CREATIVE FOAM CORPORATION

**CASE STUDY**

# CREATIVE FOAM CORPORATION

Founded in 1969, Creative Foam Corporation is a supplier of foam fabricating products to the automotive, medical and composite industries. Based in Fenton, Michigan, its customers are spread across the Americas, Europe and Asia. More than 600 employees work at the company's seven facilities in Michigan, Indiana, Tennessee and Colorado.

**Industry:**
Automotive

**Location:**
Fenton, Michigan

## Results

95 percent inventory accuracy by improving visibility and minimizing manual processes

Enabled six out of seven production plants to go 100 percent paper-free

Company standardized OEE tracking procedures with the help of drilled-down reports

For many years, Creative Foam Corporation used an AS400-based enterprise resource planning (ERP) system to manage operations. Although the system managed basic functions, it was not efficient in integrating and automating manufacturing processes, which are crucial for long-term success and growth of the company. The management team looked for a system that could seamlessly integrate data across the enterprise; provide more visibility and transparency into operations; and be cost effective.

"One of the main reasons for choosing a new ERP system was to improve traceability and visibility in our operations," said Jennifer Martin, information technology manager at Creative Foam Corporation.

After a thorough search, Creative Foam Corporation's management decided to replace its existing legacy system with Plex Cloud ERP for manufacturers. Plex is a cloud ERP/ Software as a Service (SaaS)-based system built specifically for the manufacturing enterprise.

In less than a year, Plex was implemented and went live in all seven facilities at the same time. The benefits of cloud ERP were immediately apparent. "Plex is so user-friendly that even some of our first-time computer users are able to handle the system with ease," said Martin. From top-level executives to shop floor managers and production workers, all employees have quick and easy access to critical information.

## Company Improves Inventory Management Dramatically

Prior to deploying Plex Cloud ERP, the company had persistent challenges in tracking the count and movement of inventory from the warehouse to production and shipping. Most of these processes involved time-consuming manual methods of entering and retrieving data.

PLEX

**"**

Our six-month inventory accuracy is at 95 percent or more.
For the first time we know what is required to reach
our production goals.

**Courtney Couture**
Plant Superintendent, Creative Foam

For instance, the company's physical inventory process required a day and a half's work for ten employees. The collected information was then manually entered into the system. Now, with only a handful of employees, the entire process can be completed within a day. "It is a lot quicker, easier and more efficient," said Courtney Couture, plant superintendent, Creative Foam Corporation. "We are able to verify the count and match it in the system. The whole process is smoother and discrepancies are minimal."

In addition, now the comprehensive inventory in all plants is done once every six months, compared to once every quarter with the previous ERP system. "Our six month inventory accuracy is at 95 percent or more. For the first time we know what is required to reach our production goals," Couture added.

Improvements were realized in tracking the inventory, too. "Earlier, there was no way for us to track the routing of raw materials. We didn't know when and how a raw material went from the warehouse to plant floor to finished product," said Couture.

With Plex Cloud ERP, plant managers have the ability to track the WIP inventory value and maintain complete accuracy in inventory. There is more visibility in tracking the movement of inventory from the warehouse to shipping.

All operations are now tracked in real time. Plant managers are able to locate inventory throughout the production process. "With process routing each step of the inventory movement, we now know exactly where a particular part is and its status in production," said Couture.

Plex's capability to create transactions and maintain a history of each transaction enables managers to create reports and check production status in real time. "Nothing is done in batch, we are now a 100 percent real-time production," said Couture.

PLEX

## Drilled-Down Reports Boost OEE Standards

In the past, all shop-floor processes — production time per machine, amount of scrap and number of pieces produced — were tracked manually on paper. There was no standard tracking procedure in place.

"We were generating pages and pages of data with no way to see how we were performing against our standards. We didn't have any real-time reports to analyze the performance. Data entry and analysis in itself was a full-time job," explained Couture.

With reports generated from Plex, plant managers are able to track the overall equipment effectiveness. These reports provide in-depth details of:

- Downtime of each machine
- Number of pieces produced per machine
- Time taken by each machine to produce the parts
- Amount of scrap produced per machine

The reports allow the team to calculate overall equipment efficiencies based on the percentage of scrap for the day compared against the company's standard rate. It also gives the uptime numbers, which is the number of actually produced parts minus the downtime. Such drilled-down data enables the plant managers to quickly make strategic calculations and informed decisions.

## Plants Go 100 Percent Paper-Free With Cloud ERP

Six out of seven production plants are 100 percent paper-free, thanks to the deployment of cloud ERP. Previously, these plants used Excel databases to store data and manual processes to track, route and approve key business functions, including personnel logging and time-off in human resources management. As Plex Cloud ERP provides a single unified platform for the entire plant to manage all operations, it made it possible to go paperless.

## Improved Supplier Communication

Communication with suppliers has improved tremendously with the use of the Plex Supplier Portal. The Supplier Portal enables paperless, real-time communication across the supply chain to improve visibility, performance and operational excellence.

"Our suppliers are able to log in to the system and do their own printing of labels, and check the purchase orders and online releases. We no longer send notifications via email. This has saved time and reduced errors," said Andrea Fowler, project coordinator, Creative Foam Corporation.

**We have realized tremendous process enhancements with the implementation of the Plex Cloud ERP solution.**

## Conclusion

"We have realized tremendous process enhancements with the implementation of the Plex Cloud ERP solution," said Martin. "Improvements in communication, access and the availability of information have enabled us to be more competitive, efficient and successful in the marketplace."

Rockwell Automation | PLEX