

GLOBAL SHOP SOLUTIONS CASE STUDY

Automation Tool & Die, Inc. (ATD)

Headquartered in Valley City, Ohio, [ATD](#) is a family-owned business that manufactures custom tooling solutions for a variety of industries, including automotive, industrial hardware and outdoor leisure. Specializing in the production of make-to-order stampings and engineer-to-order tooling, the company produces brackets for heating, emissions, sensors and other car parts, as well as tooling for a major outdoor leisure company that makes everything from basketball hoops to picnic tables and storage sheds.



Building Class A tooling is ATD's foundation, and it is all done onsite.



ATD produces 68 million parts a year.

ATD first began producing custom tooling solutions in 1974, and later entered the metal stamping industry in 1989. Since then, the company has introduced value-added metal stamping services ranging from plating and tapping to assembly and distribution. ATD also produces functional prototypes of proposed part designs so they can be tested for proper form, fit and function before final production runs begin. ATD operates and maintains a quality management system that complies with the requirements of the ISO/TS 16949 standard, making the system compliant to the automotive industry.

ATD selected [Global Shop Solutions](#) as its ERP software provider for its many production management features as well as the company's superior customer service and family-business culture. Additionally, during the "Great Recession" of 2008-2009, the system's superb data integration capabilities allowed ATD to assess, react and adapt.

Winning Despite Market Conditions

According to ATD Vice President Randy Bennett, Global Shop Solutions provided the flexibility and adaptability the company needed to safely navigate the 2008-2009 economic downturn when many of their competitors did not.

"When the recession hit, Global Shop Solutions provided the reliable production data we needed to appropriately reduce inventory, labor and other costs to get us through the downturn," recalls Bennett. "When customers tried to cancel orders already on the books, knowing our cost of materials, open orders and their status allowed us to successfully negotiate to keep the open commitments going and reschedule jobs that hadn't been started. We managed to ride out the storm, but without that reliable data to drive our decisions, the outcome may have been different."



Success on the Shop Floor

Even in a healthy economy, many shop floor challenges remain. In addition to quality parts, customers also expect rapid turnaround time, both in terms of response time to RFQs and last-minute orders. According to Paul Jira, ATD's former materials manager and now the company's "master of measures," Global Shop Solutions' seamless [estimating process](#) enables a quick turnaround time on customer RFQs.

"In our industry, fast response is critical," he says, "especially with our automotive customers. As long as we enter the data correctly into the system, creating accurate routers is quick and easy. We just click the appropriate options for each RFQ and Global Shop Solutions does the work for us. Customers love it when we give them a quote in only two or three days."

What about adjusting the schedule to accommodate changes in the middle of a job?

"Fortunately, we don't get too many changes to jobs in progress," says Jira. "When we do, Global Shop Solutions makes it easy to see the demands on finished goods, raw materials on hand, and work in process. We also use APS – the [Advanced Planning and Scheduling](#) application – to analyze capacity and determine whether we can shift some jobs to workcenters that have a lighter load."

"With this data, we can react quickly to any changes and adjust our schedule to meet the customer's needs. More importantly, the entire company can see the changes being made, so we're all working off the same page."



ATD was recognized as one of the best places to work in Northeast Ohio.

Measurable Improvement

At ATD, Global Shop Solutions has produced measurable improvements throughout the business. Average inventory turns have improved from about 30 days to the current 18.6. ATD regularly receives 100% on-time scorecards from major customers. In addition, sales have increased by 56% over the past seven years.

The software also helps to win new customers. In 2014, ATD set a goal of adding one major new customer per year. Since then, they have won six new customers, with the potential for adding more. Bennett considers Global Shop Solutions one of our competitive advantages.

"Knowing our costs, knowing our capabilities, and being able to deliver fast quotes on RFQs gives us a real advantage," he says. "Plus, potential customers want to see a clean, organized company with solid systems and processes. We bring them in and demonstrate how we use Global Shop Solutions, and they like what they see."

Controlling Costs

As with any custom manufacturer, [controlling material and labor costs](#) is essential for achieving healthy margins. Using Global Shop Solutions to analyze closed work orders enables ATD management to identify variances in labor, material usage and outside processes, determine where actual costs exceed standards, and adjust their rates accordingly.

The system also helps to manage and control labor costs by tracking indirect time by department and by employee. Managers can also see a running total of indirect hours charged by week, month, or any their time frame of their choosing.

“Global Shop Solutions’ ability to capture and recognize non-value activities by employee, workcenter, and part number allows us to see where the indirect costs are coming from so we can take steps to reduce them,” says Bennett. “It also helps us make better decisions with our training and maintenance processes.”

The software’s [Auto Purchasing](#) application, which automatically reviews all material, steel or subcomponent demands from the work orders and generates purchase orders on demand, also helps to control material costs through more efficient purchasing.

“We’re a bit old school when it comes to purchasing,” notes Jira. “I prefer to create my own purchase orders because it gets me more involved in the process. But whether you opt for the manual or auto purchasing features, Global Shop Solutions has the tools to recognize what materials you need and when so you don’t over- or under-purchase.”

Strengthening U.S. Manufacturing

Ask Jira to pinpoint the #1 benefit of the software and he quickly names the instant access to data for everyone in the company.



Co-Owner, Bill Bennett, takes students through ATD’s engineering process.

For example, in the [Supply & Demand](#) screen, people can see the current status and history of all work in progress, finished goods and purchase items. This includes everything from sales and work orders, to material usages, and quote histories – all from one screen.

The system’s built-in dashboards provide quick overviews of on-time deliveries, direct and indirect labor hours and performance, accounts receivable and payable data, as well as sales and profitability history for each customer. These, too, can be searched by month, year or any other specified timeframe.

“With Global Shop Solutions, we can track and manage every step of the production process, from the time we receive the RFQ until the finished goods go out the door,” says Jira. “Anything we need to

know about a job, customer or part is all there at our fingertips with just a few clicks of the mouse.”

To Bennett, Global Shop Solutions offers more than just a reliable ERP software product.

“From the start, we were attracted to their reputation for outstanding customer service and their work/family culture,” he says. “Global Shop Solutions is a family-owned company that has built a family-like culture into their business. They provide great service. They continually improve the product. And when we have an issue that we can’t solve on our own, they’re happy to join with us in finding a solution.”

“We think so highly of Global Shop Solutions – as an ERP product and as a company – that we even demonstrated our system to a competitor. This competitor is a good company, and we know there’s plenty of work for both of us. We believe it’s important to strengthen all manufacturing in the U.S., not just our own company, and Global Shop Solutions can help all of us operate at our best.”

