

**Newsletter Exclusive:****ERP Software Solutions Get the Job Done for Smaller Manufacturers**

**By Thomas R. Cutler**

Rob Stull is IT Manager, Quality Assurance Manager, (and any other function required) for Midwest Patterns (MPI), a custom moldmaking manufacturer based in Quincy, IL. Stull's need to wear many hats in the organization is symptomatic of most small manufacturing organizations which call upon key employees to "get the job done."

Technology solutions are designed to help these manufacturing heroes, yet the results are mixed. Selecting the correct technology can be tantamount to an adding a group of employees; selecting the wrong technology can bring the enterprise to a screeching halt.

According to Stull, "Our Y2K quick purchase of an ERP (Enterprise Resource Planning) software system turned out to be a poor choice as far as the company goes. The ERP company was bought shortly after our purchase and then put out of business. This left MPI without support or upgrades or an opportunity for continuous improvement...which did not match our lean goals."

Stull insisted that ETO (engineer-to-order) issues characterized Midwest Patterns business, "The need for flexibility in all we do was central in finding the best technology solution. On-time delivery is critical to Midwest Patterns. Saving time and paperwork was essential...We have molds to build not paperwork!"

Midwest Patterns' selection of a new ERP system came down to a choice between two software providers; Encompix won due to its flexibility and its Engineer-to-Order appropriateness. Stull noted that, "The interface has a simplistic layout which is less intimidating to the users. Let's face it, not all users have degrees in computer science and you need to make them comfortable in their environment."

Midwest Patterns has a philosophy that is indicative of other ETO manufacturers working to achieve a competitive advantage. Stull suggests with the commitment to delivery and service, "Most companies remain loyal if they get what they want and get it early. Service above all!"

Mike Merten advised Midwest Patterns in the new technology selection. Merten noticed how many functions Stull fulfilled at the company. "They do not have a large IT staff. Stull does double (sometimes triple) duty as Quality Assurance Manager, IT Manager and whatever other duties might be thrown his way. This made the selection of the proper ERP system critical for them."

Merten also commented about the niche role of the company: "Midwest Patterns has a unique sense of who they are and where they fit in the market and they work to maximize their opportunities in their chosen niches. Because they fully understand who they are, they had an excellent sense for the type of software that would fit them best and, more importantly, what it can do for them."

**Areas of savings: IT operations**

An area overlooked by many small companies when selecting software is database management. Many companies have found that to keep the system running at optimum performance requires skilled database administrators, whose high salaries often come as an unexpected overhead to IT operations.

In the competitive manufacturing environment companies are looking towards operating Lean, removing non-value-added activities. Database administration is one such activity. Small manufacturing companies must look for systems that run on databases that are reliable, dependable, and require little or no maintenance. Systems that are self-maintaining allow staff to devote time to projects with a higher return-on-investments and those with a meaningful impact on improving the business.

One such company is Automatic Feed Company (AFC), a \$40-million machine tool manufacturer based in Napoleon, OH.

Today AFC is running the same ETO ERP software as Midwest Patterns, using the Progress database with 35 concurrent users. Because the fully integrated ERP system requires minimal administration, AFC has no dedicated database administrator. Three employees in manufacturing, administration and engineering manage any system needs in their areas, as well as their regular duties. Along with his duties as AFC's company treasurer, Nathan Weaks masterminded the implementation of the ETO ERP system at AFC. "This Progress system is like the Energizer Bunny," noted Weaks. "It just keeps going and going."

As a commitment to the lean manufacturing process and eliminating waste, manufacturing management will continue to drive maximum productivity out of the fewest number of workers. Whether IT Managers doubling as QA Managers, or company treasurers doubling as IT Managers of ERP implementations, the technological efficiencies realized must provide real help to overworked employees who wear numerous hats and assume extraordinary responsibilities within the manufacturing enterprise.

Midwest Patterns expects to achieve great efficiencies in the sales/quoting area with higher accuracy and less re-entry of data and those efficiencies will then carry over into production, scheduling, and inventory tracking and shipping.

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