

Ergoresearch Ltd.

www.ergoresearch.com

COMPANY

- Location: Laval, Quebec, Canada
- Industry: Healthcare medical device, software and orthotics

OVERVIEW

Ergoresearch Ltd. manufactures, markets, distributes, sells, and develops intelligent orthotics, medical devices and software in the orthopedic industry. With a large network of orthotics clinics, the 9-year-old company has grown exponentially through innovation and acquisitions. In 2013, Ergoresearch needed a web-based, centralized ERP that could be tailored to fit their needs, was easy to integrate with existing systems and could consolidate operations across multiple sites and acquisitions.

KEY RESULTS

- Consolidated multiple databases, accounting systems and operating systems
- Flexible development using standard programming languages enabled custom POS, and other custom applications
- Bilingual capabilities allow expansion into U.S.
- Streamlined R&D project management
- International Financial Reporting Standards (IFRS) compliant

Ergoresearch Ltd. keeps people in motion while Acumatica powers Ergo's fast growth

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- Sylvain Boucher, CEO, President and Director, Ergoresearch Ltd.

Ergoresearch LTD is Canada’s leading manufacturer of intelligent, custom-fit foot orthotics and specialty orthotics and other non-invasive, non-toxic biomechanical devices and software that keep people in motion. The company holds vast patents ranging from orthotics, prothesis and neurostimulation to human bionics, including intellectual property rights to the Power Knee, the world’s only motorized prothesis with artificial intelligence, created for above-knee amputees.

Publicly traded on the Toronto Venture Stock Exchange under the ticker symbol ERG, the Quebec healthcare company also has a large network of orthotics clinics, with more than 100 corporate centers and satellite offices under the Clinique du pied Équilibre, Orthoconcept and Laboratoire Langelier names.

CEO, President and Director Sylvain Boucher is rapidly growing the company through acquisitions, which helped the company achieve a five-year revenue growth of 463%, a mark that landed Ergoresearch as Canada’s 129th fastest growing company.

SITUATION

But that rapid growth also left Boucher to grapple with multiple accounting systems, databases and operating systems as well as disparate processes that blocked insight into the company’s operations. Ergoresearch relied on an on-premise ERP system, and then later switched to an open source web-based ERP that wasn’t sophisticated enough to handle the company’s rapid growth, nor did it include the level of ongoing development and support Ergoresearch needed for continued growth, Boucher says.

“We needed a single, unique ERP solution that was flexible enough to allow our technology developers to link the software with the custom software we already had,” he says. In addition, he needed an ERP that was compliant with International Financial Reporting Standards (IFRS).

Boucher looked at large ERP systems from SAP and Microsoft Dynamics, but decided



they didn't fit his requirements. One proposal included several programs bolted together but lagged in some technologies Ergoresearch needed, and would not be easy to integrate with their existing systems. The other offered a web-based program, but it was based on ABAP, a difficult programming language as a base, which didn't provide a solid foundation upon which to grow, Boucher says.

Both tech giants fought hard to earn Ergoresearch's business, offering steep discounts and several different product configurations. The Laval-based company is considered a trendsetter and innovator in the industry, and many industry players follow their lead. With a market cap of \$75 million, Boucher's goal is to triple revenue in three years.

SOLUTION

Although suitable for large enterprises, Boucher found neither large tech company's solution compelling. But Acumatica's ERP, built on Microsoft's .NET technologies, is architected for the future, he says.

"Our IT team really liked the structure. They are so happy about how the infrastructure is built, how easy it is to adapt to, and that it is the best of breed programming language. It's great and very comforting to hear from your IT team that the solution you selected is flexible, easy to adapt and program," Boucher says.

Boucher liked Acumatica's unlimited user business model rather than its competitor's license fees per user. "If we were billed by the user, there would be a heavy amount of reoccurring costs, and that's not great," he says.

Acumatica is web-based and suits the company's mobile workforce. Some employees travel to the company's 14 retail outlets or its 100 satellite offices visiting doctors and working on orthotics for knees and feet. "All our other platforms are web-based and very mobile, so that's why we approached Acumatica," Boucher says.

"We wanted to build something for the future, which is why we selected Acumatica in the end."

Sylvain Boucher, CEO, President and Director, Ergoresearch Ltd.

"We needed a highly flexible infrastructure that wouldn't be a chokepoint in our system," he said. "We want to be very agile, and that is the case with Acumatica."

IMPLEMENTATION

Boucher worked with SiPD Services, an Acumatica Gold Certified partner based in Quebec, to install and configure Acumatica. SiPD's team had previously translated Acumatica into French for the French Canadian market, which provides Ergoresearch with the ability to work bilingually.

Working with SiPD's ERP project consultant Eric Ratte, Ergoresearch created a plan to roll out Acumatica's many suites and modules to all parts of the company. They began by installing Acumatica Financial Management Suite and rolling that out to a few divisions.

SiPD has a small team but they are highly involved, says Boucher. "Eric is very knowledgeable about the system, its capacities and the possibilities it offers. Whenever we have a highly sophisticated question, he gets answers for us quickly and efficiently because he knows so much about Acumatica."

BENEFITS

Once Acumatica is fully installed, Boucher expects it will have a "tremendous impact" on getting the company's quarterly financial figures out in less time and with less effort. Ergoresearch executives will be able to compare financials between retail outlets and divisions, model data and integrate acquisitions faster.

Because Acumatica allows executives to configure different access rights, retail branch managers will be able to compare inventory and some financials but can be restricted from looking at aggregate numbers through the centralized system. Ergoresearch will also gain full visibility into their customers in a single, central database.

Ergoresearch plans to use the Acumatica Project Management Suite to manage research and development projects. "Right now we have eight R&D projects that we are tracking and managing using lots of spreadsheets in Excel, which is almost impossible to do," Boucher says.

"Acumatica is a great technology enabler that is going to give any company that chooses it a tremendous edge over their competition," Boucher says. "Acumatica absolutely delivered on the premises of our criteria, and it's going to be a great enabler for the future for us."