

GLOBAL SHOP SOLUTIONS CASE STUDY

Foam Design, Inc.

A global leader in foam fabrication and cushion packaging, *Foam Design, Inc.* is a second-generation, family-owned business specializing in close-tolerance foam packaging products. Headquartered in Lexington, Kentucky, the firm designs and manufactures precision foam packing solutions primarily for the *defense, aerospace, oil eraser* and filtration industries. Its customers include Boeing, General Dynamics, Lockheed Martin, and NASA.



Foam Design's employee buffing and shining a product.



Rolling out foam for delivery.

Foam Design product lines incorporate a variety of packaging materials, including soft and rigid urethane molding, ceramic reticulated foam, otefoams/azote products, military-grade ethfoam, and all-weather sound absorbing foam. The company's innovative oil eraser foam contains bacteria that absorbs oil and heavy metals, and can reclaim the oil for reuse when sprayed with a special material. Foam Design also offers 100% compostable packing.

A WBENC-certified woman-owned business, Foam Design is ISO9001 and AS9100 certified.

When Foam Design outgrew its previous production management system, IT Manager Chase Erwin was tasked with finding and implementing a more robust and flexible ERP system. After researching several different products, he settled on Global Shop Solutions ERP software.

"We chose Global Shop Solutions for a lot of reasons, but mainly for its superb *inventory control* and *job costing* capabilities," recalls Erwin. "Our old system had no true costing visibility, which meant we had to guesstimate every time we quoted a new job. The *customizable Dashboards* give us accurate real-time and historical costing data that has significantly improved our estimating and quoting processes."

Accurate Inventory & Job Costing on Multi-Level Jobs

Foam Design's largest jobs often involve up to 60 different subcomponents, which requires building complex and lengthy bills of materials (BOMs). Because the company's previous ERP system could not tie material issued to subcomponents to the parent job, it created inventory and costing problems while making it difficult to track and manage work in progress (WIP) to finished goods (FG).

For example, the system would often display incorrect inventory counts because some of the parts had already been shipped, leading to inventory shortages. Also, the inability to tie subcomponent costs to the parent job made it impossible to determine a job's true costs when completed.

“With Global Shop Solutions, we can do WIP to FG with each subcomponent,” says Erwin, “and the system keeps it all in one lump sum in the parent account. We can also track the progress of each subcomponent through the BOM to make sure it gets issued to the correct job. Instead of our plant manager having to spend a lot of time manually checking every job, shop floor supervisors simply log into Global Shop Solutions to verify that all materials and costs have been issued correctly.”

“This takes a lot of pressure of our two-man quoting team because they now have accurate historical data to use when quoting new jobs,” continues Erwin. “The accuracy of the costing data also makes it easier for accounting to determine margins, profits and other company financials.”

25% Reduction in Accounting Workload

Foam Design’s old ERP system also created costing issues around labor tracking. Because the system could not export data cleanly, **accounting** personnel had to copy and paste labor data into an Excel spreadsheet and then manually manipulate the data to make it usable.

Global Shop Solutions ERP software seamlessly exports all data into whatever format accounting needs. According to Erwin, the time savings in this area alone have reduced the accounting department’s workload by about 25%.

The software also saves time when managing **stock inventory**. Two of Foam Design’s biggest customers require them to stock a finished goods inventory that they can pull from throughout the year. With its minimum inventory and safety stock features, Global Shop Solutions ERP software ensures Foam Design always has enough inventory on hand.



Carefully cutting foam blocks for a custom project.

“We get large orders every day of 10,000 pieces or more,” says Erwin, “and we might keep a safety stock of 5,000 for those. In the past, it took 10 people to go through all the lot bins and manually count the individual stocks. With Global Shop Solutions’ lot bin tagging feature, we can see at any time which parts have been issued to a job and where everything is. As a result, we now count the bins only once a year.”

“We’re currently in the process of setting it up so our stock customers can log in to a secure part of our system and check the status of sales and purchase orders and other job-related information,” continues Erwin. “This will eliminate a lot of man hours for our sales and customer service teams and allow them to focus on higher-value activities.”

Custom Dashboards Transform Quoting Process

As the IT specialist, Erwin is a big fan of the ability to customize Dashboards. His favorite is a custom **Sales Order** Dashboard he created using the **Global Application Builder (GAB) application**, which allows users to create custom screens and programs without changing the software’s underlying code. This custom Dashboard (which is available to all Global Shop Solutions customers free of charge on the online ARC store) serves as a gateway to everything Foam Design’s office workers need to perform their jobs.

With this Dashboard, people can track every part from the sales order to the work order to the actual inventory part – all from one screen. The data is live and always up to date, so it doesn’t need constant refreshing. And people can instantly see where a job is in the production process and identify any bottlenecks that might be holding it up. The Dashboard has also eliminated manual signoff on jobs, saving countless hours of tracking people down to get the signoffs.

“Having access to live data on every job has transformed our quoting and shop floor processes,” says Erwin. “Although we do mostly custom jobs, many of them use the same processes. With Global Shop Solutions ERP software, we can easily see what a process or job cost the first time and review its complete history to use as guidelines for similar jobs.”

Fast, Reliable Technical Support

Erwin gives Global Shop Solutions high marks for its initial implementation process and its ongoing technical support.

“Transitioning to a new ERP system is a major undertaking,” he says. “To ensure it went well, Global Shop Solutions assigned a project manager and **two experienced Consultants** who came on site and guided us through every step of the process. They took the time to learn our company and worked with us from the first day of the transition until we went live with the new system.”

“Unlike many software developers, Global Shop Solutions recognizes that no two companies do the same processes exactly the same way,” adds Erwin. “They gave us a very good baseline for using the basic tools, but also showed us how to tailor the system to fit the unique way we do things.”

Erwin also appreciates Global Shop Solutions’ hotfix program, which makes it quick and easy to install small fixes as well as large upgrades.

With Foam Design’s old system it often took one or two weeks to install a simple hotfix. Moreover, if Erwin ran into any problems, he sometimes had to wait two months or more to get help because they ran an older version of the software. With Global Shop Solutions ERP software, he can install a hotfix over the course of a weekend. If any problems arise, he knows he can get help ASAP.

“We’re always on tight deadlines with our jobs, so if anything goes wrong we need help right away,” he concludes. “Global Shop Solutions has always been there for us, both in terms of responsiveness and problem-solving expertise. It’s nice to know we can count on them for support when we need it.”



Foam Design’s headquarters in Lexington, Kentucky.