CASE STUDY: INFOR AND MILLER INDUSTRIES

Infor reduces point solutions at Miller Industries highlighting agility during a pandemic

How an automotive company leverages Infor OS to automate the enterprise

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AT A GLANCE

As a fast-growing enterprise in the automotive industry, Miller Industries has seen substantial benefits from standardizing various point solutions and upgrading existing Infor installations into one common suite of Infor products, operating in the cloud. This case study shows that small-to-midsize businesses (SMBs) can experience substantial cost savings and gain efficiencies by standardizing in this way, demonstrating the importance of both ERP automation and the underlying Infor OS enterprise application offering.

AT A GLANCE	
Problems	· Various point solutions in different areas · Older Infor products operated on-premises
Solutions	· Multiyear rollout of Infor CloudSuite · Leverage Infor OS, most prominently with Infor Data Lake, Infor ION bots, and Birst analytics
Benefits	· Cloud elasticity during pandemic times · Saved software licensing costs by moving from various point solutions to a suite

Business Themes

	New C-Suite		Technology Optimization
	Data to Decisions		Future of Work

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THE COMPANY

Miller Industries was founded in 1990 by William G. Miller in Ooltewah, Tennessee. The company started by consolidating struggling wrecker and towing companies. In the 1990s, the company embarked on an acquisition spree, consolidating regional competitors, and growing to a level at which formal manufacturing started to scale. In the mid 1990s, Miller Industries went public on the New York Stock Exchange (NYSE: MLR).

The company expanded internationally in 1996 by acquiring Boniface Engineering in the United Kingdom and Jige International in France. Today Miller Industries' primary subsidiary, Miller Industries Towing Equipment Inc., manufactures a variety of light- to heavy-duty wreckers, car carriers, and rotators.

In 2019 the company introduced the first-ever 100-ton rolling rotator, with a 200,000-pound lifting capacity. Today Miller Industries is the largest manufacturer of towing equipment worldwide and sells its vehicles under the Holmes, Century, Vulcan, Chevron, Boniface, and Jige brands.

Miller Industries

- **Company:** Miller Industries
- **Headquarters:** Chattanooga, TN
- **2020 Revenue:** 652M+
- **No. of Employees:** 1,280
- **Industry:** Automotive

THE CHALLENGES

A Year 2000 (Y2K) upgrade mandate forced Miller Industries to update its enterprise resource planning (ERP) system, and the enterprise implemented Baan 4.2, then moved to Infor LN, and now is running Infor CloudSuite.

Miller Industries has remained open to considering alternative ERP systems during any major product change, but consistently has chosen to stay with Infor. Infor's vision for the products, its recent track record of innovation and portfolio expansion, and improvement in Infor service and software all have been deciding factors.

Figure 1. An Early Tow Truck from Holmes, the First Company Acquired by Miller Industries

HOLMES TRAFFIC KING WRECKER, SERVICE BODY ON 133 INCH WHEELBASE NASH TRUCK.

