

CASE STUDY



UAE-based Equipment Rental Company adds momentum to its growth,
Courtesy Ramco ERP

Company Name: Al Faris Equipment Rentals (LLC)

Headquarters: Dubai, UAE

Industry: Equipment Rental

Products and Services: Equipment Rentals, Energy Rentals, Heavy Transport

CUSTOMER BACKGROUND

Someone has rightly said, “If you do build a great experience, customers tell each other about that. Word of mouth is very powerful.” This philosophy has been instrumental in taking Al Faris Equipment Rentals (LLC) from strength to strength.

Established in 1992 in Dubai, UAE, the company was set up to provide specialized lifting and transportation services to the Oil & Gas Industry. However, it soon extended operations to oil and gas refineries, power plants and the Civil and Construction Industry. Today, the company has grown into one of the largest Crane and Transportation service providers in the United Arab Emirates with skilled staff of more than two thousand personnel.

Al Faris fleet consists of Heavy Industrial and Construction equipments ranging from Crawler Cranes, Terrain Cranes, Truck Cranes, Forklifts, Man lifts, Trailers, Lifting gears & Tackle, as well as Test Weights. Apart from this, the company has other business interests in Energy Rentals and Heavy Transportation. The Al Faris Energy Division was set-up in March 2007 with head offices in Jebel Ali and Mafrq to serve Dubai and Abu Dhabi regions, respectively. Al Faris Heavy Haulage was set up to provide specialized transportation services for abnormally sized and extra heavy loads. The equipments used by Al-Faris conform to high operational and safety standards and are certified by UAE equipment test agencies

IDENTIFYING THE NEED TO SWITCH TO THE RIGHT TECH-GEARS

In the last two decades, Al Faris has grown exponentially. A strong believer in the benefits that can be derived by adopting the right technology solutions, Al Faris has been using IT solutions since its inception, ensuring that its management functions complement the pace of its core operations.

Earlier, it had been using in-house software for managing functions such as Sales, Purchase and Inventory and a non-integrated accounting software for managing its Financials. However, as the company's operations, locations and customer base expanded across UAE and Middle East, its growing fleet size required efficient rental operations management, asset management and maintenance planning. In addition, ensuring compliance

to regulatory measures also became a challenge. The company needed a solution that could address these complexities.

“We explored several solutions offered by Dubai and US-based ERP vendors. However, after a lot of evaluation we settled for Ramco's ERP solution, which was flexible and scalable to fit all our needs. The system is truly commendable and has rich out of the box features to suit the needs of the Rental Industry,” affirms Mr. Kieve Pinto, Director – Operations.

The ERP modules implemented by Al Faris include: Rental Management Module, Enterprise Asset Management (EAM), Purchase and Sub-contracting, Inventory Management, Payable, Receivable, Book Keeping, Fixed Assets, Management Accounting, HRMS (Human Resource Management System), and Payroll.

The most noteworthy aspect is that the company did not have to hire a brigade of IT professionals to run the ERP system. *“We have a lean IT team to manage the information technology needs of Al-Faris. The Ramco team carried out the implementation and training of Al Faris employees, end-to-end. This made the transition to the new platform, smooth and hassle-free,”* says Mr. Kieve Pinto, Director – Operations.

THE RAMCO EQUIPMENT RENTAL MANAGEMENT SOLUTION LEAP THAT CHANGED EVERYTHING FOR THE BETTER!

A lot has changed since the company switched to the Ramco ERP platform. Technology has proved to be a great enabler for Al Faris and has helped the management in scaling up their operations effectively. *“At Al Faris, the recently adopted technology (Ramco's ERP system) has enabled effective control over costs and operational parameters like equipment availability, operational expenses, equipment run time, rental income etc., which has in turn led to improved equipment utilization and profitability. As it has become possible to perform real-time analysis of key parameters, the management is never short of adequate information for strategic decision making,”* avers Mr. Kieve Pinto, Director – Operations.

