



How Hypex Electronics reduced shipping costs by 60% and streamlined global operations

CASE STUDY

52%

revenue growth since implementing Epicor

20%

reduction in overhead costs for the same output

96%

time saved to process changes to an order fulfilment



“Here in the Netherlands, the best connection for us in terms of ERP software and support was Precise Business Solutions. They know about Dutch tech systems, there’s no language barrier, and their international experience is helping us grow.”

Tim Bijker

Manager HR & Facility



Hypex Electronics

A Dutch electronics company, Hypex Electronics manufactures high-performance Class D amplifiers based on world-leading NCore® and UcD® technologies.

HIGHLIGHTS

GOALS

- Achieving cost-effective and scalable operations

CHALLENGES

- Critical systems (e.g., finance and supply chain) were siloed
- Legacy ERP led to long lead times and shipping errors

SOLUTION

- Phased deployment for smoother implementation
- Gained end-to-end visibility over supply chain
- Enhanced ability to predict and respond to demand
- Enabled strong production control and responsiveness
- Centralised data to keep track of process and product history
- Connected financials to gain visibility of global costs

RESULTS

- Reduced shipping costs using Epicor MRP
- Improved global inventory management
- Streamlined part management

Goals

ACHIEVING COST-EFFECTIVE AND SCALABLE OPERATIONS

By partnering with Precise Business Solutions to implement and support its new Epicor ERP system, Hypex Electronics is planning for future growth and scalability.

Hypex is now able to improve its end-to-end operations, by uniting critical functionality like purchasing, supply chain, finance, and R&D under one roof. Its factory can now produce larger orders with shorter lead times, while HQ can better predict and respond to customer demands thanks to quick and accurate forecasting.

By controlling the entire production process, Hypex can maintain cost-effective operations while continuing to deliver high-quality products and world-class services, no matter how much the company grows.

Challenges

LEGACY ERP RESULTED IN INEFFICIENCIES AND ERRORS

Before Epicor's Kinetic ERP, Hypex Electronics used a web-based ERP system to manage its manufacturing and supply chain. The custom system worked for a time, but its limitations began to impede Hypex's ability to grow.

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Tim Bijker, Manager of HR & Facility, says, “Our legacy ERP did the job for a few years, but as the company grew so did our needs. Epicor's advanced MRP options give us more control over the supply chain and the multi-currency support was so important for finance.”

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“We shipped a stack of boxes to the wrong part of the world. We made the wrong choice because we didn’t have the right information.”

Another issue was that the original ERP only supported one product and stock location. But Hypex had a production facility in Malaysia, plus stock in its Hong Kong warehouses and its Netherlands HQ to ensure fast delivery of goods. Coordinating three different locations and supply chain logistics quickly became too complex for the legacy system.

“We didn’t know if the date in our system was the date that production was ready or the date it would be in-house and we could sell it. This made time planning hard because the difference between the ready date and the in-stock date could be 10–12 weeks. So we had to work in parallel systems, like Excel and email, to keep track of our supply chain,” Tim explains.

Not having real-time information on which products were ready at which locations was a logistical nightmare. And on at least one occasion, it resulted in products being shipped to Hong Kong that were meant for the Netherlands.

Solution

FINDING BEST-IN-CLASS SOFTWARE AND IMPLEMENTATION PARTNER

Working with an external consultant, Hypex compiled a list of ERP software options and implementation partners that would help them meet their goals and support their growth journey.

After multiple demos, Epicor's Kinetic ERP solution was the clear frontrunner due to its strong planning and scheduling functionality and critical integrations with key systems. And Precise Business Solutions was the partner of choice to support transitioning from their outdated ERP legacy system.

"Here in the Netherlands, the best connection for us in terms of ERP software and support was Precise Business Solutions. They know about Dutch tech systems, there's no language barrier, and their international experience is helping us grow," Tim explains.

Choosing the right implementation partner was key, and a decision that Hypex didn't take lightly. While researching options, Tim heard about way too many ERP implementations going wrong.

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"We heard a lot of horror stories about companies that died because they didn't implement a big new ERP system correctly. That's why the support and implementation partner selection is so important. It wouldn't have been possible without Precise," he says.

