Oestergaard is an established family-owned manufacturing company located in the beautiful town of Nørre Aaby, Denmark. Oestergaard specializes in the design, manufacturing, installing and servicing of processing equipment to the meat and fish by-products rendering industry. It was founded in 2017 by Leif Oestergaard, one of the most prominent people in the rendering industry across the globe.

“We are lucky to have good orders coming our way, so we are forced to move ahead quickly; and here, Agni Link is perfect to ensure we don’t make too many mistakes on the way.”

Jesper Antonsen, Technical Manager, Oestergaard A/S
The company’s manufacturing process is modern and based on lean manufacturing principles. A strong percentage of Oestergaard’s production is exported outside of Denmark. Oestergaard targets customers that are looking for better food-rendering equipment that can provide trouble-free service throughout its entire lifecycle by observing the most stringent quality assurance and compliance standards.

**Challenge**

Oestergaard enjoyed a sharp increase in demand for its products, and was looking for a solution to improve the accuracy of its Bills of Materials (BoM) by better communicating design changes from the engineering department to the factory floor. According to company representatives, manual transcriptions of CAD BoMs into the ERP system and inaccurate BoMs were costing the company thousands of dollars in lack of productivity and incorrect parts orders. The company used Autodesk Inventor for its CAD data and the Oracle NetSuite OneWorld ERP system. However, it lacked a seamless bridge between the two.

**Solution**

Oestergaard’s ERP-CAD data integration project was part of a broad, enterprise-wide effort to streamline its business processes, especially in terms of Items, Bills of Materials and Routings management, by allowing both CAD and ERP users to share product information in real-time, using a bidirectional approach. After considering different solutions and approaches, Jesper Antonsen, Oestergaard’s visionary Technical Manager, and his team decided to implement an ERP-CAD data integration system that established a live, real-time, bidirectional link between both data “silos.” The technology selected was Agni Link, developed by Elmo Solutions, which specializes in software applications that help leverage engineering metadata. The project began in October 2017, and rollout was completed in January 2018.

**Results**

The system implementation brought the following benefits:

- Synchronization of CAD designs, drawing numbers, revision levels with Items, Bills of Materials and Routings.
- Bills of Materials can be used to deduct those parts from inventory as they build and invoice completed units.
- Each model, options and parts the company builds is linked to up-to-date Bills of Materials. The version number (generally a letter code) is now synchronized and part of the order to the supplier.
- For future orders, users can now automatically schedule the parts needed with lead times to order to meet the backlog of scheduled orders.
- The company can now track inventory movements and levels with inventory parts—all of which are automatically synchronized with the Bills of Materials.
- All systems are now integrated with the company’s ERP system.
In an increasingly competitive, global environment, Agni Link helped Oestergaard obtain a definite edge through dramatic cost reductions, by taking the fat off the creation and maintenance of BoM data, while greatly reducing costly errors on the factory floor. What’s more, Agni Link’s benefits spans across the entire company, including:

- Engineering (e.g. making ERP data available to them online, at all times, on an as-required basis)
- Production (e.g. ensuring that up-to-date BoM data is available at all times on the factory floor)
- Accounting (e.g. by providing timely BoM information and ensuring that up-to-date data is available at all times on the factory floor)
- Executive (e.g. by making a wealth of product data available in a timely fashion)

**Return on Investment (ROI)**
The predicted recovery period of the investment in Agni Link was seven months. Here is the ROI calculation, based solely on the time saved by eliminating manual BoM data transcription:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial investment (software and implementation services)</td>
<td>$20K</td>
</tr>
<tr>
<td>Number of hours per week spent on manual CAD-ERP BoM transcription</td>
<td>48</td>
</tr>
<tr>
<td>Average fully burdened hourly labor cost (per user)</td>
<td>$45</td>
</tr>
<tr>
<td>Number of average work weeks per year</td>
<td>46</td>
</tr>
<tr>
<td>Total recurring yearly savings</td>
<td>$100K</td>
</tr>
<tr>
<td>Approximate Payback Period</td>
<td>2.5 months</td>
</tr>
</tbody>
</table>

Oestergaard’s Jesper Antonsen explained: “We are lucky to have good orders coming our way, so we are forced to move ahead quickly; and here, Agni Link is perfect to ensure we don’t make too many mistakes on the way.”