



TYPE CASE STUDY

INDUSTRY
MANUFACTURING

LOCATION
AURORA, ILLINOIS

ASK POWER IMPROVES ON-TIME DELIVERY TO 99% WITH PLEX SUPPLY CHAIN PLANNING

ASK Power, based in Aurora, Illinois, is a manufacturer of electrical power connectors for the transportation, military, telecommunications, and OEM markets. With more than 50 years of tool design and applications engineering, ASK Power also provides design, development, tooling, and production for entire product lines, gauge ranges, and prototyping.

RESULTS



Delivered 99% on-time performance for 11 out of 12 months in a single year



Increased 2 to 3 inventory turns to as many as 6 annually



Reduced order lead time by 40%



Increased profit margin from 2% to over 10%



With Plex Supply Chain Planning, our profit margin went from 2% to over 10%, our on-time performance to 99%, and our lead time from five to six weeks down to two to three weeks.

STEVE KASE

President and CEO, ASK Power

In 2009, ASK Power took advantage of an opportunity to fill a gap left by one of its competitors—and nearly doubled in size. As a result, the company began to struggle to maintain its on-time delivery and lead times, and project costing also started to rise. The company's CEO realized that he couldn't accurately calculate capacity planning to get a clear picture of how production could be optimized to meet the increased demand.

GAINING A REALISTIC VIEW OF THE BUSINESS

"We could produce work orders and identify machines and the work centers involved with those work orders," said Steve Kase, ASK Power President and CEO. "But we wanted to see if we're overloaded on specific days on specific machines so we could move an order from one machine to another and regenerate the capacity." Kase discovered that very few systems can do that as well as Plex Supply Chain Planning (SCP) – he soon decided to add it to his company's ERP system. Using SCP, ASK Power can get detailed shop floor control with visual capacity planning that forecasts 45 or 60 days out and regenerate planning according to the company's machine layout on an as-needed basis. Daily updates from the ERP/MRP are automatically fed into SCP for an updated, more accurate demand and supply plan.

"What is important to us is the ability to reflect our capacity and work center realities. Both infinite and finite capacity planning are really necessary to be able to ensure that you're on top. We couldn't find that anywhere but SCP," said Kase.



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DELIVERING HIGH LEVELS OF SERVICE — WITH OPTIMAL INVENTORY

Another key area Kase wanted to improve was sales and operations planning to stay competitive. Since ASK Power serves a variety of markets, it had become difficult to serve these markets at a high level without building up stock. Each month the company would compile spreadsheets to determine optimum inventory levels but soon realized this was not accurate or sustainable.

Leveraging the Sales and Operations Planning (S&OP) capability built into Plex SCP, the company collects sales and order data from its ERP system and develops forecasts based on segments unique to its business. After reviewing

available capacity, inventory, and scheduling, ASK Power can set inventory targets and plan supply accordingly. SCP proved to be an excellent budgeting solution for the company's operations.

"We went from two or three inventory turns to as much as six—and reduced setup waste," said Kase. "The S&OP features from SCP impacted our delivery as well — I had one customer tell me that we went from not meeting their expectations in terms of delivery to exceeding expectations."

Kase added that an unexpected benefit was the ability to merge with a French company and get it up to speed on the solution within 30 days, even after adding a new production facility for both planning and execution.

Rockwell PLEX



Plex Supply Chain Planning helped us substantially reduce setup waste on the shop floor, resulting in higher profitability and tighter inventory control. We went from two to three inventory turns to as much as five to six turns annually.



STEVE KASE

President and CEO, ASK Power

"This facility produces over 2,000 SKUs, and once we converted our ERP/MRP system to reflect those part numbers and their demand and history, we immediately were able to use SCP S&OP to understand what kind of reordering practices we needed, and that was a nice surprise."

OPERATING MORE EFFICIENTLY AND PROFITABLY

According to Kase, ASK Power almost doubled in revenue between 2008 and 2015 with half the employees. In those

seven years, the company worked hard to eliminate waste, reduce costs, and automate many of its processes. But Kase directly attributes his company's ability to provide good service, shorter lead times, sales growth, and effectively manage inventory to SCP.

"If you're not doing S&OP, you've got problems. But, if you want to do it well and realistically plan for your capacity, you need Plex SCP," said Kase.

ABOUT PLEX

Plex, by Rockwell Automation, is a 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, asset performance management, production monitoring, process automation and analytics to connect people, systems, machines and supply chains, enabling them to lead with precision, efficiency and agility. To learn more, visit www.plex.com

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