

CUSTOMER SPOTLIGHT



AT-A-GLANCE

Manufacturer of precision metal products for customers in a range of industries, including agricultural and medical equipment

Location: Libertyville, ILL

www.laserprecision.com

KEY CHALLENGE

- Key process automation and flexibility for hybrid job-shop and repetitive production environment
- Real-time visibility into processes throughout enterprise
- Real-time communication of customer requirements to production floor
- Dynamic business environment
- Ability to integrate EDI with scheduling
- Cost control through material optimization

SOLUTION

- *OmegaCube ERP, a flexible, fully integrated, adaptable solution for small and midsize businesses*

KEY BENEFITS

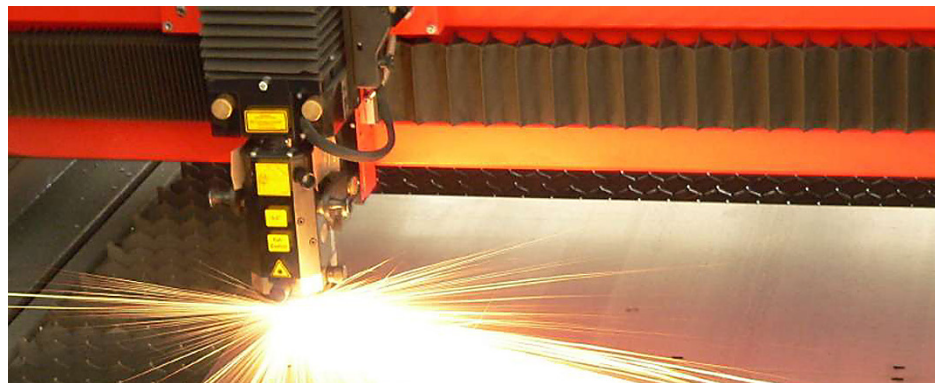
- Single ERP capable of handling short-run and repetitive business
- EDI integration automatically generates net change reports for schedules, eliminating manual intervention
- Integration of demand schedules with nesting system enables optimization of raw materials
- Visibility into production schedule, job tracking improves on-time delivery, customer satisfaction
- Daily scheduling adjustments, which previously took 2 people 8 hours a day, now requires one person 2 hours a day
- Increases in process efficiency allowed for 300% business growth with no added administrative staff
- OmegaCube-enabled dynamic scheduling delivers material savings from 2-4%, on-time parts delivery

Laser Precision finds the ideal mix of bedrock ERP functionality and process adaptability in OmegaCube ERP

For some organizations, it's an acute business pain that finally triggers the purchase of a new ERP system; perhaps poor performance is jeopardizing a critical customer relationship. In other cases, the decision may be a tactical response to a chronic issue - out-of-control inventory costs or steadily eroding profitability.

Not so at Laser Precision, LLC. Ask president, Jeff Adams, and he'll tell you his decision four years ago was more about strategically positioning his company for the future than it was any short-term concern. "We weren't looking for a quick solution to survive, we needed a better way of doing things so that years down the road we'd be in a much stronger position."

An ERP solution that improves business processes rather than requires that those processes be changed to conform to the system - that was the key consideration for Adams during his ERP evaluation, and it was his principal rationale for selecting OmegaCube ERP. "People expect an ERP system will allow them to run their business exactly how they want to, but more often than not the ERP system is the glove and you're the hand that has to squeeze into it. Not so with OmegaCube. They helped us meet our vision rather than requiring us to reformulate our processes around their solution."



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President
Laser Precision, LLC



Four years later, the future is now. Leveraging a range of standard OmegaCube ERP functionality in conjunction with custom functionality developed by OmegaCube to adapt to Laser Precision's processes, Adams is currently experiencing the improvement he was looking for.

According to Adams, Precision Laser operates fundamentally as a job shop, with 30-40 active customers at any given time, including the company's biggest customer, a large integrated agricultural equipment OEM, for whom Precision Laser produces approximately 4,500 different parts.

He segments his business into two categories: transactional business - unplanned, short-run jobs - and program business, which is repetitive production based on established orders and delivery schedules.

"On the transactional side lead times are sometimes as little as 2 days, and we have no advance visibility on those jobs. On the program side we get a 52-week look at the schedules, but those quantities and delivery dates change constantly," says Adams. The program side also generates as many as 250 "drop in" - unplanned - orders per month.

All transactional, drop in and program jobs are scheduled after capacity and costing issues have been analyzed and resolved. "We need to get orders entered into the system rapidly so we give ourselves maximum time to produce the parts," Adams says. "If we were just making a widget it would be easy, but in our case, everything is dynamic. It's critical that we transmit real-time instructions to the shop floor, outlining requirements associated with every part; otherwise, mistakes get made."

Adams credits customizations written by OmegaCube which integrate EDI and scheduling for enabling Precision Laser to automate the management of its dynamic 52-week scheduling window.

Prior to OmegaCube, schedulers would download schedule changes and manually update the company's shop control system on a daily basis. "We would cross our fingers and hope for the best. Now we have a realistic assessment of whether the job can be done on time. OmegaCube allows us to update our individual work center schedules every 90 seconds, ensuring that our employees are always working on the most critical demand schedules at any given point during the day."

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"It's a matter of customer satisfaction," says Adams, who points to significantly improved delivery performance as one consequence of the enhanced scheduling visibility and control within OmegaCube. "Our customers want a supplier that can be responsive to their requirements, that can give them an accurate picture of what can be accomplished. OmegaCube lets us do that."

Adams also believes OmegaCube's capacity to rapidly deploy information and communicate customer requirements to shop floor personnel is key to meeting customer expectations. "The bottom line is that OmegaCube can analyze data and alert us to changes that will impact our business," he says. "A process that used to take 2 people 8 hours a day and 2 cases of paper a week to do is now a paperless transaction requiring one person 2 hours a day." Adams emphasizes that Laser Precision has experienced a 300% increase in business in the past year without adding a single administrative position.

Savings extend to materials as well. By grouping material grades and thickness, OmegaCube helps Laser Precision produce more effective dynamic nests. According to Adams, material savings are in the 2-4 percent range, even as OmegaCube manages the work schedules to ensure that parts remain on-time.

"With our visibility into demand schedules we know which parts we can pull in to get a more complete nest, get better utilization of material and estimate our costs much more accurately," says Adams. "Similarly, when we have jobs requiring material of like-thickness OmegaCube pools those together into a single work-center, making workflow much more efficient."

OmegaCube's flexibility as an ERP provider - its willingness to adapt its solution to Precision Laser's business processes and develop custom functionality where required - isn't something Adams takes for granted. "We have the vision of what we want to get done and we have a very unique set of processes for doing it," he says. "There is no out-of-the-box ERP solution for the way we operate, where everything is dynamic. In OmegaCube we found an ERP provider that makes things happen. They collaborate with us to understand and deliver exactly what we're looking for and what our processes demand from an ERP solution."