

G&W Products—a Small Business Manufacturer—Thinks Big with Plex



About the Company:

G&W Products provides world-class contract metal manufacturing to its customers. Founded in 1968, the company's areas of expertise include metal stamping, laser cutting, CNC punching, metal fabrication, manual and robotic welding, structural steel working, sheet metal fabrication, powder coating and assembly. G&W is headquartered in Fairfield, OH and employs 145 people working from 140,000 square feet of manufacturing and warehousing facilities and 15,000 square feet of office space.

Business Challenges:

- Existing ERP system wasn't user-friendly and made it difficult to access critical information needed to make business decisions.
- The company had to resort to manual, paper-based processes to overcome the limits of its ERP system.
- Inventory accuracy and traceability were problematic.
- Identifying capacity constraints and order statuses was a lengthy, manual process that exhausted valuable resources.
- Inflexibility of the ERP system hampered the company's ability to grow.

Solution Benefits:

- Increased on-time delivery from mid 80% to as high as 98%.
- Reduced inventory by 25%—to less than 40 days on-hand.
- Achieved lowest overall PPM at 176—better than world class.
- Increased profitability 12%—though sales weren't as high as anticipated, the company reaped more on existing revenue.

G&W Products is a small manufacturing business that had a goal to boost growth. When Gary Johns, CEO of G&W Products, took the helm over a decade ago he saw one thing that could prevent growth: the company's legacy ERP system.

As a job shop, G&W can handle almost any kind of metal manufacturing including metal fabrication, metal stamping, welding, and powder coating. The company makes everything from electrical busway components and store displays to military components and heavy equipment. Each material used is ordered to specifications, based on customer requirements.

But unlike many small manufacturers, G&W didn't believe the myth that cloud ERP is limited to large enterprises. In fact, the company sees itself as a leader by using technology to completely transform its business, and for good reason. G&W Products went from mostly manual, paper-based manufacturing operations to modern, lean, world-class production in nearly one year. And how the company got there is a story of true, company-wide buy in.

“All employees use Plex, whether it's the shop floor, office, or sales on the road. There's not a single person in our company who does not use Plex.”

—Jeff Karan, Director of IT

A Unique Way to Gain Buy-In

A typical scenario when a company decides to replace business systems is upper management or a group of stakeholders makes the decision and everyone conforms to the new system.

G&W's CEO wanted to do things differently. He asked a consultant to do the research, then formed a small team of employees to select more than a

dozen ERP solutions. This small team would whittle the list down while more employees were added to evaluate those solutions after each round.

Once the final three were narrowed, they conducted a blind survey of all three asking which was the better solution—and they arrived at the Plex Manufacturing Cloud®. Throughout this process (about nine months long), the CEO achieved endorsement across the company.

“Getting buy-in is the first step in really being successful at implementing an ERP system. If Gary had come to us initially and said, here’s what we’re going to buy and here’s what we’re going to use, things may not have turned out as well as they did,” said Jeff Karan, Director of IT.

For the initial implementation, the company had two facilities to get online which took about four months, due in part to entering 18,000 part numbers manually versus data migration. Karan says he and his team learned a lot about the importance of “good data in, good data out” during the implementation.

“The reason why we had to hand enter part numbers was because the information in the old system was unusable. We could put very little information into it, and there were a lot of restrictions on fields and the amount of characters that could be put in so project managers basically managed the facility (literally) from operation to operation,” said Karan.

With Plex, Karan and his team have found ways to continually improve processes. The company even formed a team dedicated to unlocking Plex capabilities that have a direct impact on business.

“When I got here, Jeff said we had a system; but in my mind, it was all manual because my inventory was on an Excel spreadsheet,” added Joey Seymour, Purchasing Manager. “But Plex just blew our existing system completely out of the water. I love it.”

Managing the Complexity of Modern Manufacturing

Expanding products to suit customer demands meant more complexity that G&W had to manage. That’s why it was critical that the company’s new system could handle capabilities like end-to-end traceability.

“In earlier days of our company, an assembly that had 15 parts led to manually chasing everything and keeping track through every step on paper. Now, we are making items with hundreds of part numbers that go into one assembly,” Karan said.

With Plex, every material that comes in is traceable back to either the mill or to the manufacturer. If it is a purchased item, G&W can trace it all the way back to the actual packing slip. Everything purchased requires a certificate of conformance. This paid off big time for G&W six months after implementing Plex.