He enumerates a few other quantifiable benefits that the company has been enjoying and their hopes for the near future as they leverage the immense potential of the Ramco ERP system:

- Managing rental operations in real-time through an online ERP system
- Company witnessing a good return on investment
- Management has been observing increased involvement of employees in rental operation, through better utilization of system
- Operations and maintenance costs have reduced considerably, owing to effective planning of maintenance activities
- Capital expenditure has reduced with increase in the lifetime of assets
- Overall business profitability has increased due to improved lease efficiency and revenue, and reduced costs/expense
- Online availability and analysis of equipment information and overall equipment utilization has improved
- Total Cost of Ownership has reduced

GOING FORWARD...

Al Faris has come a long way since its inception. However, going forward too, it plans to continue with its exponential growth trend. To achieve this goal, starting from June 2012, the company is planning to extend the Ramco ERP system's functionalities and benefits to Al Faris' Saudi division as well.

Also, the management is looking to improve the efficiency of its rental operations by getting the barcoding and GPS tools integrated to Ramco ERP.

Plans are also in the offing to implement Ramco's Business Analytics solution alongside the Ramco ERP system.

The goal is to empower key decision-makers with useful business insights generated by the Business Analytics tool, so that they are able to make critical business decisions on-the-fly, keeping the overall real-time dynamics of the business and markets in view.

CAN RAMCO DO IT FOR YOU?

Of course it can! To find out more on how RAMCO can be stretched (or shrunk) to answer your need, call **1800 425 6667**.

EXCELLENT SERVICE AT EVERY STAGE

"We would like to express our appreciation and thanks to Ramco for providing their quality support, critical solution finding and ideas, right from the project start-up to the go-live and thereafter. Milestones were reached and targets achieved as per schedule. Ramco consultants played a key role in providing valuable guidance and finding the optimum solution at every step of the project. We trust that Ramco will continue to provide us the same excellent service in the following years."

Ms. Ophelia Pinto - Chief Executive Officer, Al Faris Equipment Rentals(LLC)

ZERO REVENUE LEAKAGE: DELIVERING AUTOMATIC, TIMELY AND ACCURATE INVOICES EVERY TIME

"I would like to take this opportunity to appreciate the Ramco team for their efforts to streamline the SWO generation process for Al Faris Equipment Rentals Invoicing. Almost 95% of the SOs generated SWO for invoicing. Hopefully, it would be 100% accuracy next month."

Operations and Account Controller, Al Faris Equipment Rentals(LLC)



QUICK FACTS

CHALLENGES & OPPORTUNITIES

- Disintegrated equipment rental operations
- No real-time tracking of equipment condition during equipment billing
- High repair and maintenance cost for the rental fleet
- Inefficient invoicing cycles and delayed invoice generation for customers
- No access to real-time information and basic performance metrics like equipment utilization, profitability, etc
- Lost opportunities due to unexpected equipment downtime and outage

IMPLEMENTATION HIGHLIGHTS

- Solution rolled out in mere 4 months
- Single location implementation covering 60 users (spread across UAE — Dubai, Sharjah, Abu Dhabi, Fujairah)

EXISTING ENVIRONMENT

- Non-integrated financial system
- Home-grown system for inventory and supply chain

WHY RAMCO ENTERPRISE SERIES

- Out-of-the-box solutions suitable for the Equipment Rental industry, including rental rates table, single step quote to lease order generation, flexible lease terms, time sheet based billing and automatic invoicing
- Completely integrated business functions for effective operations
- Flexible and scalable solutions that incorporate industry and company-specific requirements at reduced effort
- Over and above all this, Ramco understands the rental business and has global reach

OBJECTIVES

- Integrate all business functions of the rental business through completely integrated functions such as financials, personnel management, supply chain and asset management
- To automate the rental operations so as to avoid missing opportunities, delaying and losing invoices, and tracking critical equipment failures
- To improve equipment utilization and profitability by controlling costs and expenses
 - To improve customer service and satisfaction

BENEFITS

- Transparent and efficient rental operations ensured improved revenues at less cost to the company
- Analyze key performance metrics like equipment profitability, utilization and revenue flow
- Complete asset life cycle management from inception to disposal
- Efficient maintenance planning reduced uneven equipment downtime and lost opportunities
 - Time Sheet based invoicing helped track equipment billing and overtime hours, besides improving revenue collection

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