WARRENTON SUPPLY CO. INC.
WARRENTON, VA.
PHONE
DAY   NIGHT
219   781-J
EMP.WT. 7625
GR.WT. 10625

Nash SERVICE

1-N Ernest Holmes Company
Chattanooga, Tennessee
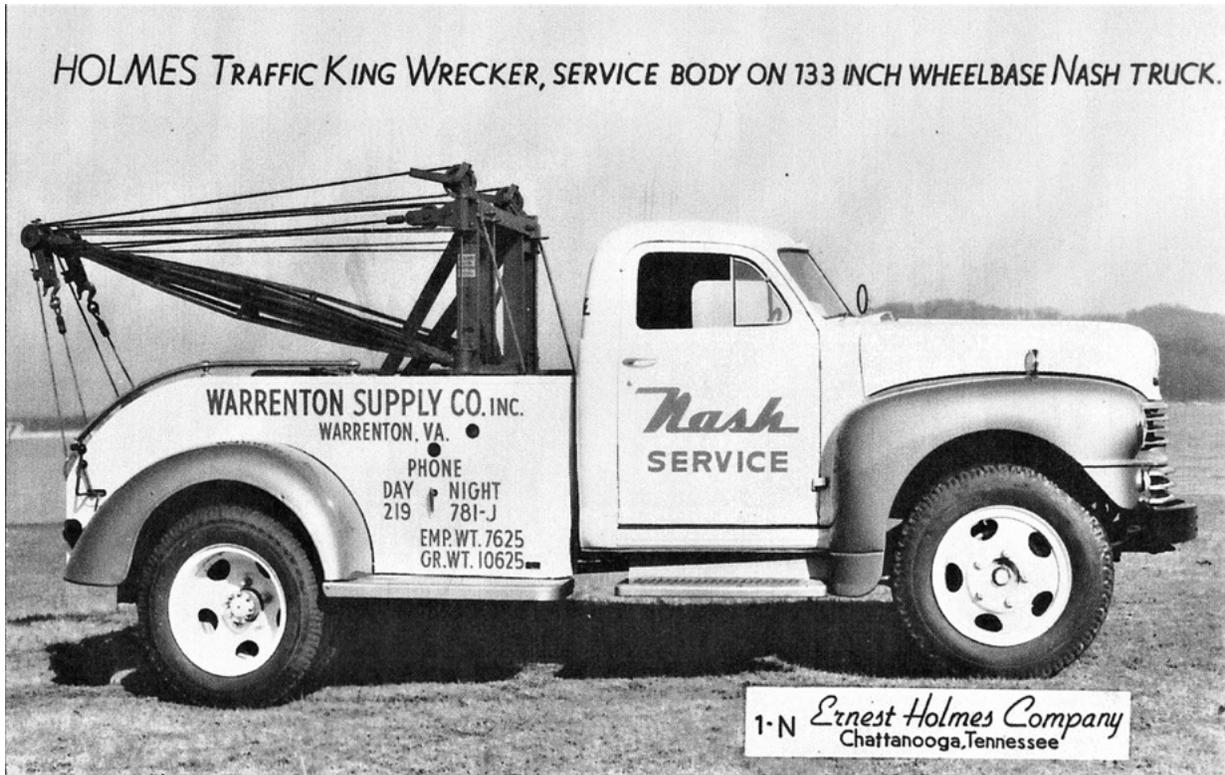
Source: Wikipedia

THE SOLUTION

Miller Industries went live on Infor CloudSuite in January 2021 with a multiphased project and uses a wide range of Infor capabilities:

- In the first phase, Miller Industries first went live with Infor LN, CloudSuite Automotive, Infor User Adoption Platform (UAP), Factory Track and Supplier Exchange, Infor OS Document Management (IDM), and Birst.

- The second phase has gone live in summer 2021 comprises Infor Dynamic Enterprise Performance Management (d/EPM) and Infor OS Risk and Compliance, with a focus on the approval capabilities.

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- The third and for now final phase is to go live with all of Infor Human Resources and Infor Talent Management, first in the United States, in its other global locations.

- In addition, Miller Industries has implemented a pilot program to deploy Infor CloudSuite Industrial (SyteLine) for its distribution network and created a distributor dashboard, giving its partners insight into their own business with Miller Industries, powered by Infor Birst.

- On the Infor OS side, Miller Industries uses the Infor OS Data Lake and Infor OS Intelligent Open Network (ION) and automation service. The objective is to assign work to fabrication equipment and monitor service progress. The current project is about connecting equipment directly to Infor Factory Track, which will allow for better production reporting. The next phase of this ION-powered project is to connect welding machines and other shop-floor equipment. A future project will be to leverage this connectivity and use enterprise asset management (EAM) to enable plant maintenance and preventative maintenance.

  Miller Industries also uses ION to integrate with UPS for parcel handling and shipping as well as for finance and payroll integration with third-party payroll vendors.

- Adopting Infor Data Lake allowed Miller Industries to avoid expensive and lengthy data migration, because it moved legacy systems and historic data to the data lake and created a single foundation for all relevant enterprise data.

