



ROI: 185%

NUCLEUS

Payback¹

PLEX, BY ROCKWELL AUTOMATION BEST MAID

ANALYST

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THE BOTTOM LINE

Regional food product provider Best Maid achieved a 185 percent ROI and recovered its initial investment in 0.5 years following its Plex deployment. Notable tangible benefits from

avoided delay penalties, and a three percent increase in annual sales through improved

THE COMPANY

Best Maid is a regional food products manufacturer founded in 1926. It is the largest pickle manufacturer in Texas and specializes in various pickled products, including pickle juice and niche pickled vegetables. The organization has 135 employees.

THE CHALLENGE

Best Maid

KEY COST AREAS

The most significant cost for Best Maid is its base subscription costs. Other costs include an add-on subscription for maintenance, a web services connection, MES Automation and Orchestration (A&O) system integration, implementation consulting, employee time spent on training, ongoing support and consulting, and hardware upgrades and maintenance. The organization leveraged a single Plex consultant located 30 minutes away.

NET CASH FLOWS

LESSONS LEARNED

When deploying a manufacturing ERP, specific implementation considerations become magnified in importance. Best Maid recommends organizations implementing shopfloor hardware alongside an ERP system conduct in depth hardware compatibility research at the beginning of the implementation process. Manufacturing ERP deployments often involve the selection, connection, and use of disconnected tablets, scanners, and other handheld devices; starting the hardware deployment planning early can ensure implementation success. Best Maid also suggests organizations considering a manufacturing ERP to choose a cloud deployment. The organization cited version standardization for customers as beneficial when support was needed. This standardization also made the system more resilient during upgrades and maintenance. Best Maid also reported that Plex on the cloud is highly scalable, stating that it does not anticipate migration to a new system as the organization grows.

CALCULATING THE ROI

Nucleus Research analyzed the costs of software, hardware, personnel, professional services, and user training over a three-year period to quantify Best M > ^ ` total investment in Plex. Direct benefits quantified include reduced penalties, avoided raw material waste, and reallocated FTEs. Indirect benefits quantified include increased sales attributed to the system. The indirect benefit is multiplied by an industry standard profit margin rate. Benefits not quantified include enhanced organizational visibility into financial processes and maintenance processes. Following standard accounting practices, license costs have been allocated to the initial year, year one, and year two. License costs have not been allocated to year three to avoid overburdening the business case with four years of costs without the offsetting benefits.

FINANCIAL ANALYSIS

Annual ROI: 185%

Payback period: 0.5 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	973,750	891,083	973,750
Indirect	0	270,000	234,000	270,000
Total per period	0	1,243,750	1,125,083	1,243,750

COSTS- CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS- DEPRECIATION	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS- EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	120,000	142,000	142,000	0
Hardware	50,000	5,000	5,000	5,000
Consulting	250,000	0	0	0
Personnel	133,875	81,000	81,000	81,000
Training	0	0	0	0
Other	0	0	0	0
Total per period	553,875	228,000	228,000	86,000

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	-553,875	1,015,750	897,083	1,157,750
Net cash flow after taxes	-304,631	558,663	493,396	636,763
Annual ROI - direct and indirect benefits				