Chemical Manufacturer 'Struck Gold with MRPeasy'

By Mattias Turovski

Craft chemical manufacturer Stakam brought its inventory management to a new level of efficiency. Managing Director Alistair Watson says, "I feel like we struck gold with MRPeasy. It's become such an asset that I often grapple between wanting to keep it as our secret weapon and the desire to showcase our robust systems."



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A unique business model in the chemical manufacturing landscape

Stakam is a chemical manufacturing company founded in 2016 in Scotland that specializes in offering custom chemical manufacturing solutions. The company has 10 full-time employees and last year achieved year-on-year growth of nearly 40%. Stakam also has established partnerships in Africa, Saudi Arabia, and Australia, and is constantly working on new ventures.

While chemical manufacturing to specific customer requirements is not a new business model as such, Stakam has taken this recipe a step further. The company hails itself as the world's first craft chemicals manufacturer, lending the term from craft breweries wherein small companies can take on large producers by offering superior production flexibility and scale up to commercial volumes at a record pace.

Stakam's ambition in the chemicals manufacturing market is twofold. On the one hand, it aims to provide a domestic and locally sourced supply chain for all sorts of chemicals that in the past needed to be imported. Additionally, Stakam is extending its reach internationally by establishing partnerships and setting up

small and flexible craft chemistry manufacturing plants around the world.

Need for manufacturing software that aligns with the flexibility of operations

Knowing the complexity inherent in bespoke chemical manufacturing, Managing Director Alistair Watson always knew that a versatile manufacturing software platform is a must in ensuring long-term success with a scaling business that needs to keep its production workflows flexible. Since Stakam started off small, affordability was a key requirement from day one, next to versatility. The first software that Alistair attempted to implement was a Korean self-service ERP system.

While this system was feature-rich and affordable, it turned out to be exceedingly complicated to get up and running for Stakam's specific use case. Alistair comments: "It was so complicated to use that as soon as I got to setting up employee no.2, we couldn't handle the complexity anymore. While it was very affordable and supported unlimited users, it simply turned out to be too complicated to get a reasonable handle on." Therefore, Stakam looked for another solution.

Having decided squarely in favor of the cloud-based accounting platform Xero early on, Alistair only looked at providers that promised a native Xero integration. He did not wish to spend excessive time on demoing and negotiating offers. Instead, he browsed the Xero app store for recommendations: "I looked at what apps Xero recommended for my requirements. There were a few but I decided then and there that MRPeasy seemed the best fit." Thus, Stakam got to work implementing the new system.

Rolling out functionality as the use case evolves

From day one, Stakam appreciated MRPeasy's modular design and incremental feature deployment. Given the company's unique needs and scaling aspirations, being able to layer in functionalities step by step was paramount. This ensured a smooth adoption process which allowed the team to adjust to the new system without getting overwhelmed.

The modular approach gave confidence in the software's capability to scale in alignment with the company's size and ambitions. Alistair articulates this experience, stating, "In terms of implementation, our process is an evolving journey. We're running the system for what we need and gradually unfolding its functionality as we move on. That's the great thing about

MRPeasy. You can make it work for you quite easily and then add more advanced functionality as you get to it."

The different functionality tiers also help make sure that essential usage scenarios are reflected in the subscription fee. For example, MRPeasy's "multiple stocks and production sites" functionality is an advanced functionality that Stakam is sure to utilize soon without, however, having to pay for it today. As Alistair puts it: "The original idea of a craft chemical manufacturing is that you have multiple little production facilities. The "multiple facilities" functionality is key in scalability over the next years for us. This capacity to expand your <u>functionality tier</u> as you scale exemplifies the beauty of a cloud-based and monthly billing system like in MRPeasy."

Easily automate manufacturing and stock management processes A manufacturing software companion that facilitates growth

One of the pivotal decisions in Stakam's MRPeasy journey was integrating the platform with Xero right from inception. For others looking to implement, Watson asserts, "I'd wholeheartedly recommend integrating MRPeasy with an accounting solution like Xero straight away. Without this synergy, you're leaving much of its intrinsic value on the table. For us, the synchronization

between the MRP system and our accounting platform is invaluable. In fact, integration with Xero is so essential that we'd prioritize it over a sophisticated MRP which didn't offer such connectivity."

Watson further extols the software's adaptability, exemplified by Stakam's contract manufacturing undertakings. "The system effortlessly handles our varied manufacturing needs. For instance, when clients provide us with raw materials at no cost for contract manufacturing orders, MRPeasy allows us to mark them distinctly while at the same time maintaining separately priced raw materials for other Bills of Materials. This is simply astounding."

Stakam's usage of MRPeasy has evolved into more than just software adoption, it's also about finding a strategic advantage in the manufacturing realm. Watson expresses this sentiment vividly, "I feel like we struck gold with MRPeasy. It's become such an asset that I often grapple between wanting to keep it as our secret weapon and the desire to showcase our robust systems, which have unlocked more flexibility to drive client acquisition."

All in all, Stakam hasn't just found a capable software solution in MRPeasy – the Scottish company feels it has secured a partner

that echoes both the company's growth aspirations as well as its operational intricacies.

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Mattias Turovski

Mattias is a content specialist with years of experience writing editorials, opinion pieces, and essays on a variety of topics. He is especially interested in environmental themes and his writing is often motivated by a passion to help entrepreneurs/manufacturers reduce waste and increase operational efficiencies. He has a highly informative writing style that does not sacrifice readability. Working closely with manufacturers on case studies and peering deeply into a plethora of manufacturing topics, Mattias always makes sure his writing is insightful and well-informed.