



CASE STUDY

Kamco Industries Achieves World-Class Efficiency with Plex

BUSINESS CHALLENGES

When Kamco Industries' spreadsheet-based business processes didn't meet the requirements of major clients such as American Honda, the company knew it needed to improve. Analyzing performance involved stacks of paperwork, and the year-end closing process required countless hours of overtime and took weeks to complete. IT spent too much time supporting business processes rather than providing a strong technology foundation for the company. Looking to meet its customers' requirements and improve efficiency, Kamco began looking for a new ERP system.

Results



Reduced IT headcount from 12 to four



Streamlined monthly close to two days and year-end close to two weeks while eliminating the overtime associated with these processes



Streamlined shift scheduling from two hours to just minutes



Received on-time delivery awards from American Honda for nine consecutive years



Every successful manufacturer's goal is to respond as quickly as possible to customer needs. Kamco Industries takes this one step further by tailoring its business processes to the expectations of its largest clients—such as Honda.

Honda was in the midst of a compliance initiative and needed its suppliers to support this effort by consolidating their operations on one business system that would make it easier to share information. Kamco had previously run business processes that revolved around spreadsheets. But as one of Honda's largest injection molding suppliers—Kamco took this mandate as an opportunity to grow.

Kamco immediately began to research and evaluate cloud manufacturing solutions. The Plex Manufacturing Cloud, with its manufacturing-focused capabilities, became an appealing option for the company. There was also another key difference that stood out for Kamco.

ABOUT THE CUSTOMER

Kamco Industries

- 📍 Location: West Unity, OH
- 📅 Founded: 1987
- ★ Kamco Industries, a subsidiary of Kumi Kasei, is a full-service provider of product design and manufacturer of injection, sheet molded, and Formed Fiber Felt products. The company brings increased value to its customers and associates through its business planning, ISO 14000, and ISO 9001 programs. After expanding into Bradford, Ontario in 1997; Clanton, Alabama in 2000; and Guadalajara, Mexico in 2010; the Kumi North America group has achieved a combined total annual sales of more than \$140 million.

“Plex showed a willingness to work with us in getting our business processes up and running,” said Chad Walls, Information Systems Manager, Kamco Industries. “The fact that they were willing to be that vested in our success was what tipped the scales in their favor.”

Gaining Inventory Control and Visibility

With the cycle counting tools and real-time inventory visibility in Plex, Kamco has dramatically increased its inventory control.

“Before we went live with Plex, we had lots of situations where we would have a press sitting idle for an hour or two while we hunted down inventory,” said Allan Benien, Senior Vice President, Manufacturing Operations. “We often knew we had inventory but just didn’t know which warehouse it was sitting in. The traceability within Plex is a huge time-saver for us. As soon as you set up a job in Plex, the system tells you exactly how much material you’ll need and shows you where the inventory is located.”

By transitioning from spreadsheets to Plex, Kamco has streamlined the process of scheduling each shift’s work tasks from as much as two hours to just minutes. Running leaner processes has enabled Kamco to reduce its overall inventory holdings, which helps the bottom line. Kamco has also streamlined its year-end inventory process, which once took weeks to complete and endless hours of overtime for Kamco employees.

Smoother Shop Floor Operations

“We used to have 30 or 40 people come in and tag everything in the facility so that we could prepare a report for our auditors,” explains Benien. “People were here on overtime for 12- or 16-hour shifts, taking naps and not allowed to leave until we were finished. But now with Plex, we simply run a year-end inventory report, print off about 100 pages, and hand it to the auditors. We close our monthly books in a couple of days and our yearly books within two weeks—and there’s a huge cost savings in avoiding all that overtime.”

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Manufacturing Operations, Kamco Industries

Leveraging Custom Reports to Focus on Business Performance

As Kamco serves an increasingly global market of customers, the company must meet the certification requirements of different countries. This often requires the company to use different tools depending on where finished parts will be sold. With Plex’s tooling module, Kamco can easily ensure that its products are built and labeled in ways that meet these requirements. The system automates the process of verifying that workers are using the right tools and routing products for the appropriate quality control approvals.

