



The Story of WM Plastics, Inc.: A Made2Manage Systems Customer Profile

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Higher Efficiency

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— Frank Macino, Vice President, WM Plastics, Inc.

The Best Kind of Growing Pains

With an average 15 percent annual growth rate over the past decade, injection molder WM Plastics, Inc., found itself experiencing growing pains of the best kind. Already housing manufacturing and storage in two separate facilities, the company was operating at full capacity with no room to accommodate projected growth. So in the fall of 2000, WM Plastics began the next chapter in the company's then 33-year history. It broke ground on a new 65,000-square-foot facility designed to house the company's manufacturing, warehousing, administration, and 90 employees under a single roof. As the Cary, Ill.-based company prepared to launch operations in its new facility in August of 2001, it became immediately apparent that its current software could not support the expanded manufacturing capabilities made possible by this state-of-the-art manufacturing plant.

Company administrators sought a software program that would provide multifaceted functionality in order to seamlessly integrate all business operations, from scheduling to accounting. Retiring its existing software, the company turned to a plastics-specific, comprehensive enterprise resource planning (ERP) solution—The Manufacturing Manager (TMM) from Made2Manage Systems.



Taking It to the Next Level

"The ability to make the best use of current technology is one element that determines which companies remain competitive. We knew that managing our new facility would require a software program capable of taking us to the next level of growth," said WM Plastics Vice President Frank Macino. "We evaluated the software products available and The Manufacturing Manager quickly rose to the top of the list. The other programs just weren't at the same level as TMM because they lacked its depth and plastics-specific design. They weren't even close."

Because of increasingly shortened lead times, WM Plastics needed a reliable system to accurately determine required materials for production. Production scheduling, the

Return on Investment At A Glance

WM Plastics, Inc., provides a broad array of value-added injection molding services ranging from engineering, mold making, part design, material selection, and prototyping to custom decorating, machining, and assembly operations. The company achieved a significant return on investment within the first year of using The Manufacturing Manager from Made2Manage Systems, achieving the following:

- Seamlessly integrated all business operations from scheduling to accounting.
- Eliminated material over-orders.
- Reduced the cost of on-hand inventory and achieved accurate predictions of required materials and sub-components.
- Shortened production cycle times and eliminated repetitive calculations and paperwork via enhanced scheduling.
- Achieved a strengthened balance sheet through more precise production reporting.
- Improved profitability through time savings and efficiencies gained across the operation.

central mechanism for controlling workflow in a plastics processing plant, required current, highly detailed information. The company's desire to optimize its manufacturing processes uncovered the need for cost-effective inventory control. When WM Plastics consolidated operations into a single facility that was triple the size of its previous space, management knew it needed to confront these challenges. According to Macino, TMM's plastics-specific functionality introduced a level of accuracy—particularly in material requirements planning (MRP) management—never before enjoyed by the company.



MRP Eliminates Guesswork and Highlights Savings

"MRP is definitely where The Manufacturing Manager shines. We're using it to its fullest capability to ensure that we're not buying more materials than necessary," said Macino. "We used to over order materials, so that the working capital necessary to run our business got tied up in inventory. It's similar to being a bank. We had money sitting on a shelf that wasn't earning any interest."

TMM allows the WM Plastics planning staff to predict required materials and sub-components based on scheduled production, sales orders, and back orders to reduce the cost of on-hand inventory, effectively adhere to schedules, and avoid work stoppages. The MRP module reports inventoried and non-inventoried items, back orders, vendor lead-time information, and blanket purchase order information. Queries display quantities on hand, demands for production or sales, outstanding purchase orders, and vendor information.



"Because the MRP module computes all of the calculations for us, another financial benefit we've enjoyed has come in the form of time savings," said Macino. "We used to spend a lot of time calculating material requirements and factoring inventory as well as other variables. Now we have this powerful MRP package that gives us complete information at the click of a mouse."

Macino continued, "TMM reviews our inventories automatically and knows the quantity of a particular material or component we have, how much we need, and where we need to put it. There alone we've realized a cost savings in eliminating the need to hire additional purchasing personnel to accommodate increasing production volumes."

Scheduling Accuracy Hits the Mark

Macino noted that beyond the advanced MRP functionality, TMM's scheduling module also is providing WM Plastics with a high return on investment.

"Our production schedule had never been accurate using our former software, due in large part to the way it was designed," said Macino. "There were a lot of inherent inaccuracies in the program, it wasn't user-friendly, and it didn't allow for accurate production reporting."

TMM's production scheduling functionality now provides WM Plastics' production managers 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.

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“Using TMM, we now have extremely accurate scheduling. We’re able to determine exactly when a job is going to start, and because the program provides precise run times, we know exactly when it’s going to end,” said Macino. “TMM allows us to print hard copies of our schedules and distribute them for review on the production floor. We’ve never had that functionality before.”

Macino added, “The information TMM provides is more relevant, timely and accurate so we don’t over-run or under-run jobs anymore. As a result we’re running production on target.”

By converting to TMM, Macino explained that WM Plastics has also enjoyed a stronger balance sheet through improved inventory management. “The accuracy of our inventory has improved because our production reporting is more precise using TMM,” said Macino.

The Bottom Line

“What’s key is that we’re able to report three different aspects of production at one time—goods that meet quality standards, rejects, and machine downtime,” said Macino. “Because this is all facilitated simultaneously, TMM has allowed us to zero in on jobs that are problematic, determine the root cause, and correct them.”

Macino added that the true value of TMM is rooted in its industry-specific design. “General ERP is one thing, but this is plastics specific, which makes all the difference,” said Macino. “We’re able to account for variables that are unique to our business, like runner weight and percent regrind, and compare measurements to established standards in the actual language of our industry. Our data now means so much more.”

Macino concluded, “TMM has made us more efficient, which translates into a more profitable bottom line. And, of course, management loves to be able to make sure the bottom line is where it’s supposed to be.”

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For More Information

Contact:

Made2Manage Systems, Inc.
450 E. 96th Street, Suite 300 • Indianapolis, IN 46240
MAIN: (317) 249-1200 • FAX: (317) 249-1999
www.made2manage.com