- Miller Industries uses the Infor Birst cloud business intelligence and analytics platform—which, according to CIO Sias Reyneke, has "changed the company." Miller Industries' CEO is a big supporter of dashboards, and now the entire management team looks at the same or role-specific dashboards to manage the company. Originally the company worked with an Infor partner for this purpose, but it quickly learned to use Birst on its own.

One of the key success factors for the rollout of this substantial Infor functionality has been an agreed-upon joint roadmap between Miller Industries and Infor for the coming months. For example, the all of 2021 was fully planned aligning Infor upcoming new products and functionality with the Miller Industries roll out plans. In 2022, the enterprise plans to start migrating to Infor CloudSuite in its European operations.

THE IMPACT

Miller Industries has been able to modernize its complete business automation landscape with the help of Infor. The enterprise is looking forward to materializing the following results:

> *"Infor allows us to operate as an integrated enterprise, and Infor OS is the crucial 'glue' underneath our automation portfolio, integrating and extending our capabilities."*
>
> — Sias Reyneke, CIO, Miller Industries

- **Freeing up managers to do high-value work.**
  The comprehensive automation from Infor's products is expected to allow managers at Miller Industries to reduce transactional tasks and free up time and move on to higher-value work in leadership, strategy, and creative areas of the company.

- **Achieving a higher degree of paperless automation.** In the past, employees filled out paper-based forms at their desks; now they are able to enter the same information into handheld devices, which will substantially speed up processes.

- **Improved return of IT.** As IT professionals are coming up to speed on Infor's capabilities and enterprise application platform (EAP), they become more efficient implementing and operating Infor products. This has allowed Miller to grow the footprint and scope of Infor faster than it had to increase the staffing levels of its IT teams.

- **Used Infor OS/ION as a game changer.** Given the continuous integration needs of a multiyear rollout, the IT team relied heavily on the Infor ION integration components and quickly became experts at creating them.

- **Saved in software licensing costs.** The ability to replace third-party systems with Infor has allowed a reduction of between 3% and 5% in software license costs.

- **Enjoys identical uptime with automaton running in the cloud.** Reyneke states that the move to the cloud has allowed Miller Industries to experience the same uptime moving its automation from on-premises to the cloud. The Infor platform and software are meeting the company's expectations in regard to reliability, stability, and performance.

THE TAKEAWAYS

Here are the most important takeaways from the Infor rollout at Miller Industries:

Lessons Learned

The key lesson learned at Miller Industries was the value of establishing a joint roadmap between enterprise and vendor. Practically, Miller Industries and Infor have had a joint roadmap spanning five years, starting in April 2019. There was a three-month setback in overall schedule because of COVID-19, but the mutual understanding of what has to happen when, combined with the vendor knowledge of what is in the product at a certain point of time, has proved to be highly rewarding for Miller Industries.

Moreover, Miller Industries has practiced Agile project management. It turns out that more smaller projects that operate autonomously from one another are easier to handle than fewer large projects with substantial interdependencies and potential slowdowns due to missed milestones.

Reyneke also has observed projects that take too long to complete lead to a loss of interest and attention, so keeping projects small, with a shorter time frame for completion, has been a very successful approach.

The success of Infor Birst was actually a key driver for Miller Industries to move to the cloud. But when first implementing Infor Birst, Miller Industries learned how bad its data really was. Like many

organizations, the company had data that was buried and never visualized, and once it was unburied and presented to decision-makers it was clear there were significant data quality issues. Miller Industries had to improve its data classification and organization to enable decision-making and satisfy its data analytics needs. This was realized through the allotment of extra time for data cleanup and data quality improvements as part of the implementation.

ROI

Miller Industries has seen several impressive ROI contributors to its overall success with Infor. While the company was able to double revenue in a few years, it was affected by the COVID pandemic in 2020. Moving its automation to the cloud has helped Miller Industries to experience not only architectural elasticity with ramping up and down its systems, but has also experienced commercial elasticity, as with less resource consumption usage cost has gone down. This is one of the key benefits of moving automation to the public cloud—only pay for what is used.

