

Engineered Plastics Corporation

DTR™ ERP

Efficiencies Through Technology Afford Growth

Uncovering Hidden Costs

Menomonee Falls, Wis.-based Engineered Plastics Corporation (EPC) is a privately owned molder of thermoplastic polymers, specializing in close tolerance molding of engineered and commodity resins. A dedicated custom molder, EPC produces complex components for industries ranging from water softener manufacturing and recreational sporting goods to restaurant and commercial kitchen equipment. Key to the company's success has been its ability to go beyond custom molding to provide value-added services, such as welding, decorating and specialty operations.

In fact, this formula was so effective, that sales doubled over a five-year timeframe. Yet management felt the business wasn't being run as effectively as possible. According to EPC General Manager John Papineau, the company's enterprise resource planning (ERP) system could not keep pace with the complexities of the rapidly growing business. In particular, there was no mechanism for quantifying process efficiencies that could identify opportunities for service expansion.

"One of the things that sets us apart is our ability to provide customers with a broad range of value-added services," said Papineau. "We don't just mold parts; we also perform secondary operations, such as subassembly, full assembly, and decorating, among others. For years we were able to do this operating with an ERP software system that was designed internally."

"As business became more complex and competitive, we began to experience problems with the system," Papineau continued. "It became difficult to understand what changes in our processes affected costs and, what's more, we could not quantify those costs."

It's All About the Scheduling

Scheduling was identified as one area that needed to be automated and enhanced, and EPC did not have the internal tools in its current system to provide comprehensive scheduling data. Employees were not being used effectively to run machinery, nor was there a system to support the re-assignment of labor in an efficient manner. EPC wanted a tool that could help it utilize its staff to capacity, so that some employees would be responsible for several machines, leaving others free to perform secondary, value-added operations.

To achieve that definitive schedule, EPC needed to upgrade to a more powerful ERP system. After reviewing more than 50 competitive products, EPC narrowed its search to five software systems, which were then subjected to real-life production scenarios that reflected EPC's environment. According to Papineau, DTR best demonstrated the functionality EPC sought in an ERP system. To capitalize on all of the software's capabilities, EPC dedicated an internal staff member to facilitate the transition at a reasonable pace.



ROI at a Glance:

Engineered Plastics Corporation, custom injection molder of thermoplastic polymers, achieved significant return on its investment in DTR Plastics software within the first year, including:

- Projections of 30 percent growth without additional capital or labor expenditures.
- Opportunities to expand value-added service offerings to customers.
- Shortened production cycle times and a faster time to market.
- Real-time access to changing situations on the shop floor and dependable scheduling capabilities.
- A 75 percent reduction in labor costs.
- A successful transition to semiautomatic and automatic processing.
- Cost and time savings associated with the elimination of repetitive calculations and paperwork.

“DTR’s production scheduling functionality provides production management with valuable information for making strategic decisions about what to produce, when to produce it, and what resources to use.”

— **John Papineau**, General Manager, EPC

“One of the things we wanted to do differently from our former system was ensure that the data we put into DTR was accurate and not just a dump process,” said Papineau. “We elected to go back and verify each piece of data because we wanted to build our costs to accurately reflect what we were doing on the shop floor. Taking the time to achieve data integrity gave us the opportunity to take a serious look at expanding value-added services.”

Production scheduling, the central mechanism for controlling workflow in a plastics processing plant, requires current, highly detailed information. DTR’s production scheduling functionality provides production management with valuable information for making strategic decisions about what to produce, when to produce it, and what resources to use. This information eliminates repetitive calculations and paperwork and is critical to shortening production cycle times, minimizing waste, and providing instant feedback in response to changing situations on the shop floor.

“With accurate scheduling we’ve been able to transition our operators from running a single press full-time to semiautomatic and even automatic processing,” said Papineau. “Now we can confidently assign one person to operate up to four presses at once, which means we can reduce associated labor costs by up to 75 percent.”

Using Resources to Full Capacity

“We weren’t necessarily trying to become an automated shop, but rather we wanted to efficiently use our labor resources,” continued Papineau. “It was important that we be able to quantify how to effectively utilize our staff—every day of every week.”

DTR generates forward finite, queued, and just-in-time scheduling for all workstations and/or secondary operations. Users have the option of basing schedules on sales orders, forecasts, release orders, electronic data interchange (EDI), manual assignments, consolidations, and/or reorder points.

“Now that we have dependable scheduling, instead of simply molding three or four parts for a customer to assemble at their location, we can perform assembly as an added service—whether it’s off-line at our shop or if we send the components outside,” said Papineau. “We also now have the ability to track multiple part numbers. So when we send parts to be assembled, we can track them as separate components, even after they’ve been combined as one.”

Papineau continued, “DTR gives us the ability to always know where those components are, who has them, how many there are, and their value. That’s probably one the most important benefits the software has provided for our value-added services.”

According to Papineau, the processes EPC has put in place using DTR has helped position the company to realize up to 30 percent growth over an 18-month period without making additional capital or labor expenditures. “DTR has really given us the ability to monitor and stimulate our progress,” he concluded.

About Consona ERP

Consona Corporation is a worldwide leader in providing customer relationship management (CRM) and enterprise resource planning (ERP) software and services for companies of all sizes. Consona serves more than 4,500 customers worldwide and across a variety of industries.

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