

## GLOBAL SHOP SOLUTIONS CASE STUDY

# Hawkeye Industries, Inc.

*Tupelo, Mississippi, is known far and wide as the birthplace of Elvis Presley. But to many HVAC, electronics, lighting, and ATM production company throughout the state, it's also known as the home of **Hawkeye Industries, Inc.**, a family-owned contract sheet metal fabrication company with a reputation for producing high-quality precision metal parts.*



*A Trumf hydraulic press brake*



*A Trumatic punching machine*

Founded in 1995 by President and CEO Bryan Hawkins, Hawkeye Industries employs about 30 machinists and administrative staff, while operating out of 59,000 square feet of production space. Utilizing an impressive array of high-tech sheet metal processing equipment – including three CNC flatbed laser cells, four punching cells and eight hydraulic brake presses – the company offers a variety of custom precision laser, sheet metal punching, fabrication, assembly, and welding services. Committed to quality and customer service, Hawkeye Industries is ISO 9001:2008 certified.

So why the need for an ERP system like Global Shop Solutions?

Like many manufacturing firms that first opened their doors nearly two decades ago, Hawkeye Industries lacked an integrated production and business management system. Instead, they used two separate manufacturing planning and scheduling packages, and these did not integrate with their accounting, costing and inventory control packages. As he looked into the future, Hawkins foresaw the need for a fully integrated system to fuel the company's continued growth.

After conducting several ERP software web searches and considering recommendations from business associates, Hawkins zeroed in on Global Shop Solutions ERP software as a prime candidate. A short time later, he visited Global Shop Solutions headquarters, where he met Founder Dick Alexander and other staff members. Impressed with the company's stable ownership and commitment to customer service, he soon sealed the deal.

"I liked the fact that Global Shop Solutions is a family-owned business, like mine," recalls Hawkins. "But what really sold me was their willingness to listen. Our previous vendor had been bought by another company, and then split off on its own again. This resulted in all kinds of problems and opportunities to improve the software, but I couldn't get anyone to listen to me. Global Shop Solutions listens to their customers, and then they continually update and improve the software based in large part on the feedback they receive. That's what I wanted from my software vendor."

### **Full Inventory Counts in One-Fourth the Time**

Before implementing Global Shop Solutions ERP software, Hawkins identified **scheduling** and **inventory control** as the two main areas for improvement.

After carefully transferring data from the old system to the new, Hawkeye Industries went live with the software in April 2007, and positive results soon followed.

As a **make-to-order** job shop, Hawkeye Industries' inventory consists mainly of raw materials. Global Shop Solutions ERP software made an immediate impact in terms of gaining more control over inventory levels, minimizing over-purchases, and facilitating smooth bin-to-bin transfers. But with the advent of **barcoding and mobile technologies**, the time and cost savings increased exponentially.

"We conduct a full physical inventory every quarter," says Hawkins. "Previously, it took 16 people working two full days to complete. Now that we barcode all raw materials, hardware and finished goods and use wireless scanners, we can count our entire inventory in about four hours using only eight people. That's what I call real process improvement!"

### Big Jump in On-Time Performance

At Hawkeye Industries, on-time performance represents the biggest single improvement from implementing the ERP software – and is probably the #1 contributor to the company's ongoing success. From approximately 80% (at best) a few years ago, Hawkeye Industries now averages well above 90% in on-time deliveries. Hawkins credits this impressive improvement to two key factors: investing extra time and attention in the order entry process, and using Global Shop Solutions ERP software to simplify various production processes on the shop floor.

"Global Shop Solutions is only as good as the data we give it," explains Hawkins, "and it's critical to get the order entry phase right because everything else flows from that."

"So we take the time to get the latest part revision from the customer and make sure we get the pricing and scheduling right," says Hawkins. "Once we get the order entry correct, Global Shop Solutions has all kinds of features that help us work quickly and efficiently to get the job done on time."

"For example, the **Document Control** feature lets us electronically store and manage drawings, customer revisions, and other documents related to a job. Instead of having to manually track them down in file drawers, production workers can use the **Shop Floor Data Collection** screens on the shop floor to access the documents. It's much

quicker, and they know they're getting the correct rev. We don't have a screen at every workstation yet, but our long-range goal is to do so and eventually **go totally paperless** on the shop floor."

### Keeping on Top of Capacity

With its sophisticated flatbed lasers, punching cells and brake presses, Hawkeye Industries has more than \$6 million in productive assets on the shop floor. In order to pay for themselves, these assets need to be running at or near capacity day in and day out. To keep tabs on capacity utilization, Hawkins starts each day by logging into the **Advanced Planning & Scheduling** (APS) application to track the hours loaded on each machine.

"I always start with APS because it sets the tone for my day," he says. "Will I be scrambling because we have some past due orders? Do we have any orders that haven't been entered yet and aren't showing up on the load? APS provides an intuitive graphical view of what's going on in the plant, including where we might have problems due to under- or over-utilization."



*Closeup of the TC500 punching machine*

Another favorite of Hawkins is the **Business Intelligence** dashboard because it provides quick comparisons between actual and projected in sales, margins, profitability and other key financial areas. During staff meetings, he projects the dashboard screen on the wall for all to see, prompting more productive analysis and problem solving from his team.

“When we see big discrepancies between what we budgeted and what the system is showing, we need to find out why,” he adds. “The dashboard serves as a good predictive index of what’s happening in the business, and leads us into problem solving arenas that wouldn’t be available without the data.”

### **Competing More Effectively**

To maintain system data quality, Hawkins invests a lot of time in training employees to accurately report activity on the shop floor, such as correctly identifying routers and part numbers in order to accurately match raw materials purchases with demand.



*Aerial shot of Hawkeye Industries' facility*

“Maintaining the integrity of the data not only cuts costs, it enables us to compete more effectively by freeing up cash flow,” he explains. “If I can precisely control my inventory, then I can reduce my carrying costs because I don’t have to purchase as much buffer inventory. That gives me more working capital to do other things.”

“But what I like best about Global Shop Solutions is their relentless customer focus,” concludes Hawkins. “Most software companies think it’s all about the technology. The folks at Global Shop Solutions understand that it’s all about helping us add value to our customers, and that the

software is just a tool for achieving that goal. When customers come in to our plant, one of the first things I do is show them how Global Shop Solutions brings everything together for us. Their first response is usually, ‘Wow, who is your software supplier?!’”