



CHEMICAL FIBER MANUFACTURER SAVES MONEY AND REPUTATION

CHEMICAL FIBER MANUFACTURER

UNITED STATES



industry

MANUFACTURING – CHEMICAL

applications

SHIPPING/RECEIVING

situation

This chemical manufacturer supplies a variety of artificial fibers to industrial customers. The company has 10 warehouses at a manufacturing complex with more than 500 employees.

critical issue

The fibers manufacturer was losing money due to lost inventory and mis-shipment of products to customers. Mis-shipment of product affected the chemical fiber manufacturer in two ways. The most common error occurred when the fiber manufacturer would ship an inferior grade of material to its customer. Once the mistake was discovered, the company would have to pay the costs for re-shipping a higher grade of fiber product to its customer (as well as absorbing the hidden costs of labor devoted to resolving the shipping problem). But there was another scenario in which the fiber manufacturer would lose money, though management found these losses difficult to quantify. This occurred when the company would ship a superior grade of material to the customer, but would only charge them for a lesser grade. Management suspected that this was the case for some of the company's lost inventory, but the hypothesis was difficult to prove because these types of mis-shippments typically went undetected or unreported by customers. On top of the financial losses, the company's reputation suffered when customers complained about mis-shippments.

reasons

Mis-shippments and lost inventory were the result of the company using old, unreliable bar code scanners that frequently failed. Warehouse workers would stop using the bar code scanners, and resort to using a back-up paper based inventory system that was too inaccurate and inefficient to adequately monitor and track shipments.

vision & capabilities

Managers at the fiber manufacturing complex not only wanted to replace the old bar code scanners with more durable and rugged units, they also wanted to upgrade the complex's bar code system so that it gave them the advantages of real-time information. Under the previous system, the site used a batch method in which information from data collection terminals was downloaded twice per day. This was too slow. The company wanted to improve its efficiency via instantaneous downloading and uploading of scanned bar code data.

intermec solution

Intermec provided the manufacturer with a complete radio frequency (RF) backbone at the fiber production complex, which included all 10 warehouses as well as other buildings. Approximately 100 Intermec JANUS™ JR2020 Hand Held Computers with built-in laser scanners are used by warehouse workers to scan and verify fiber products prior to shipment. A MODEL 200 Universal Network Controller coordinates information flowing between the site's host computers and software applications. MODELS 9181 Base Station Receiver and 9183 RF Repeaters provide 900 MHZ RF communication throughout the chemical manufacturing complex.

benefits

The chemical fibers manufacturer practically eliminated all mis-shippments and has significantly raised customer satisfaction. Savings generated from freight costs and reduced labor time provided a return-on-investment to the fibers manufacturer in six months.