



Plastics Components Inc. Leads Global Competition At Home With EnterpriseIQ

Vision for Success

In an industry punctuated by ever-increasing global competition and recent offshore market share gains, many North-American based molders are making process adjustments just to remain competitive. Low-cost labor markets abroad and rising energy costs only add to the pressure. Yet even as some U.S. molders struggle to keep pace with global dynamics, Plastic Components, Inc. (PCI) is taking a unique approach to success.

Founded in 1989, PCI utilizes complete process automation to keep costs low and quality high. By eliminating all non-value added labor from its manufacturing process, PCI has prospered to become a leading, globally-competitive supplier of critical molded plastic parts for a diverse range of original equipment manufacturers (OEMs).

PCI has challenged worldwide competition by focusing on its core strengths of automation and value pricing. To support its vision of complete process automation, PCI has adopted lean manufacturing principles, such as staffing for efficiency, investing in quality equipment and support systems, and aggressively pursuing process improvements. It was with these goals in mind that in 2002 PCI sought to replace its multiple databases and software packages to better support its unique manufacturing strategy.

“PCI has experienced strong growth as a low-cost, at-home injection molder,” explains Wendi Jay, Administrative Manager at PCI. “But our multi-database system was hindering growth.”

According to Jay, managing operations with several, non-integrated, and manual databases was putting a heavy load on the company’s staffing resources. Data was scattered throughout the company, and there was no standard for reporting, so information was often unavailable or inaccurate. Without accurate data, PCI couldn’t easily provide value quotes to its customers, and because the system lacked inventory management controls, inventory could not be checked without calling a live person.

“For us, it all boiled down to having better control of our critical business data,” says Jay. “We wanted a single-database solution that offered centralized, accurate, and relevant data that was accessible to everyone in our company. In other words, we wanted a system that was in line with our vision for success.”

Excellence through Automation

PCI selected EnterpriseIQ for its breadth of functionality, easy-to-manage user-friendly format, and the centralized control it provides over core business data. With EnterpriseIQ in place, PCI is more effectively managing information internally and across its entire supply chain.

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The Company

Based in Germantown, Wisconsin, Plastic Components, Inc. (PCI) is a globally competitive, low-cost producer of critical injection molded thermoplastic parts for original equipment manufacturers. Since 1989, the Wisconsin-based company has relied on complete process automation to provide the highest quality parts at the lowest possible cost. With 40 dedicated manufacturing cells (presses, robots, parts conveyors and automated material handling systems) producing parts on a fully automated basis 24 hours a day, five days a week, PCI has shipped over one billion molded parts to customers throughout North America since its inception in 1989.

“Our company relies on automation to wring out all waste in the manufacturing process,” explains Jay. “IQMS lets us apply that same high level of excellence to the management of our business. We can now monitor and assess all manufacturing operations as they happen in real-time. We’re also better able to communicate accurately amongst ourselves and with our customers and suppliers.”

PCI operates 40 molding presses simultaneously 24 hours a day, five days a week with no operators involved in the molding process. Running such a tight system mandates detailed and timely information. PCI relies on EnterpriseIQ to manage everything from manufacturing and plant operations to sales and distribution, finance, payroll, customer relationship management, preventative maintenance, and more. IQAlerts, IQMS’s business activity monitoring module, helps PCI fend off potential problems by notifying the appropriate personnel when a task needs to be accomplished and by warning when an error has been made. PCI also uses IQAlerts to automate electronic delivery of invoices to its customers.

“Having a system that pushes information to the appropriate person in advance has dramatically improved our efficiency,” says Jay. “It has also enabled us to increase data integrity and to better maintain quality standards.”

Data-Driven Quality

As an ISO 9001:2000 certified company, quality standards are important to PCI. The company’s quality manager, Bob Allcox, says the single most important benefit EnterpriseIQ provides is traceability.