Best Practices

After moving to the cloud-based version of Infor, Miller Industries quickly saw that realizing suite-level synergies was even faster when operating in the cloud. Vendor innovation reaches the enterprise more quickly now than it did when the company was operating Infor on-premises.

A focus on improving automation for manual tasks has proven very successful. A key focus of the rollout has been to make data capture easier, moving from paper to devices to improve timeliness and data-capture quality. Mobile devices have been a key contributor for the success of Infor at Miller Industries. "People love mobile," Reyneke says.

Building a good personal and long-term relationship with the Infor support and product teams has proven to be equally valuable for Miller Industries. When the enterprise was going live on a New Year's weekend and encountered issues on Saturday night, the team was able to call an Infor specialist in the U.K., bypassing traditional support lines. The Infor employee delivered the solution over the weekend, and Miller Industries went live in time. This was possible only because a good

personal relationship had been built between the implementation team at the customer site and the product and support teams at Infor.

Finally, it is also important to put a proper infrastructure in place to be successful with software-as-a-service (SaaS) applications. In the case of Miller Industries, this meant putting in an SD-WAN network architecture with dual circuits from independent service providers to reduce downtime risk and to implement a common network layer that operated consistently across all Miller Industries locations.

THE RECOMMENDATIONS

Here are a few key recommendations that stand out from the implementation of Infor at Miller Industries:

- **Implement a platform technology suite; replace point solutions.** A successful platform technology suite will always beat a point solution. Replacing point solutions with suite-level cloud platform implementation is at the heart of Miller Industries' success with Infor.

- **Focus on productivity.** A relentless focus on people productivity is the true north of every successful enterprise application. Make people productive with the software, and success will follow.

- **Realize good data quality takes time.** When seeing data for the first time, business users will be surprised by how bad it is. Factor in the surprise factor, and plan for the time required to fix data quality issues.

- **More little projects are better than fewer large ones.** Practicing Agile project management, running more smaller projects instead of fewer larger ones is a clear success factor for ERP implementations.

- **Move to the cloud.** The cloud-based implementation of ERP will always beat the on-premises implementation of ERP when it comes to the uptake and delivery of innovation in the latest version of the software. Plan to use ERP in the cloud.

- **Capture IT savings.** Enterprises should experience IT savings from suite implementations, both on the personnel and on the software licensing side. It is important to realize these savings for the overall ROI of the project.

- **Master the vendor's enterprise application platform.** Platforms matter, and the EAP underlying an ERP suite needs to be mastered by the teams that implement the ERP system. Mastering Infor OS has helped Miller Industries gain substantial efficiencies and cost savings.

- **Build strong relationships, partner with the vendor.** Relationships matter, and it is important to build, nurture, and manage them between the customer and the vendor. Any extra mile undertaken by the vendor will help in critical situations, which arise in ERP implementations often sooner than later.

RELATED RESEARCH

For the Constellation Market Overview on EAP suites, see: Holger Mueller, "Platforms Rule Enterprise Application Success in the 2020s," Constellation Research, February 26, 2021. https://www.constellationr.com/research/platforms-rule-enterprise-application-success-2020s

For the Constellation ShortList™ for EAP suites, see: Holger Mueller, "Constellation ShortList Enterprise Application Platforms," Constellation Research, February 10, 2021. https://www.constellationr.com/research/constellation-shortlist-enterprise-application-platforms

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Prior to joining Constellation Research, Mueller was VP of products for NorthgateArinso, a KKR company. He led the transformation of products to the cloud and laid the foundation for new business-process-as-a-service (BPaaS) capabilities. Previously he was the chief application architect with SAP and was also VP of products for FICO. Before that he worked for Oracle in various management functions—on both the application development (CRM, Fusion) and business development sides. Mueller started his career with Kiefer & Veittinger, which he helped grow from a startup to Europe's largest CRM vendor from 1995 onward. Mueller has a Diplom-Kaufmann degree from the University of Mannheim, with a focus on information science, marketing, international management, and chemical technology. A native European, Mueller speaks six languages.

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- Founders of Constellation Executive Network, a membership organization for digital leaders seeking to learn from market leaders and fast followers.

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