TrickleStar (M) Sdn Bhd

Supporting Rapid Growth with SAP Business One®

SAP Best Run Awards for SEA

TrickleStar®
Conserving energy. Improving life.

THE BEST RUN **SAP**
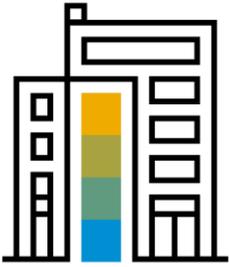
Company Information

Headquarter	Malaysia
Industry	Electrical/Electronic Manufacturing
Website	www.tricklestar.com/about-us

TrickleStar manufactures affordable, simple and easy-to-use products, which help everyday people reduce energy consumption in their homes and workplaces.

They lead in the design and manufacture of products that conserve energy, improve people's lives and minimize environmental impact. They are recognized for their product quality, superior safety features and outstanding customer service.

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Thanks to SAP Business One, our *response time to our customers with accurate delivery information has gone down* **from up to two days previously to mere minutes.**

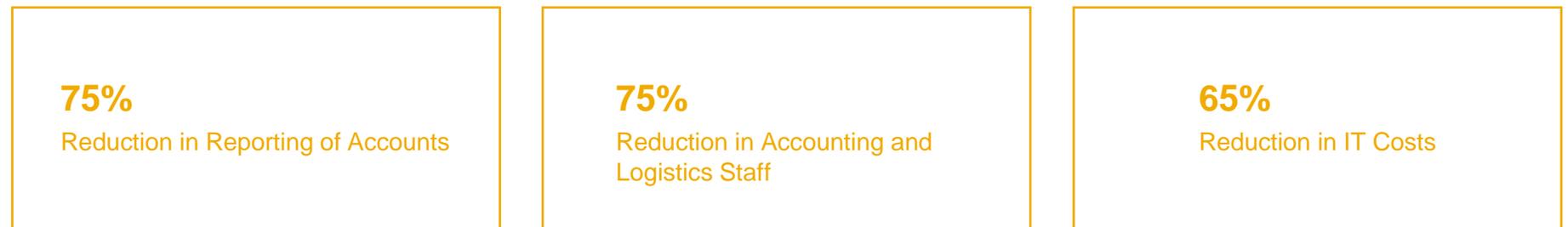- Bernard Emby, CEO -

Challenge

As a startup with five staff members, keeping overhead low was paramount. The company wanted to expand but relied on manual processes and QuickBooks to run operations. With manufacturing facilities in China and Malaysia, warehouses in the US and Canada, a sales office with a bulk of sales in the US, headquarters in Malaysia, and a listed entity in Singapore, keeping track of supply chain processes became increasingly difficult. TrickleStar needed a robust foundation to continue its global growth ambitions.

Solution

SAP Business One was selected for its broad functionality, ease of use, and ability to integrate with the systems of external suppliers. The ability to run SAP Business One in the cloud fit the company's requirement to minimize support staff.

Outcomes

TrickleStar Management now has access to live information, with faster processing of accounts across the global business. Reports that previously took a month are now available the next day. The accuracy of stock holding information globally improved significantly. TrickleStar grew four-fold since implementation, with a minimal increase in headcount, and less stress experienced by staff.

75%
Reduction in Reporting of Accounts

75%
Reduction in Accounting and Logistics Staff

65%
Reduction in IT Costs

Partner Information

Axxis Consulting

Implementation Partner

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We are delighted with the support we have received from Axxis Consulting to help us take advantage of the features of SAP Business One. Their **in-depth knowledge of the software combined with the ability to understand our unique business requirements** **have proven invaluable to the success of our project.**

- Bernard Emby, CEO -

Business Challenge and Objectives

TrickleStar mainly relied on spreadsheets to run operations. Financials and accounting were managed with Quickbooks, while reconciliation between inventory and accounts happened weekly.

Manual processes were required to ensure inventory information was up-to-date and disseminated via e-mail to sales and operations personnel.

Due to manual processes, coupled with time differences between the US, HQ, and manufacturing plants, it took up to two days to revert concrete and reliable delivery information to our customers. At times, staff worked more than the standard working hours to complete day-to-day business operations.

- To implement a robust integrated Cloud ERP software to support continuous company growth

- To identify a solution that can accommodate current and future planned business requirements, and reduce manual activities without significantly increasing headcount in finance and administration

- The solution needed to be affordable, user friendly, and mobile-ready. The software needed to support a fairly complex logistics process and provide the ability to track shipments from plant to customer

Project / Use Case Details

TrickleStar began with five employees and operates on a global basis, rapidly growing. TrickleStar supplies affordable, simple, and easy-to-use products to reduce energy wastage incurred by electrical appliances in standby mode. The development required years of dedicated effort that successfully listed the company on the Singapore Exchange (SGX) in 2019.

