

## Reaping Rewards with Stock Control & MRP

**Company:** Wishes to remain anonymous  
**Industry:** Precision Engineering Facility - Oil & Gas

**Background:** The company in question is a precision engineering facility; a sub-division of a large multi-national, employing 70 people with a turnover of £10m last year. Manufacturing a large quantity of small batch components, complete traceability is of critical importance.

**Problem 1: Stock Control** was shared between three separate systems, none of which were comprehensive or reliable.

It was estimated that upwards of 30 hours were wasted every week just searching for bought in components amongst the 7000 stock items which the company carries at any one time.

The poor stock control processes exacerbated the difficulties experienced by the Purchasing Department. Whilst the company had grown, the systems were still geared towards the operation of a small firm. Information was not readily available across all departments and consequently mistakes were frequent.

**Problem 2: Production Control** invariably scheduled jobs late. Ordering of components and materials by the Purchasing department was disorganised and poor forecasting of work and customer requirements, were all attributable factors.

### Factory-Master Benefits - Stock Control & MRP

- Well controlled Bills of Material that can easily be copied and modified for variants
- Extensive Stock Control functions including Kitting, Picking and Label Production
- Quick & simple production of Purchase Orders
- MRP based on Sales Orders, assembly details, stock levels, Works Orders, Purchase Orders and lead times - giving a complete overview of requirements.

**Solution 1:** Factory-Master features a fully integrated Purchasing and Stock Control system, maintaining full batch-traceability and providing live information to the right people.

Stock movements are facilitated by Factory-Master's:

- **Kitting Lists** - for picking the requisite components of a Works Order for assembly/manufacture
- **Picking Lists** - for ensuring that goods are shipped to customers at the right time
- **Picking Labels** - which identify the goods to be shipped to Stock Controllers and customers

*“The key to many of our problems was our stock control. We had several systems running simultaneously, none of which were reliable and all of which stifled expansion.”*

*“The company functions more as a team, thanks to the integrated nature of the system. Each department now realises the importance of their actions on the next.”*

**Solution 2:** Factory-Master features MRP (Material Requirements Planning) capability. At the touch of a button, Production Control and Purchasing departments can have complete visibility of Works Orders and P/Os which need creating. If lead times have been set up for each component, these can be applied to the report to ensure that starting late becomes a thing of the past.

*“Just five months into implementation, it is safe to say that Factory-Master has conservatively been responsible for an increase in turnover of £600,000 and bottom line profit of £100,000.*

*The system has paid for itself several times over!”*

“I look at the downward trend six months ago, and the way in which we are now exceeding our targets by £1m, and would personally estimate the turnover figure attributable to Factory-Master to be nearer the £1.2m mark.”