

From chaos to order yields rapid growth and increased profits with Manufacturing Systems Corp.'s COLLECT® WMS

Our Customer had developed a very successful line of after-market auto air conditioning and cleaning products and, by 2008, the world was beating a path to its door. Trouble was, they were overwhelmed with demand and could not consistently deliver in a timely manner. So competitors got some of the business that should have been rightfully theirs. Doesn't sound fair, does it? But that's the way it is in real life – if you develop the demand, you've got to deliver the goods. When you don't, you test the limits of customer loyalty. And a day or two of delay is a lost order, and very likely, a string of lost orders into the future.

Long Story Short

The way things were organized in 2008, their Shipping Clerks had to be track stars. The clerks had to literally sprint to the shop floor and warehouse where they and shop workers would have to search inventories to assemble all the requirements for particular shipments. Trucks languished in shipping bays, waiting on individual items to be either found in inventory or assembled and labeled or even produced to order. They were dispatching 10 trucks per week to achieve a nominally profitable business. Fast forward to today – just three years later – and the company now dispatches 10 trucks per day for a much more profitable business.

The Most Interesting Part is In-Between

You've already read the start and the finish. But the really interesting part is what went between. So what was the "engine" for this growth? A "questing" mindset within the management team led the company to investigate a more appropriate materials management methodology, offering as much automation as possible. They realized that accuracy in inventory was absolutely paramount. And they knew that they needed a system that could easily accommodate a wide range of skills and specialties among their many dozens of users. Their solution was COLLECT® Shop Floor Data Collection and Warehouse Management by Manufacturing Systems Corporation. Such a dramatic change of tools and processes called for a careful examination of all the systems and procedures then in place in the company's principal operations in both manufacturing and distribution. Under close scrutiny, it was very clear that a number of established procedures had to change. MSC staff, acting as process consultants, was very instrumental in identifying all these challenges and recommended strategies that not only worked, but were economical too. And the "system" evolved rapidly to achieve a whole new level of productivity.

Consolidation for Both Effectiveness and Efficiency



The customer has since been able to bring its manufacturing into a centralized facility on the outskirts of Dallas, Texas. This facility now incorporates all the functions once spread between two remote locations. This is a testament to the enormous gains in productivity ushered in with an integrated bar code shop floor and warehouse management system.

The office and management system was by a well known ERP, and worked very well. But reliable automation stopped at the door to the office. The production and inventory areas were managed by hand, with records kept in Excel spreadsheets. Given that those handling finished goods and WIP had

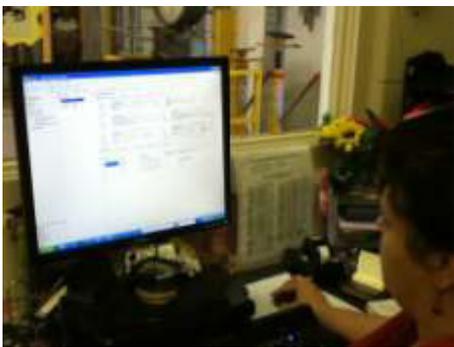
their hands full with the manual tasks, spreadsheets were updated sporadically and inventories and locations could not be assumed to be reliable. Shipping Clerks would rush from the office with a Bill of Lading only to find that the inventory was

not available to support immediate shipment. That invariably led to a scramble, desirable only in omelets. The project leader received permission to investigate automation alternatives. The criteria included an increase of inventory accuracy by half. He figured with that improvement, the company's turnaround on orders would be remarkably reduced. Accordingly to the project leader, "We had a short turnaround for selection and implementation. Our peak production months are December through June. That means that we had to have a new system up and running before December. With MSC, we made it!"

The company is highly-reliant upon COLLECT® these days, and states "Our inventory counts are very, very reliable. Not only do we know exactly how much we have of ingredients and finished goods, we know exactly where they are on the shop floor or in the storage bins. This makes our objective of 24 hour response time achievable for all catalog products. That's our standard and it's the best in the industry."

MSC's World-Class Team

OK, the end was achieved. So what about the means? Again the project leader states "the people assigned from MSC were so knowledgeable about manufacturing systems that they were able to ask pointed questions and provide advice on best practices almost immediately. They made it possible for us to not only implement bar coding equipment, software and procedures in record time; they also helped us with value stream analysis, identifying processes needing improvement. We're a different company now, entirely." He noted as well "there was really no disruption during the deployment of MSC's COLLECT®.



We ran our manual shipping right up to the cutover point and did not miss a beat." How does MSC's COLLECT® integrate with the ERP and other legacy systems and procedures they already had in place? Keith pointed out "The ERP publisher's staff recommended MSC's COLLECT®, based upon their experiences with the company and the product in the past. After a couple of demos, I could see why. The integration was seamless. As to interfacing with other systems and procedures, many of those were antiquated with our installation of MSC's COLLECT®. Those that weren't are those that survived a tough scrutiny. There are no interfacing challenges at all. It just flat works!"

None of This Comes as a Surprise

Manufacturing Systems Corp. founder and CEO Jim Marsh observed "We have developed an R.O.I. calculator to help our clients assess the potential contribution of an advanced bar coding solution. When they plug in the numbers, they're typically amazed at the prospect of a complete return of investment over a period of months, typically less than a year." Jim goes on to observe that this case is particularly extraordinary, with inventory control improvements enabling the company to invest in new plant and equipment, assimilate a former competitor and bring its manufacturing on-shore in less than 3 years, more than doubling sales without a marked increase in staff. "This is a triple-digit rate of return. We're glad that they have done so well and that they hold our people and product in such high esteem. Our people are good and get even better with each new installation."