TrickleStar has seen significant improvements in operational efficiency in just six months after going live. SAP Business One gave the company a greater ability to grow and to be qualified for an IPO with its proven profitability potential and transparency. Integration of corporate compliance with SAP Business One made auditing and reporting simpler as well as increased transparency.

Real-time integration of warehouse inventory and visibility of shipments across the entire logistics chain enabled salespeople to provide customers with accurate shipping and delivery times. Now, TrickleStar's Sales Team in the US can confidently quote when products will arrive at the customer site.

SAP Business One has also helped the company to automate business processes, reducing non-value-added activities and the time required to complete them. The administrative team's workload has reduced and overtime is currently a thing of the past, increasing employee satisfaction. Their ability to focus on important matters and automate everything else has significantly increased team productivity and revenue per employee, one of the main KPIs of the company. SAP Business One simplified reporting when dealing with multiple currencies, allowing TrickleStar to operate their global businesses seamlessly and competitively in today's buyer landscape. TrickleStar is convinced that the system is in place for the company to continue its spectacular growth without having to increase administration staff in the back office.

The cloud solution allowed access to information from anywhere and anytime, promoting a flexible work environment. SAP Business One has been a boon during the COVID-19 pandemic providing remote audit capability and cutting down staff visitation to various locations. Moreover, the centralized hub of data optimized collaboration between the departments, enabling them to deliver a better experience to customers. Axxis has helped to integrate their third-party to TrickleStar's SAP Business One, extending visibility into the entire supply chain. Having the foresight to implement SAP Business One as a growing company helped TrickleStar to fine-tune business processes without impacting ongoing business operations.

Planned enhancement projects, such as integrating the Magento e-commerce store with SAP Business One for further automation or deploying the SAP Business One mobile app, are in the pipeline. Furthermore, TrickleStar intends to include a discrete component bill of material planning as lead times have become a major issue due to US-China trade and tech war as well as the pandemic.

Benefits and Outcomes

Business / Social

75% reduction in reporting of accounts

1. Reporting of accounts was cut from four weeks to one week after the end of the period

2. Instant feedback on the availability of stock and delivery to salespeople and clients. Built better customer and supplier relationships with efficient logistics and inventory management

3. Live reporting and reports to clients versus one-week turnaround on requests. Improved productivity by reducing response time to the customer

4. Live audit of numbers starting in November allowed TrickleStar to be one of the earliest listed companies to hold an AGM in Singapore (within three months of year-end)

IT

65% reduction in IT costs

1. TrickleStar was well prepared for the pandemic thanks to SAP B1 and Microsoft Teams being fully implemented. No reduction in company productivity by practicing work-from-home to date

2. No in-house IT personnel or server requirements

Human Empowerment

75% reduction in accounting and logistics staff

1. No hiring of new staff despite turnover doubling. No need to hire more staff for the next doubling of turnover either

2. No staff resignations in finance, admin, and logistics in the past 3 years with 100% retention. Improves employees' satisfaction and productivity

3. 100% cut in overtime requirements. Increases overall efficiency of the employees by eliminating manual data entry and inaccurate or duplicated data

4. No new staff hired despite turnover doubling. No need to hire more staff for the next doubling of turnover either

5. No staff resignations in finance, admin, and logistics in the past 3 years with 100% retention. Improved employees' satisfaction and productivity

6. 100% cut in overtime requirements. Increased overall efficiency of the employees by eliminating manual data entry and inaccurate or duplicated data

Additional Reference Material

1. https://www.sgx.com/media-centre/20190618-sgx-welcomes-tricklestar-limited-catalist

2. https://www.businesstimes.com.sg/companies-markets/tricklestar-opens-at-s0265-on-catalist-debut-up-from-s026-ipo-price

3. https://www.pressreader.com/singapore/the-edge-singapore/20201026/281827171261974

4. https://axxis-consulting.com/customers/tricklestar/

CONCLUSION:

With an integrated SAP ERP system in place, TrickleStar could fulfill its ambitions to become a public-listed company.

In 2018, TrickleStar embarked on a public listing exercise. Having SAP in place for the previous three years allowed the auditors to assess the company's financial strength with ease, as all data was available, traceable, and auditable. The company could compile historic figures required for the prospectus easily, and present a stable, growing business with in-built corporate compliance to the public. As a result, the IPO for TrickleStar was extremely successful, and the company has since enjoyed continuous growth as well as significant returns to its shareholders.

If you have any enquiries, please email sapbestrunawardssea@in2ideas.com