Customer Success Story

Mid-Continent Instruments and Avionics - understanding profitability and improving margins

Increased sales margins with clearer view of pricing strategies

Improved data quality

Accelerated in-depth root cause analysis and reduced slow-moving stock

Engendered employee confidence in data

Challenge

To maintain the high levels of service and quality products Mid-Continent's customers have come to expect, the company needed access to real-time sales and operational analytics to better understand key drivers of profitability by product, service and customer.

Logility Digital Supply Chain Platform

Logility helped Mid-Continent enjoy a quick ROI with improved product and service margins, superior data quality and root cause analysis enabled through comprehensive, intuitive dashboards.

MidContinent®
INSTRUMENTS+AVIONICS

Facts
Industry
Manufacturing, Service/
After-market Parts

Headquarters
Wichita, Kansas

Profile
Mid-Continent Instruments and Avionics designs, manufactures, repairs, overhauls and exchanges aircraft instruments, avionics and advanced power solutions.

"With Logility, we've been able to identify sources of growth and attack those items and give them the diligence that they need."

Marisa Williams, Director of Supply Chain - Mid-Continent Instruments and Avionics

For more than half a century, Mid-Continent Instruments and Avionics [Mid-Continent] has been an industry leader in the overhaul, exchange, repair, design and manufacturing of aircraft instruments, avionics and advanced power solutions.

Founded in 1964, Mid-Continent began as a small repair station for Wichita's growing aircraft industry. The business went on to identify a new segment within the aviation industry with enormous growth potential: power management. Products include USB charging ports, inverters, converters, emergency power supplies and advanced lithium-ion batteries.

Today, Mid-Continent serves 57 countries from two locations: Wichita, Kansas and Van Nuys, California. It operates one of the largest instrument overhaul and exchange programs in the world, supporting a customer base that includes original equipment manufacturers [OEMs], fixed base operators [FBOs], instrument and avionics shops, flight schools and government agencies.

The Need for Better, Faster Decision-Making

The Mid-Continent management team considered implementing a modern analytics solution for several years before launching a formal selection project. The overarching goal was to make better business decisions faster, and from there the selection team built requirements centered on real-time queries, compelling visualizations and interactive dashboard creation and editing. The entire process took approximately six months, and the team evaluated several solutions in addition to Logility.

"We knew the right analytics solution could benefit many areas of the business," says Director of Finance Lindsay Koster, "so we assembled a cross-functional selection committee on day one." The team included representatives from Finance, Operations, Sales and Supply Chain.

Best-In-Class Functionality

From a feature/function perspective, the selection committee chose Logility based on ease of use, visual appeal, intuitive design and drag-and-drop dashboard creation. Another important decision criterion was Logility's ability to consolidate data from Excel and Mid-Continent's ERP system. The team believed that starting the Logility roll-out with Sales offered the quickest 'wins' and a good opportunity to build the skills needed for self-sufficiency. After Sales, Inventory and Purchasing were implemented. There are now up to 15 'power users' across the company accessing Logility every day.

Logility Advanced Analytics for Sales
enables YOY tracking of Actual Performance against Forecast and Budget to reveal what products are selling against the forecast, how profitable those sales are, and how market demand is changing over time.

Logility Advanced Analytics for Inventory
delivers key information about inventory value. Focus on metrics that impact revenue and costs, identify stock-outs and slow-moving product ahead of time, and reduce mark-downs and write-offs.

Logility enables you to:

- Increase pace of digital supply chain transformation
- Improve data quality
- Present relevant, consistent data to thousands of decentralized employees
- Drill into problem areas, collaborate on solutions

- Make better decisions, faster
- Improve demand planning and forecasting accuracy
- Identify and accelerate idle inventory
- Reduce out-of-stocks

Understanding Profitability and Improving Margins

Lack of data was never the problem at Mid-Continent; teasing out the underlying meaning of the data and turning it into actionable information was the challenge. Using Excel pivot tables, subtleties were easy to miss. By contrast, while tracking the performance of a sales promotion for a key customer, Logility analytics surfaced a slow-moving product. Within two minutes, sales management understood the root cause and took corrective action, calling the finding "eye-opening".

"With Logility, answering questions—and the inevitable follow-up questions—takes just a couple of clicks," says Lindsay Koster. "For example, it's very easy to change the time horizon on a report. Using pivot tables in Excel usually took us hours."

With Logility, Mid-Continent can also view transactions that fail to meet minimum contracted pricing. "Thanks to Logility, our transactions are now analyzed in real time. This helps the company better understand profitability by product, service and customer," says Steve Macari, Director of Information Technology.

Mid-Continent employees can now monitor activity and look for trends and exceptions every minute of every day. Performance metrics and "what-if" analysis can answer questions such as, "How are current sales promotions working versus goal?", "What has shipped / can be shipped today?", "What's been invoiced today?", and "Where will the business end up this month compared to goal?"

Another big win for Mid-Continent has been the improvement in data quality. Logility has helped the company detect holes and mistakes in its master data, most noticeably in pricing. Correcting these errors helped streamline operations and created a positive feedback loop by increasing the trust that employees have in the data.

An Exciting Future

Mid-Continent continues to develop and refine its Sales and Operations dashboards and its analytics processes, as well as investing further in Logility's forecasting and demand planning solutions, powered by machine learning technologies. "We've only scratched the surface with Logility," says Steve Macari.

About Logility

Accelerating the sustainable digital supply chain, Logility helps companies seize new opportunities, sense and respond to changing market dynamics and more profitably manage their complex global businesses. The Logility® Digital Supply Chain Platform leverages an innovative blend of artificial intelligence [AI] and advanced analytics to automate planning, accelerate cycle times, increase precision, improve operating performance, break down business silos and deliver greater visibility. Logility is a wholly owned subsidiary of American Software, Inc. [NASDAQ: AMSWA].

To learn how Logility can help you make smarter decisions faster, visit www.logility.com.