

FACTIVITY

CASE STUDY - ALEMITE CORPORATION

Alemite Achieves 2 Day Lead Times With Factivity

For more than 80 years, Alemite has consistently developed and produced innovative technology for lubrication delivery systems, including making the world's very first grease fittings. Today, Alemite is a leading producer of lubrication equipment and accessories, including pumps, reels, dispensing valves, grease guns, automatic lubrication systems, fittings and accessories. Headquartered in Fort Mill, SC, with its primary production facility in Johnson City, Tennessee, the company supplies to leading companies around the world. When Alemite needed to upgrade its Manufacturing IT to meet the challenge of moving to a 2 day build-to-ship regime, it found the perfect solution in Factivity.

Alemite's business is highly specialized and complex with a mix of traditional Work Order based manufacturing and Cell/Lean manufacturing. The actual plant floor configuration, in terms of machine/cell utilization, is dependent on this mix; and with up to 180 individual machines/cells involved, there is a continual challenge to optimise workflow. Add to this, the additional constraints of managing the allocation of required workforce levels to the right machine/cell, and the challenges become even more apparent.

Mike Phy is IT Director at Alemite and has responsibility for all the company's Manufacturing IT. He describes how Alemite used to operate. "We used to have an entirely paper based system with a daily Production Report distributed to all 150-180 workstations. Each worker was then responsible for updating, by hand, everything that happened on the job. This included time taken on the job, the part number, quantities made, scrap rates, etc.

"...efficiency has increased by as much as 5% to 10% on many areas of the floor."

--Mike Phy, IT Director

Clearly there were significant and obvious problems due to the potential incorrect data recorded by the worker, incorrect data transcribed into MFG/PRO and the timeliness of the data entry. Less obvious, but just as important, is the human factor. Employee performance was directly related to work levels so there was always a potential for people to be 'optimistic' in completing their updates."

Moreover, any changes required by management to the production plan would have to be manually distributed throughout the plant. Any changes required by the plant floor (ie. machine failure) would then have to be manually taken to the management, with subsequent changes taken manually back to the shopfloor. At a management level, this led to having zero visibility about the current progress of particular jobs, and also the state of the plant floor as a whole. This impacted the ability to give short lead times and affected the company's overall competitiveness.

Alemite's first step to gain tighter control and better visibility over its business was to implement an ERP system, MFG/PRO, in 1999. Factivity was installed in 2002 and integrated with MFG/PRO.




Mike Phy describes how Factivity interacts with MFG/PRO. "Factivity touches every part of the manufacturing process. MFG/PRO handles the order entries which are then scheduled for production. Factivity then pushes by work order out to specified thin clients on the floor. Factivity knows the routing from the Bill of Materials, and gets the constraints from MFG/PRO, although these can be manually overridden or amended by the supervisor on the shopfloor. As production is completed, key data is entered via Factivity's intuitive touchscreen and fed back into MFG/PRO."

However, there was still considerable scope for improvement. One of Phy's first tasks, when he was taken on by Alemite as IT Director early in 2005, was to investigate re-implementing Factivity and to add a Time and Attendance (TA) module. Having already worked with Factivity Inc. on a former project, Phy naturally involved them from the outset. "In addition to the implementation, we used Factivity to provide the Supervisor training as part of a 'Train the Trainer' program. We had very ambitious goals, and Factivity helped us achieve a total implementation time of only 3 weeks. While we had a steep learning curve, the quality of service from Factivity ensured that the entire implementation went better than expected for such a tight time frame."

The result is that Alemite now has the means to align payroll with the number of hours spent on any job. As Phy remarks, "Since the installation of Time and Attendance, there is so much more discipline and visibility at both the operator and supervisor positions that efficiency has increased as much as 5-10% on many areas of the floor."



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Other elements of the reimplementation included migrating to a more robust, yet flexible, Terminal Services Technology Platform and retraining the entire work force to get the best from the new system.

Phy sees this latter step as essential for getting the all-important worker buy-in to a system which could potentially be seen as adding an additional layer of performance monitoring. "It could be easy for an employee to feel initially fearful of a "Big Brother" management mentality by moving to this level of automation. However, while it does encourage discipline on the shopfloor and lead to overall business efficiency gains, it also provides many benefits to the individual employee." First, the system is two-way and interactive. Each worker can see how they are or aren't performing against projected expectations. If, for any reason, they are falling behind as a result of a machine or supply problem, this is immediately apparent. With Factivity's built-in alerts, it can be addressed. As Phy continues, "This helps ensure that each employee has fair and realistic expectations to work towards, not a level which may have no bearing on the real world demands of any particular production run, even in a predominantly Make-To-Order context. The fact that the user interface is so intuitive just added to the acceptance up by the work force. In fact, the most often heard query was, "Are you sure it's doing what it needs to do because it's so easy."

The company also clearly benefits from this tighter level of control and Phy cites some impressive gains. "For us the most critical benefit is that we have lead times now down to the target of 2 days, from weeks. Efficiency has gone up in terms of asset and employee utilization and production errors have gone down. We have removed the data entry errors and have complete visibility of what is happening; not just across the entire plant, but at any given section of the plant at any given time. We can also see the affects of any changes made as they are happening. This gives us the intelligence required to respond in the most timely fashion." Phy sees this resulting from the fact that, as he puts it, "The system is not just a shopfloor reporting solution, it's a true two-way, shop floor control system. Both management and the workforce have real time visibility of what is happening which enables everyone to do their best."

As for the future, Alemite is already planning to build on the efficiency gains by integrating Factivity into the shipping and distribution side of the business. Plans are also underway to integrate this with the physical inventory control system to further keep costs and stock to a minimum. Phy concludes, "Perhaps the greatest benefit in working with Factivity on this project, is the unbelievable support we get. You call and five minutes later there's an answer. You could say the support is almost as "real-time" as the Factivity system. And we see Factivity as a key component in Alemite's ability to succeed in its industry."

FACTIVITY is a real-time data collection and time and attendance system utilizing touch screen capabilities. This easy-to-use, "paperless", MES provides better job tracking, labor collection, time and attendance, job scheduling, APS sequencing and greater visibility to jobs on the floor via an easy-to-install and intuitive push-button user interface. Although FACTIVITY was designed from inception to use push buttons on a touch screen, bar code readers can be attached as required. Also included is a document delivery system and a quality data capture facility. Beyond highly accurate floor data comes real-time alerts to floor problems as they happen.

Factivity Inc. has provided packaged, ready-to-install software solutions to the manufacturing community for more than 20 years. Factivity's mission is to deliver fast-to-implement, easy-to-use business systems that help manufacturers become lean, productive and competitive in the marketplace.



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