

METAL MANUFACTURER 'GETS THE LEAD OUT' WITH NEW RF BAR CODE SYSTEM

METAL MANUFACTURER

UNITED STATES



industry

MANUFACTURING — BRASS AND BRONZE METAL PRODUCTS

applications

INVENTORY CONTROL · SHIPPING/RECEIVING · TIME & ATTENDANCE

situation

A major manufacturer of brass and bronze coils employs more than 1,000 people at four manufacturing plants. The company typically has six million pounds of materials (metal alloys) in its warehouses at any given time.

critical issue

The manufacturer needed better control of materials inventory. Annual inventory typically required a plant-wide shutdown for three shifts, as well as 160 hours of labor to identify and write down warehoused materials. It then took another week for those results to be keyed into the system, which meant the manufacturer could not reconcile missing materials. The company wanted to do warehouse inventory on a quarterly basis, but did not want to shut down plant operations, so they only performed annual inventory. Also, the company experienced inefficiencies when workers had difficulty distinguishing between similar products, such as 1 1/8" vs. 1 1/4" brass rods, or round vs. octagon-shaped pipes.

reasons

The inventory system was paper-based and relied on manual data entry. This not only resulted in a week-long delay, but it was prone to the inevitable human error associated with handling such large amounts of data.

vision & capabilities

The metals manufacturer wanted a portable data collection system that worked in real-time and would interface with the company's host computer (Hewlett Packard 3000). In addition to streamlining its inventory process so that it could be performed more regularly (quarterly instead of annually), the company wanted to use the new system to work with shipping and receiving software programs. The ultimate goal was to capture data gathered by fork lift drivers moving materials in and out of the warehouse, and from point-to-point within the warehouse. It was hoped that the new system would allow for more frequent and improved inventory, so that management could use the data to make informed decisions on production schedules, and to generate bills of lading and invoices more rapidly, thereby improving cash flow.

intermec solution

Intermec installed a 900 MHz radio frequency bar code data collection system at the company's largest manufacturing plant, with plans to install similar systems at the other three sites. This equipment included six JANUS™ JR2020 Hand Held Computers with built-in scanners; 80 MODEL 9560 Industrial Transaction Managers to track employee time and attendance and work progress; MODEL 1517 Laser Scanners; and a serial interface to the host computer.

benefits

The manufacturer immediately realized a number of benefits, such as:

- Identification of 200,000 additional pounds of brass in the warehouse, which had previously been unaccounted for using the manual inventory methods. This discovery translated to inventory valued at \$120,000.
- Faster and more efficient generation of bills of lading and invoices.
- Workers now are more likely to follow the "first-in, first-out" order placing procedures.
- Order picking is more accurate and efficient.