

MAX Customer Success Stories

Data Collection



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By automating the input of inventory, shipping, shop floor and labor tracking data, these thriving businesses continually find new ways to cut costs, generate growth and respond to change through immediate access to critical information.

Introduction

Three unique businesses in three different industries use a common tool to accomplish their unique business objectives. New Hampshire based **Cirtronics Corporation** provides Precision Engagement™ contract manufacturing. In business since 1979, they offer services to support all stages of the product lifecycle, offering NPI, Material Management, Manufacturing, Distribution, and After Market Support. Cirtronics has invested in data management to enable seamless internal communication and support excellence in their customer experience. Kevin Longley, VP and manager of IT systems, cites **MAX Data Collection** as instrumental in streamlining inventory and leveraging price competitiveness.

Family owned **Empire Comfort's** commitment to lean manufacturing of heaters and fireplaces fosters a culture of constant process improvement methodologies. **MAX Data Collection** provides key time and cost savings in keeping up with rapid production too fast to record accurately. IT manager, Sarah Cook, stresses the impact of today's improved visibility with MAX Data Collection.

Canada based **Honey Bee Manufacturing, Inc.** is one of the largest users of MAX. Product innovation is crucial in their farm



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equipment manufacturing enterprise. Staying a step ahead of competitors with three new products in the last two years, IT manager Stephen Feltmate relies on **MAX Data Collection** to constantly track shop floor transactions.

Implementation of MAX

Cirtronics initially served as a consignment shop where customers provided material. The need for an MRP system coincided with their decision to get into the business of material procurement. An outside consulting firm recommended MAX. Empire Comfort's DOS-based MAX system, chosen in the 80s, was upgraded to Windows in 2000. Improved systems supported a tripling of their office space as additional modules, like **MAX Data**

Collection, complemented their growth and continued expansion. Honey Bee's implementation of MAX twenty years ago has been recently enhanced by the addition of Data Collection and other Balance Point modules.

Initial Data Collection Business Needs

Cirtronics implemented **MAX Data Collection** in 2003 in order to automatically place POs by scanning bar codes. The inventory manager wanted to scan a part and instantly interrogate MAX to determine availability so POs could be sent to the vendor faster. Working closely with Balance Point Technologies – creators of Data Collection – design changes extended Data Collection's impact.

Empire Comfort **selected MAX Data Collection** in 2006 to implement serialization. They lacked visibility. When inquiries were made about a serial number, Empire staff referred to large binders for warranty and fabrication data. In addition, labor and job cost data delays occurred due to manual system entry.

Honey Bee purchased **MAX Data Collection** Shop Floor, Shipping and Inventory modules in 2008, followed by Labor Tracking in 2011. Customer demand for new product innovation drives Honey Bee's search for a better, faster systems mouse trap.

Implementation Experience

Empire Comfort implemented **MAX Data Collection** for Inventory and Receiving first, before moving on to Labor. "It worked out of the box - very easy to implement. We didn't have to do much tweaking," Sarah Cook explains. "Balance Point came on site, watched what we were doing and how we were doing it. They knew exactly what we needed. It's easy to use all of Balance Point's products. We have quite a few and at least one custom program they've written for us. The programs that BP has are phenomenal, but it's even nicer that we can get a hold of someone. They know what we need, and they can adjust or write something that fits our requirements."



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Honey Bee's inventory management suffered prior to **MAX Data Collection** implementation. "Nothing was labeled," Stephen Feltmate remembers. "Nobody really knew where anything was. We were relying on tribal knowledge—if key people were missing, we were in trouble." The process of

"When you go from chaos to organization, the impact is significant."

implementing Data Collection required stock locations to be more organized and led to an overall change in standard procedures. "Whenever I have a problem, I get timely support from Balance Point," Feltmate shares.

Initially, Cirtronics' use of **MAX Data Collection** included scanning bar codes on bins and work orders. Balance Point worked on site to assess Data Collection's role in automating purchase orders. Working on design changes together, they decided to skip scanning altogether. Kevin Longley explains, "It's a remarkable system, because we changed it from scanning bar codes to asking MAX if we need to buy anything. The system runs through our thousands of parts and we know exactly what we need to purchase. It has been very stable."

The Impact of Data Collection

"When you go from chaos to organization, the impact is significant," stresses Honey Bee's Feltmate. "There's been a marked **elimination of error**. We integrated labeling with MAX—there's a picture



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of the product with the part next to it and the bar code. It's had a major impact on the operations overall."

The use of data collection terminals on the shop floor proved cost effective in gathering information and providing leadership with up to the minute data. "The entire production floor relies on it. Now we know where things are – in WIP, on the floor and how much finished product is available for sale. We know the **cost of inventory**. When I first came here, there was a couple million in

inventory and some wasn't even useable. We've saved a lot of money by having visibility into the data."