G&W received material that failed due to cracking during forming. This was a product for a major military customer so locating the problem and isolating it as quickly as possible was critical. Plex allowed the team to look at the traceability tree to see all related inventory so they could locate, gather, and quarantine the faulty material immediately. G&W approached the supplier who provided the bad material with proof of failure and received reimbursement.

Prior to Plex, Seymour explained that he would get numerous emails daily with last-minute purchasing requests but often this resulted in a lot of overstock. Materials would pile up and make it difficult to locate what was needed to fill orders.

“With Plex, we went from having 3,500 sheets of metal on an Excel spreadsheet to only two weeks in raw materials—essentially cutting down our inventory by 25%.”

—Joey Seymour, Purchasing Manager

And since G&W is a job shop that means time and money savings they attributed to processing what is needed instead of what is received.

Making Quality the Core of the Business

“The other capability that made Plex stand out is that quality is built-in. With every other system we looked at, quality was always an add-on; a separate item being installed,” said Karan.

Ty Ruckh, Scheduling Supervisor added, “With Plex, you know when you’re trying to build something you can create the control plan, set up your inspection point, and it’s captured right there, in the moment and it’s there forever. And if you ever need to see any kind of validation or verification, it doesn’t get any better than having quality engrained in the system.”

G&W takes quality seriously—so much that employees continually push the boundaries to be as flexible and proactive as possible for customers. This just wasn’t possible with the old ERP system. Comprehensive, built-in quality management with Plex has helped the company improve in a number of areas, including problem identification.

“With regard to returns or problems, the discussion was always vague. It was difficult to find root causes and do good corrective actions. We can now put instructions, quality check sheets and hard stops into the Plex system in the way of pictures, videos, and writing to ensure that everything is being done exactly to specifications,” Karan added.

Fast Response to Audits

Audits are part of doing business for G&W and they used to take a toll on company resources. Employees would chase down information pulling together paper documents, and the process would take days.

“Now we can sit in a room and pull up whatever auditors ask for within seconds. They’re blown away. They walk out of here, smiling and completely impressed with our ability,” Karan said.

In fact, Seymour explained that auditors often say they need to search harder to find areas for improvement. One auditor scrutinized the font size on a logo so he could report something.

When audits come up, there’s no concern among G&W’s employees because they know they’ll be able to respond. Within three months the company responded to 11 audits with no sweat.

“That makes us very proud. Whether it’s weld audits or ISO audits or just flat out customer audits, it’s really not an issue for us,” said Karan.

Leading the Way as a Small Business

G&W has fully embraced the idea of cloud, and the company has seen the benefits of managing Plex externally. Using cloud computing is what Karan sees as leadership as a small business in manufacturing.

“A lot of manufacturers our size believe a system like Plex is just for big businesses because they think they won’t have enough employees to support it, but it’s just the opposite. We hired zero employees when we implemented Plex,” Karan said.

Karan continued, “They feel the need to keep everything on-site. They must control it, they have to know that it’s there and that nobody else has access to it. But, Plex gives you the ability to access the items that you need from anywhere in the world. Unfortunately, this kind of forward thinking hasn’t hit a lot of smaller manufacturers.”

Plex gives you the ability to access the items that you need from anywhere in the world. Unfortunately, this kind of forward thinking hasn’t hit a lot of smaller manufacturers. You hear them talk about having to run into the facility and calling a certain person to take care of a situation, and we don’t work like that anymore. It’s a lot easier to balance life with Plex. I can be at my daughter’s swim meet and make decisions, make changes, and not miss a beat.

—Jeff Karan, Director of IT

Another way the company is an industry leader is their ability to proactively solve operational problems by utilizing Plex. This has allowed G&W to plot where and how it grows as a company.

“Now we are addressing issues that go right to our bottom line because we have valuable details that we never had before. We can click a button and it’s right in front of us. Once we focused on real information, we started managing the stuff that matters,” Karan concluded.

About Plex Systems

Plex Systems, Inc.[®] delivers industry-leading ERP, MES, and Industrial IoT solutions to manufacturers across process and discrete industries. Plex pioneered cloud solutions for the production line, connecting suppliers, machines, people, systems, data, and customers with capabilities that are easy to configure, deliver continuous innovation, and reduce IT costs. With insight from the shop floor to the top floor[®], the Plex Manufacturing Cloud[®] helps companies see and understand every aspect of their business ecosystems, enabling them to transform their businesses and lead with precision, efficiency, and agility in an ever-changing market. Learn more at www.plex.com.

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