

## CASE STUDY: CHANDLER INDUSTRIES



### HOW RSM HELPED THIS MANUFACTURER BUILD A RESILIENT IT INFRASTRUCTURE

Chandler Industries, a precision machining and sheet metal fabrication company based in Minnesota, became a client of RSM's in 2017 for virtual chief information officer services and general business strategy advice. But it wasn't until the following year—when Chandler took steps to upgrade its IT framework and cybersecurity protocols and made changes to more easily comply with evolving federal contracting regulations—that its relationship with RSM deepened.

Chandler offers precision machining, sheet metal fabrication, complex assembly and more, with a focus on serving aerospace, defense and industrial customers. As a result of the thorough work RSM's team did on a cybersecurity project for the company in 2018, Chandler decided to have RSM's team assess its broader infrastructure needs and ultimately chose RSM to be its provider of managed IT services, including providing 24/7 support and machine patches, updating firewalls and infrastructure, and honing IT security policies. RSM also helped Chandler with infrastructure deployment to support its upgraded enterprise resource planning system.

"The beauty of that was RSM has significant reach," said Chandler Industries Chief Financial Officer Pat O'Neill. The company has six sites (five in Minnesota and one in Mexico), so RSM's breadth of capabilities was crucial. "We have customer requirements and Department of Defense compliance that is ever-changing, and a company like RSM has the bench strength for multiple sites that we certainly couldn't afford to have ourselves."

#### **Better prepared for compliance**

Chandler Industries—founded in 1962—came together in its current form today through five separate acquisitions. As a result, the company's IT infrastructure wasn't initially designed as one cohesive entity. RSM was able to help rectify that, putting together a fresh IT design for Chandler as a unified whole, O'Neill said.

"Now they have a single way to manage the entire network vertically," said Adam Lurie, director of IT consulting and infrastructure at RSM. "That has created a tremendous amount of efficiency."

But RSM's work upgrading Chandler's IT infrastructure wasn't just about efficiency and becoming more resilient in the face of ever-present cybersecurity threats. Elevating the company's security protocols also helped Chandler navigate the specific compliance rules of its industry with more ease.

In 2020, for instance, the Department of Defense developed new cybersecurity compliance standards that businesses such as Chandler had to adapt to in order to keep serving their key customers. Specifically, this involved complying with the department's Cybersecurity Maturity Model Certification (CMMC), a framework that addresses several layers of security. This newer certification meant that suppliers had to meet stricter cybersecurity requirements, and companies that make the grade get a stamp of approval showing they've been appropriately vetted by the federal government.

"It allows a defense contractor to say, 'I can confidently do business with Chandler,'" because the company has the certification, O'Neill said.

Along with that CMMC framework, the DoD added several new requirements that suppliers must meet to be in compliance with its National Institute of Standards and Technology standards (a set of security and privacy controls the federal government uses for its information systems). These updates were significant for Chandler because of the company's focus on a broad range of manufacturing capabilities related to aerospace defense. RSM is working on bringing Chandler into compliance by helping implement a plan to upgrade the company's software and cybersecurity framework. All of these structural changes have made Chandler more adaptable and able to pivot quickly as regulations evolve.

"As technology changes—both hardware and software—the mitigation tools continue to change," O'Neill said. "It's not 'set it and forget it.' It's 'set it, evaluate, set it, evaluate.'"

All of those upgrades will be crucial as the manufacturing industry as a whole prioritizes a shift to what's known as Industry 4.0, or the Fourth Industrial Revolution—essentially a reimagining of what's possible with the use of an array of advanced digital tools.

## Prepared for the future

As manufacturers adopt evermore interconnected supply chains and operations, digital tools and the robust IT infrastructure that enables them will allow companies to shift on a dime to address changes in demand, supply chains, security issues and more. RSM has been instrumental in Chandler's ability to react and become more resilient in the face of change; Chandler has one in-house IT employee, and RSM assists the company in IT project work, including tracking and responding to cybersecurity needs, and round-the-clock support.

"RSM serves as an outward eye toward the ever-changing risk profile and solution profile," said O'Neill, "and they help develop solutions."

In the time that RSM has served Chandler for its compliance and IT needs, it became clear that that work was also key to positioning Chandler to take advantage of the latest technologies in manufacturing and supply chain management. Now, Chandler is more prepared to continue its journey toward integrating advanced Industry 4.0 technologies into its business model. Having RSM as a close partner helped Chandler make changes now that will help the company remain competitive well into the future.

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