MAX Data Collection helped Cirtronics pinpoint all their inexpensive, readily available components so that time and effort would be spent on more complicated items where extensive criteria, longer lead times and price negotiation were involved. Longley explains, "We use Data Collection to manage readily available parts,

reducing the work on our buyers significantly. We don't want excess inventory." The automation of this process had an unexpected benefit of improving vendor relations. Cirtronics' automation **simplifies the ordering process** with key vendors, who automatically input Cirtronics' POs. "We've made our suppliers happy because they've become our sole source due to our automation." Knowing that short lead times and price negotiation have been established on all parts

in the Data Collection system is key. "What we need today, is not what we're going to need tomorrow. It works, and it works very well. Plus, it's highly accurate. If a component is automatically purchased, every time it is purchased, the same information is going out. The part number, negotiated quantities, pricing – there is no data entry error. Mistakes don't occur."

MAX and Data Collection allow Cirtronics to compete in specialized areas. "We do a lot of medical work requiring a device record," states

"We don't have to worry about actual inventory being accurate, we know it's correct."

Longley, "such as a part that is used in a person's body to monitor their heart. The **MAX Data Collection** monitor shows us in real time the historical path of every component under **lot and serial control**. It allows us to win medical business, and keep it. It's an absolute necessity in order to attract medical work and for internal efficiency."

Empire Comfort appreciates the time savings **MAX Data Collection** has allowed. "The automated PO sending function has saved us

significant time. The **Document Manager** saves us at least 13 hours per week in invoicing," states Cook. "Everything is more streamlined with **serial number tracing**. If we have a serial number question now, we know immediately when it was built, bought and sold to distributors."

Time and attendance data collection helps with adhering to union requirements. "Foremen and supervisors can see problems right away. **MAX Data Collection** has eliminated a lot of looking for pieces of paper or time cards." From a production standpoint, Cook explains, "It's phenomenal that we can tell right away what was built and when it was built. Customer service knows exactly where orders are. Before Data Collection, customer service put callers on hold and physically ran around to find out statuses. Now it is all right there, real time. Now we know. Previously, none of our data in shipping was real time. They would pick an order with BOM with 150 units, run around looking for components, stage everything and manually enter the batch afterward. With **MAX Data Collection**, I can see the minute they picked that unit. Everything is real time. When it's finished, we know the order is done. We don't have to worry about actual inventory being accurate, we know it's correct." With the added control of **Data Collection**, the addition of more manufacturing lines and

product offerings has been made possible.

Customizations

Speed of production proved to be one of Empire Comfort's biggest challenges in implementing Data Collection. Even the efficiency of scanning bar codes vs. manual entry couldn't keep up with fabrication. Shortages occurred

"We're saving an enormous amount of time here."

in the system because purchasing hadn't yet recorded the items received that were already in production. Balance Point created a custom **Summarized Back Flush** procedure, allowing the final production receipt to backflush inventory and receiving. The procedure eliminates all the previous interruptions from investigating shortages. They know what parts they should have – if they are truly off, it's flagged. "We're saving an enormous amount of time here," raves Cook. "It has impacted purchasing, accounting, bill of lading, customer service, order entry, the sales force..."

Similarly, Cirtronics took Data Collection a step beyond their



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initial interest in bar codes. Rather than relying on operator scans, Longley needed the Data Collection to talk more directly to their MRP requirements. "MAX knows when we need something," says Longley, "MAX knows when we don't need any." The custom automation of purchasing readily available parts has become so reliable, Longley calls it their **Automatic Replenishment System**. "We use the software beyond the initial capabilities. We don't even have to inspect some

parts because it is a stock part and the process has become so smooth it isn't necessary. We've negotiated guaranteed delivery times. It's a competitive advantage to us. We can ignore any components that are part of the replenishment system and just concentrate on the specialized components."

Flexible reporting through Crystal Reports has allowed Honey Bee to leverage the real time information now available through **Data**

Collection. "There are so many ways to extract information," explains Feltmate. They utilize almost 100 different reports around the network, with twenty to thirty used on a regular basis. "About ten of our custom reports are critical to our business," stresses Feltmate.

Next Steps

Cirtronics prides themselves in knowing their systems well. When automating a process, they look carefully at what they already have

and how it can be leveraged moving forward. Balance Point has been key in helping them become experts in their own system and adding functionality for an even better fit. Cirtronics is determined to continue to improve their accuracy in providing delivery dates for orders with especially complex, extensive BOMs.

Honey Bee continually reviews their applications with changing needs, determining whether more functionality may be available in their current systems before looking for additional solutions. Shipping data collection as well as time and

attendance are on deck for review. System review with Balance Point is planned.

Empire Comfort means business when it comes to lean manufacturing, citing Japanese influences like Kaizen (big results from many small changes accumulated over time) and Gemba (the act of making observations of the process in action). With some longtime employees reaching over 35 years with the company, Cook stresses the importance of overcoming a mentality of "that's the way we've always done it." They actively seek assistance from Balance Point in

analyzing processes to identify even the smallest improvements. "We just made a change the other day to our transfer screen that saved 13 minutes a day," Cook shares. They plan on customizations to order acknowledgements that will save 13+ hours per week. Even more significant, the automation of their bill of lading will save up to 35 hours per week. With the amount of product that Empire has coming through, they're eager to work with Balance Point to find a better way. Continuous improvement.

For more information about MAX ERP software products and services offered by Balance Point Technologies, visit www.MAXToolkit.com, call 847-265-3797 or email sales@bptechnologies.com.