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PHASE 1: NETHERLANDS HQ IMPLEMENTATION

Precise encouraged Hypex to take a pragmatic phased ERP implementation approach. They deployed the new system first at Hypex HQ in the Netherlands. This implementation, which was executed by a small team over four to five months, contained critical functionality across purchasing, supply chain, maintenance, finance, part management, and engineering.

Hypex's team took ownership of the system from day one and demonstrated an eager willingness to learn the tools and proceed with the phased approach. Precise helped the Hypex team build core competencies and use Epicor's modules to increase operational efficiency.

These modules included:

- Epicor Supply Chain module for end-to-end visibility
- Epicor Planning and Scheduling module to predict and respond quickly to customer demand
- Epicor Production Management module for strong production control and responsiveness
- Epicor Data Management module to centralise and keep track of process and product history
- Epicor Financial module to give real-time fiscal information and full control over accounting processes across all business sites.

Precise also helped Hypex integrate Epicor’s Kinetic ERP system with its Electrical CAD solution, Altium, and build up a central managed parts and bill of material (BOM) list.

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“It’s much more connected now. For example, we can predict cash flow, see how the company is growing, and pivot if there’s an issue,” Tim says. “And on the logistical side, if a customer asks for an extra pallet between orders, we can find out if that delivery is possible within 10 minutes. Under the legacy system, we had to build separate spreadsheets and that process would take half a day or more.

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This reflects a 96%+ efficiency gain in the order fulfilment process when a customer requests an order change.

PHASE 2: MALAYSIAN FACTORY IMPLEMENTATION

After Hypex HQ successfully implemented Epicor, it was time to roll out the ERP in its Malaysian production facility as well. This second implementation was guided by the Hypex Netherlands team with remote support from the Precise teams in both the Netherlands and Perth, Australia.

Phasing the implementation allowed for smoother change management. For a year and a half, the Hypex team in the Netherlands learned how to use and optimise Epicor ERP, enabling them to steer the second implementation to ensure that it fit their immediate and future business goals.

Specifically, the factory implementation enabled HQ to gather more accurate cost-price information and augment its visibility into KPIs like inventory carrying costs and the gap between forecasted demand and actual demand.

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“I have visibility into what they’re seeing. This makes it easier to communicate, solve logistics problems, and learn from each other on how to improve efficiencies,” Tim says.

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“Epicor saves a lot of time. It is much faster, for both our HQ team and our factory team, because we’re working in the same system.”

Results

TIGHTER AND MORE COST-EFFECTIVE OPERATIONS

Epicor's Kinetic ERP solution coupled with Precise Business Solutions' expert guidance has provided Hypex Electronics with significant capital and operational cost savings.

One of the most notable improvements: minimised shipping costs. By using Epicor's Planning and Scheduling module to analyse long receive times, Hypex realised that it could switch from air shipments to sea transport and reduce shipping costs by nearly 60% in the process.

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“When we can make a better plan, we can order earlier. This enables us to ship by sea vs. air, which is a big difference in terms of cost,” Tim says.

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Tim says that revenue has grown by 52% since implementing Epicor. He estimates that Hypex would have needed to hire at least six full-time employees to achieve similar results, but with the Epicor Kinetic solution, Hypex reduced overhead costs by at least 20%.

Hypex has also improved its ability to assess the needs and stock levels across its warehouses. With improved inventory management, Hypex is now able to fulfil shipments more efficiently and reduce inventory carrying costs.

Finally, because Hypex connects its R&D software with Epicor, it's able to maintain better parts management and more accurate BOMs. Their factories can now produce larger orders with shorter lead times.

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“We have created a lot of extra data options for the R&D department. So when they have questions in their designs and they open that component that is used on that design, they instantly have all of that information. By connecting that to the BOM, we have a very rich connection,” Tim says.

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Most importantly, as Hypex looks to the future, it's finally able to scale with confidence. Precise helps Hypex build toward its goals and optimise its use of the Epicor ERP system.

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“Our success wouldn't have been possible without Precise. It's really a practical company that will come sit next to you, see how your process is going, and make suggestions that align with your future goals.”

Focus on what's important to your business.

Precise gives you the software and solutions to make everyday business processes for Manufacturers easier and more efficient.

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