Kamco used to rely on stacks of paper-based reports as it analyzed its performance. Today, Kamco can see overall equipment effectiveness (OEE) data through Plex, which has enhanced daily and weekly review sessions with the company's production group. Kamco can tailor the appearance of reports through the VisionPlex feature—and hopes to make real-time reports available on shop floor monitors at a glance.

“We appreciate being able to develop custom reports,” says Walls. “The ability to create and customize within VisionPlex was a huge factor in choosing Plex. We're hoping to reach a point where shop floor workers can walk by and glance at a screen to see how we're tracking on our target production rates.”

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Nine Consecutive Years of On-Time Delivery Awards

Kamco realized another benefit after implementing Plex: improvement with the company's line side labeling process. Using Plex's functionality, Kamco has automated a manual process that used to require the attention of two or three associates just to make sure labels had printed correctly. The new process has resulted in faster delivery times and greater reliability—to the point that Kamco has received an on-time delivery award from American Honda for nine straight years.

"We've received an on-time delivery award from American Honda every year since we implemented Plex," says Benien. "We have visibility to the orders that are coming in, and the tools to communicate efficiently with Honda. That has been a huge factor in our consistently outstanding performance as a supplier."

Before Plex, each department of Kamco used its own business systems to get work done. With Plex, many key functions have been automated and simplified, which has enabled the company to reduce its IT headcount from 12 employees to four.

"So many processes that used to be under IT's control are now automated, which has freed up some employees to return to the business divisions where they're best suited," explains Walls. "For example, we used to have an EDI clerk working in the IT group, but she has transitioned back to the shipping group because Plex has simplified the technical aspects of scheduling shipments. We've had other employees leave without needing to be replaced, which is a huge cost reduction. IT can now focus on championing the Plex system and supporting business users as they set their own policies and processes within the system."





Going from manual processes to the Internet of Things

When Kamco implemented Plex in 2007, its biggest training concerns didn't revolve around the software—they revolved around teaching some of their line workers to use computers.

“At that point, we still had quite a few shop floor workers who didn't use a computer as part of their daily lives, so we had to train them on things like using a mouse,” explains Walls. “But once they were logged onto the system, most of the business processes were pretty intuitive.”

Fast forward 10 years, and Kamco is using tablets, RFID container tracking, robotic assemblies, and digital tools on the shop floor. Plex serves as the hub that ties together all the information from these systems.

“Honda works closely with us to try to enhance their products,” says Benien. “They had us implement RFID tracking so they could come to us for benchmarking and trialing new systems. We're also using robotic assemblies to minimize repetitive floor work as well as improve our cycle times. Our torque wrenches and screw guns are now set to do assemblies at the specifications that Honda requires. Plex is the system that enables us to take greater advantage of the Internet of Things and stay ahead of the curve with innovations like these.”

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Embracing Augmented Reality and Other Innovations

Today, Kamco is doing more than just improving the way it has always done business. The company is also embracing innovation and preparing for the future. Kamco has already deployed Microsoft HoloLens on the shop floor and is making greater use of augmented reality functionality, which interfaces with Plex.

“HoloLens has already been a time-saver for us,” says Walls. “We can have someone in one of our facilities wearing the HoloLens and performing a task, and someone in another location can connect through Skype and give them direction and feedback. Rather than spending thousands to fly an engineer somewhere to verify a stamping on a tool, they can schedule a virtual meeting. Plex is the hub that allows us to connect emerging technologies with everything else we’re doing as a company.”

ABOUT PLEX

Plex Systems, Inc.® is the leader in cloud-delivered smart manufacturing solutions, empowering the world’s manufacturers to make awesome products. Our platform gives manufacturers the ability to connect, automate, track and analyze every aspect of their business to drive transformation. The Plex Smart Manufacturing Platform

includes solutions for manufacturing execution (MES), ERP, quality, supply chain planning and management, Industrial IoT and analytics to connect people, systems, machines, and supply chains, enabling them to lead with precision, efficiency and agility.