It is a powerful tool in the administration of our production and administrative assets." Mulica.

Mulica concludes, «When choosing a business administration system our company was looking for a tool to control costs, mainly cost prices. The Enterprise system and its modern interface and technology have greatly improved the flow of financial information, providing management with the essential information in seconds. It has also reduced the time spent on administration and optimised work processes.»

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The group employs more than 300 staff with a strong network of subsidiary companies and distribution partners on all continents. This network enables us to offer international implementation in over 30 languages with country specific localizations. The products are easy to use and available on all smartphones, tablets and desktops including Mac, iPhone and iPad.

HansaWorld continually invests in Research and Development to provide innovative and future proof products to our customers.

As recognized innovators for over 25 years, HansaWorld shows continued technological leadership in the international business software industry.

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