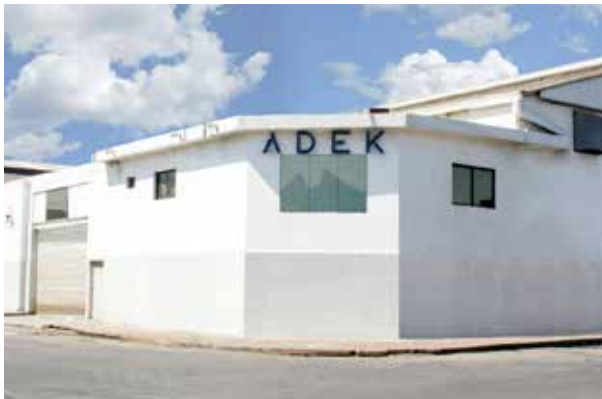


GLOBAL SHOP SOLUTIONS CASE STUDY

ADEK SA de CV

Founded in 1968, *ADEK SA de CV* is a leader in the manufacturing and sharpening of industrial knives and saws. Headquartered in Monterrey, NL, Mexico, the privately-owned company sells custom-made consumables used in the cutting, shaping, and folding of their clients' products. ADEK also distributes products for the European saw blade manufacturer, Kinkelder, and has recently expanded its own product lines into new markets such as food production, hygiene products cutting, packaging, and recycling plastic. ISO 9001:2008 certified, ADEK operates the largest sharpening service center in Mexico.



ADEK's main manufacturing facility located in Monterrey, NL, Mexico.



The president of ADEK (center) with Global Shop Solutions' Gabriel Pinto and Daniel Carranco at the FABTECH Mexico tradeshow.

For years, ADEK management used a job shop software to manage the production side of the business and a separate software package for the financial/accounting side. Recognizing the need for a fully-integrated ERP system to sustain the company's growth, ADEK selected Global Shop Solutions ERP software and implemented the software in 2013.

According to General Manager Enrique Lozano, ADEK chose Global Shop Solutions ERP software mainly for its ability to integrate all [production](#) and [accounting information](#) into one cohesive system, giving management a powerful tool for more accurate analysis of the company's operations. But other factors stood out as well.

"Global Shop Solutions seemed like the complete package," says Lozano. "It's a flexible system that can adapt to our changing needs. The company is very customer-service oriented, and is constantly updating and improving the software. And we also liked the software's user-friendly functionality, which allowed our employees to quickly adapt to the new system."

Eliminating Double Data Entry

Initially, one of the biggest payoffs for ADEK came from the elimination of double data entry, especially on the accounting side. Previously, everything from purchase orders to sales orders, invoices and more had to be manually entered twice. And with the data residing in separate databases, workers often struggled to find the information they needed in a timely manner.

With Global Shop Solutions' single database system, ADEK personnel no longer have to enter the data twice. This saves time, reduces overhead, and eliminates the errors that often occur with multiple data entry. It also protects the integrity of the data while simplifying processes throughout the company.

"For example, we now close the books at month's end much quicker than we used to," notes Lozano. "Spending less time inputting the data also means we can focus more on analyzing and managing the numbers to make good financial decisions. And with Global Shop Solutions, we know we can trust the accuracy of the data."

15% Reduction in Consumables Inventory

ADEK's previous software system allowed the company to manage raw materials inventory reasonably well, but they constantly struggled to keep consumable goods inventory under control. Since implementing Global Shop Solutions ERP software, consumable goods **inventory levels** have declined by 15% – a remarkable improvement in only six months.

"We used to keep all consumable goods in one massive bin," explains Lozano. "Now, with Global Shop Solutions lot/bin system and customizable inventory reports, we have much better visibility into what we have and where it is – for both raw materials and consumables. Cutting our consumables inventory has significantly reduced our carrying costs while freeing up cash flow for other areas of the business."

Global Shop Solutions ERP software has also improved the accuracy of times on ADEK's work orders. Because their old system lacked a robust scheduling module, management didn't invest a lot of time in improving the work orders as long as products shipped on time. However, with Global Shop Solutions ERP software comprehensive **scheduling capabilities**, having accurate times on the work orders makes a big difference – especially in the areas of **job costing** and profit margin analysis.

"When you get the time accurate on the work orders, the costs are more accurate and the profit margins are more reliable," says Lozano. "With Global Shop Solutions, we can estimate gross profit at the start of the job and compare the numbers once the order is complete. This gives us a powerful tool for retrofitting operations to improve production processes and margins going forward."

Continual Improvement for Sustained Growth

From creating job quotes, routers and work orders to sales analysis, payroll and quality control, ADEK uses Global Shop Solutions in virtually every area of the business. The payoff has come in a leap in the visibility and accuracy of information, followed by an improved ability to simplify jobs and processes on the shop floor and in the administrative offices. The result has been continual improvements throughout the business that strengthen the company's competitive position in the marketplace.

"Everything we do in Global Shop Solutions produces reliable data that we use to analyze how we're performing in each department," says Lozano. "With much of the data being real-time, it gives us the ability to make adjustments on the shop floor while jobs are in progress rather than waiting until after they're done."

"With Global Shop Solutions, we can now measure results properly in every area of the business, and have more confidence in the accuracy of those results. This, in turn, allows us to make better choices about our products and our margins while more clearly identifying the best opportunities for future growth."



A sample of engineered products from a special product line at ADEK.