

## CapsCanada: No Bitter Pills With Sage PFW

“We started our company with the understanding that Sage PFW would be our foundation.”

Dale Martin, CFO of CapsCanada Corporation, had many years of experience using Sage PFW ERP financial software’s predecessors. The parent company of CapsCanada had used the early DOS version of the Sage PFW process manufacturing software since its inception. So Sage PFW was the only system he considered when the Windsor-area capsule manufacturer was spun off as its own entity in 2001.

“Our only issue was locating a Sage business partner nearby,” explains Martin. “Fortunately, we found one of the most competent and knowledgeable resellers in all of Canada. Their partnership has been a key ingredient in our system’s success.”

### Automated Formulas and Inventory

CapsCanada makes the two-piece hard gelatin capsules used by pharmaceutical, health, and nutritional manufacturers. Most of its orders require special colors, sizes, and specific logos or terminology printed on the capsule itself. It uses Sage PFW to enter new orders, set up formulas for production, generate production tickets, code dye solutions for correct coloration, track lot numbers, release material from inventory, close batches when they are finished, move product from work-in-process to finished goods, and release products for shipping.

“Sage PFW gives us full access to information on inventory, and is infinitely better than the manual tracking systems I’ve used in the past,” Martin says. “We can make wise and timely decisions about when to move inventory from one warehouse to another.” He estimates that CapsCanada is able to carry 10 percent less inventory because of the accuracy and efficiency in Sage PFW.

### Customer

**CapsCanada Corporation**

### Industry

Manufacturing—Pharmaceutical Preparations

### Location

Tecumseh, Ontario

### Number of Locations

One

### Number of Employees

70

### System

**Sage PFW**

### Modules in Operation

Accounts Payable  
Accounts Receivable  
Costing  
Formulas  
General Ledger  
Inventory Pro  
Multi-Currency Manager  
Order Entry Pro  
Purchasing Pro  
Production

### Challenge

Spinning off from a soft-gel capsule manufacturer, CapsCanada wanted to maintain the same high-quality accounting and batch control standards as its former parent.

### Solution

Sage PFW implemented as an end-to-end system, with a complete suite of financial, manufacturing, and multicurrency modules.

### Results

Sage PFW reduces order-to production time by 20 percent, trims inventory needs by 10 percent, and increases total operational efficiencies by 30 percent.

## Happier Customers

When manufacturing is finished, Sage PFW notifies the customer service group of product availability, and they then prepare shipping documents. The software also generates invoices from the order entry system. "If customers have questions about their order, we can provide answers immediately by clicking onto Sage PFW," Martin notes. "Overall, the software eliminates paperwork and frees up a great deal of time, which we can spend with customers, increasing our customer satisfaction rates."

Because CapsCanada sells to the United States, Europe, Israel, and Mexico in addition to Canada, it uses the Multi-Currency Manager module. This makes it easier to convert funds quickly, prepare companywide financial reports, and pave the way for further expansion in international markets.

## Total Traceability

"Our products are classified as drugs or food products," says Martin. "That means we are very closely regulated. It's essential that we be able to account for the contents of every batch. Sage PFW automatically documents everything, for full lot traceability." CapsCanada has enjoyed stellar growth, increasing production capabilities by 250 percent, and tripling its employee base in less than two years. Much of the credit, Martin believes, goes to its software.

"Sage PFW reduces our total production time by at least 25 percent," he states. "It trims the time from receiving an order to putting the order in production by about 20 percent. And the financial and manufacturing sides of the product integrate so seamlessly that sometimes we forget which one we're using."

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—Dale Martin  
CFO  
CapsCanada Corporation

Martin has as much praise for his Sage business partner as for Sage PFW itself. "I can't say enough good things about our [partner]," raves Martin. "They can get their arms around almost any technical issue, and have had the patience to help us persevere through implementation until our employees experienced the benefits of the software. Best of all, if we come up with a question, they'll come up with an answer— and even tap into our system remotely to do off-site troubleshooting. What more could anybody want?"

## About Sage North America

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. At Sage, we live and breathe business every day. We are passionate about helping our customers achieve their ambitions. Our range of business software and services is continually evolving as we innovate to answer our customers' needs. Our solutions support accounting, operations, customer relationship management, human resources, time tracking, merchant services, and the specialized needs of the construction, distribution, healthcare, manufacturing, nonprofit, and real estate industries. Sage North America employs approximately 4,100 people and supports nearly 2.9 million small and medium-size business customers. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs 14,500 people and supports 5.8 million customers worldwide. For more information, please visit the Web site at [www.sagenorthamerica.com](http://www.sagenorthamerica.com) or call 866-308-2378.