

NAGHI GROUP

CLIENT SUCCESS STORY

Naghi Group, headquartered in Jeddah, Saudi Arabia, has several companies including Arabian Trading Services, which sells food and consumer products; MY Naghi Motors, a large automobile distributor; Hafil, a transportation service company; and United Naghi Electronics, which sells consumer electronics. This diverse line of products cast a wide footprint in the Middle East, with annual sales revenue growing rapidly each year.

Naghi Group sells its products throughout the Middle East, including the countries of Saudi Arabia, Egypt and the United Arab Emirates. Notably, the firm is the country's sole distributor of BMW, Rolls Royce and Hyundai automobiles, LG Electronics, Master Food products and L'Oréal cosmetics.

Challenges

Naghi Group's electronics and automobile distribution companies were growing at a

rapid pace, when the reality of running core business operations on several different software systems emerged. At the time, an antiquated financial software solution was being used to manage all general accounting activities for Naghi Group, but it lacked the integration capabilities necessary to communicate with the distribution and manufacturing software used by firm. As a result, many hours per month were spent reconciling data to produce essential fiscal management reports.

The company knew that its current mixture of disparate programs would not provide the power it needed to leverage its IT investment efficiently and effectively. Consequently, Naghi Group began searching for an enterprise resource planning (ERP) solution to run on the IBM System i platform, with the ultimate goal of integrating the primary business applications of finance, sales and supply chain management into one

software enterprise solution.

Naghi Group needed a robust system to provide real-time financial information such as accounting data, general ledger integration and financial statement reporting. In addition, the firm required the ability to monitor inventory counts and purchasing activities accurately.

To grow its thriving Middle East business base, Naghi Group sought to streamline its financial, distribution and warehouse management functions into one integrated ERP package. The bottom line: Access to accurate financial information – quickly and easily – was essential to the firm's overall fiscal health. Ultimately, after reviewing the options, Naghi Group selected VAI's (Vormittag Associates, Inc.) S2K Distribution Suite. Naghi Group's Director of Information Technology, Syed H. Abdullah, explained, "We were looking to enhance the performance levels of our staff,



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thereby providing the best service possible to our customers and dealers. After previewing VAI's S2K line, we knew that it encompassed the robust features we needed to take our business to the next level."

Solution

Naghi Group purchased VAI's S2K Distribution Suite, which includes financial, order entry, inventory, purchasing and sales analysis modules. The implementation integrated all of these primary business functions so that management could view one set of accessible, current information from which to make decisions. In addition, international date and time customization was required for this project and is now included as a standard feature of VAI's software package. While all data entry and reporting is completed in English at the customer's request, the accounting is performed in local Saudi currency, the riyal.

VAI was able to provide seamless S2K instruction for Naghi Group staff using Web based training sessions. In addition, VAI can log onto Naghi Group's systems and

perform live analysis whenever the need arises. According to Ed Fowles, VAI Senior Project Leader, "VAI provides 24x7 help desk support to ensure Naghi Group of a smooth and uninterrupted IT environment."

Results

VAI customized a seamlessly integrated ERP software solution for Naghi Group, providing access to all of the company's key business operations. With S2K, management is now able to view financial data, inventory counts and purchasing activities in real-time. Not only does this ability streamline operations for Naghi Group staff and improve the firm's customer service, but also it facilitates accurate and timely business decisions – ultimately improving the company's bottom line. Syed H. Abdullah commented, "Access to a comprehensive view of real-time data has greatly enhanced Naghi Group's operations. In addition, S2K is so easy to implement and user friendly that the complete cycle from installation to go live was significantly reduced. Our operations were up and running

and reaping the benefits of VAI's ERP solution in only a few months."

Naghi Group has been aggressive in acquiring new technological capabilities, such as radio frequency identification (RFID) technology and internet protocol (IP) telephony and as a result, the firm intends to upgrade to the latest version of S2K. The company would like to add customer relationship management (CRM), Web interfacing and remote sales abilities to its ERP package. Tony Milano, Eastern Region Territory Manager, VAI explained, "VAI offers enormous advantages through its S2K upgrades. We are continually reviewing our ERP software, talking to customers and making enhancements to benefit our clients. For example, in the newest versions of S2K software we have added improved reporting options, advanced graphical user interface (GUI) functions, new warehouse management features and advanced foreign currency capabilities just to name a few."



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