

GLOBAL SHOP SOLUTIONS CASE STUDY

Gemini Plastics, Inc.

Founded in 1969, *Gemini Plastics, Inc.* is a family-owned custom injection molder of thermoplastics, specializing in make-to-order products for electronics, industrial and commercial markets. Located in Fallsington, Pennsylvania, just outside of Philadelphia, the company's products include parts for the lighting and water pumping industries, as well as point-of-purchase display items for commercial retailers.



One of Gemini Plastics's robotic arms that aid in automating their shop floor.



Gemini Plastics' employee with their mold changeover machine.

Gemini Plastics operates out of 40,000 square feet of production space containing 23 molding machines ranging in size from 28 to 500 tons. Its 70 production associates mold products for a wide range of applications, including more than 3,000 custom electronic and lighting components, industrial molded parts and consumer products. Gemini Plastics' value-add services involve all parts of the post-injection molding process, including fabrication, assembly, and decoration.

Prior to implementing Global Shop Solutions ERP software, Gemini Plastics managed production with an assortment of computer spreadsheets and manual processes. Looking to the future, company ownership saw the need for a more sophisticated process to manage production.

"As the company continued to grow, we needed to get more organized," says Bob Holbrook, Vice President of Sales and Marketing. "In particular, we needed to get more accurate information to the shop floor with regards to BOMs and routers so we could deliver orders on time. Global Shop Solutions had everything we were looking for in one integrated package."

Leaning Production with Fast, Accurate Routers and BOMs

According to Holbrook, the process of creating routers, building **bill of materials** (BOMs) and turning them into work orders comprises the backbone of Gemini Plastics' production process. Since implementing Global Shop Solutions ERP software, the company has made tremendous strides in these critical areas.

When a customer submits an order request, Gemini Plastics uses the ERP software to establish the flow of materials in the router, which is then used to perform the **estimating and quoting**. Once the job is awarded, part numbers are assigned to the materials on the router, including raw, packaging and any other purchased materials used on the job. Those numbers are populated throughout the system to create a work order that goes to the shop floor with accurate production requirements.

Because every job at Gemini Plastics is a custom job, with many possible configurations of custom materials, colors and packaging, the ability to quickly create routers, BOMs and work orders within the system is a real time-saver.

“We have one job where we run the same product in nine different colors,” says Holbrook. “That requires nine different sales orders, work orders and routers in order to get accurate information to the floor. With Global Shop Solutions, we simply take the router we use to establish the quote, and with just a few keystrokes can turn it into accurate floor instructions for producing the part.”

Precise Inventory Improves Job Costing

Meanwhile, **inventory** accuracy has also improved by leaps and bounds. Gemini Plastics still performs cycle counting on a regular basis to validate inventory. But once they ship a product, they know exactly how much raw and packaging materials were used on the job, making it easy to maintain accurate perpetual inventories.

Global Shop Solutions ERP software also makes it easy to track and manage finished goods inventory. To even out the company’s workflow, Gemini Plastics will often run jobs several months in advance of the due date and store the product in finished goods inventory. When customers call to inquire about the status of their inventory, workers can instantly see how many parts are in inventory, when they were made, and whether more are scheduled for production.

Improved inventory management helps with another critical management process – accurate **job costing**.

“With Global Shop Solutions, we know the exact quantity of materials used on every job and how much they cost,” says Holbrook. “We also can track our labor with remarkable precision. Moreover, the systems tracks all this in real time, so that as soon as we ship a job, we know the total costs.”

“This enables us to do a better job of pricing our products because we can easily determine the break-even point for every job,” adds Holbrook. “If it costs a dollar to build a product and the customer wants it for 90 cents, I know we can’t do that job. Conversely, when we announce price increases to customers, we can show them why. Nobody likes a price increase, but when you can show your costs and how you arrived at them, customers usually go along.”

Sales History Drives Better Pricing

As head of sales and marketing, Holbrook makes extensive use of the wealth of sales data available in Global Shop Solutions ERP software. At any time he can access the complete sales history of a part or customer to see exactly what they’ve done in the past, including prices, quantities purchased, and other historical information.

“From a sales point of view, this information is invaluable,” he says. “With just a few keystrokes I can see what we’re currently charging for the product compared to what we charged in the past. I can see the average gross margins over time and the margins we’re currently yielding. This gives me an instant snapshot of whether we’re pricing a job correctly or may need a price increase. The sales history screen provides all the data I need to make good short- and long-term sales decisions for our business.”

Easy Customization Drives Better Decision-Making

Like many Global Shop Solutions customers, Gemini Plastics takes advantage of the software’s ease of **customization**. This includes the ability to seamlessly integrate with Crystal reports to format information the way managers prefer to see it. For example, a recently created custom report organizes part number information by customer, enabling Holbrook to review year-over-year activity on specific part numbers to help with sales forecasting.

“One of our associates has a lot of experience with Crystal reports,” says Holbrook. “So if I want to see the data in a certain way, such as a list of customers by part number or profit margin, I tell him what I need and he either extracts it from the system or builds me a custom report.”



Gemini Plastics’ shipping department.

“Global Shop Solutions provides a lot of good reports out of the box,” adds Holbrook. “But it’s also very flexible in how it lets you pull data from the system and organize it the way you want.”

Gemini Plastics has also fine-tuned their quoting in terms of how they assign part numbers, which enhances speed and accuracy when building BOMs and routers.

“All our jobs are unique, yet Global Shop Solutions puts all the requirements together in a way that every job is simply a matter of looking at the router or BOM,” adds Holbrook. “As long as we create an accurate routing during the quoting process, the system makes an accurate router and work order, and people on the shop floor know exactly what to do. It’s that simple.”

The Backbone of the Business

With Global Shop Solutions’ fully-integrated ERP system, Gemini Plastics can reconcile all aspects of the business from quoting through shipping with remarkable accuracy – a critical task for any business with more than 3,000 SKUs. The result is a leaner, more coordinated **production process** than enables the company to compete more effectively and position itself for future growth.

“Seamless integration of data from all parts of the business is the backbone of any good ERP system,” notes Holbrook, “because it gives management the thorough accurate data required to make good business decisions. And that’s probably the #1 benefit of Global Shop Solutions. It puts all the data you need right at your fingertips so that everyone is working off the same page.”

“At the same time, Global Shop Solutions is very user friendly,” concludes Holbrook. “And it’s flexible enough to do things the way we need to do them. No matter what you make, manufacturing is all about putting the quote together, building the router and BOM, and then building the product. Global Shop Solutions excels at all of these things – and more.”