“The adaptability of the IQMS system allows for customized programs and reports to accurately support corrective actions, deviations, return material authorizations (RMAs), and serialized lot number tracking,” says Allcox. “This makes it easy to capture and provide accurate data for ISO audits.”

But as Jay explains, the system’s data integrity is only as good as the information that is put into it. For this reason, PCI is meticulous when it comes to data entry.

“IQMS makes it easy to secure data as well as to specify who enters it into the system,” says Jay. “This is important not only in following the procedures for ISO certification, but also in setting benchmarks to drive monthly performance goals higher. Having accurate performance data has benefited overall productivity and quality by encouraging employees to work together toward common goals and rewards,” says Jay. “With the same reliable data now accessible to everyone in the company, the management team and individual employees are equally empowered to push for higher quality standards.”

Fewer Physical Inventories Saves Time and Money

Perhaps the biggest benefit PCI has realized with EnterpriseIQ is inventory control. Previously, PCI took physical inventory quarterly and experienced major reconciliation issues with each count. EnterpriseIQ lets PCI take cycle counts throughout the year, so the company now needs to conduct only one, much shorter and far more accurate, physical count at year end.

“Our investment in IQMS paid off immediately by helping us eliminate the time and costs associated with quarterly physical counts,” says Jay. “Before we installed IQMS, we wrangled with major inventory adjustments four times a year, now everything falls into place perfectly with very little effort.”

Tighter inventory control enables PCI to run leaner and faster with less investment upfront in raw materials. The company is also better able to communicate with its suppliers because it can forecast needs more accurately and does so by electronically sending the forecast data to the suppliers.

“We used to hold inventory when it wasn’t necessary, which was expensive,” says Jay. “Now we forecast raw material needs precisely. This has helped us build better supplier relationships and secure better pricing, so we are able to carry those savings on to our customers.”

In fact, according to PCI Vice President, Don Cento, better supplier relationships and timely material delivery has also benefited PCI’s customers by enabling more accurate cost projections, and supporting an on-time delivery rate of 99.3 percent.

“We’ve been able to reduce the warehouse space by 25 percent as a result of the timeliness of material delivery,” says Cento. “This in turn supports on-time delivery to our customers.”

“IQMS makes us more accurate right out of the chute,” adds Jay. “Customer relations have definitely improved because we can deliver what we promise or better. And with preventative maintenance built into the IQMS system, we can protect our customers’ tooling investments, keeping them always at the ready for the next order.”

Mainstay of Success

PCI grew its business nearly ten percent in 2006, almost taking its 40,500 square foot facility to capacity. Much of this growth Jay attributes to the company’s success in fulfilling its promise to produce high-quality injected molded parts at the lowest possible cost.

“IQMS gives us the ability to focus on what we do best,” says Jay. “We know our profitability down to the part, so we can deliver real value to customers and give them the advantage of working with a supplier closer to home.”

PCI’s success hasn’t gone unnoticed. The company was recently featured on Winners Circle, a weekly broadcast segment hosted by Terry Bradshaw that highlights U.S. companies deemed significant in driving the country’s economic growth.

“EnterpriseIQ is at the core of our recent success,” says Jay. “And because IQMS is always improving its technology to help its customers succeed, EnterpriseIQ will remain a mainstay in our day-to-day operations as we move into the future.”

Return on Investment

- Increased data integrity and accessibility
- Improved on-time delivery to achieve an average 99.3% on-time rate
- Increased traceability for ISO compliance
- Improved customer communications and accuracy of quotes
- Gained tighter inventory control

Software

EnterpriseIQ™ ERP software system with Customer Relationship Management (CRM), RealTime Production Monitoring, Sales and Distribution, Quality, eCommerce, Process Costing, Forecaster, Electronic Data Interchange (EDI), Asset Management, General Ledger, Payroll, Time and Attendance , Preventative Maintenance modules, and more.

Hardware

Oracle database with windows-based PCs.