Sanborn Tube Sales, Inc.

Sanborn Tube Sales, Inc. is a custom manufacturer, distributor, and manufacturer's representative for tubing, aluminum extrusions and fabricated parts. Since 1957, the Pewaukee, Wisconsin-based firm has been providing supply chain solutions to OEMs and manufacturing companies of all sizes in the agriculture, transportation, recreation, medical, marine, office furniture and heavy equipment industries.

Sanborn Tube Sales' shop floor.

One of Sanborn Tube Sales tubing products.

Initially starting out as a tube supplier to local and regional customers, Sanborn diversified over time into carbon, stainless, aluminum, copper and brass tubing, as well as custom aluminum extrusions, and now operates out of a 72,000-square-foot production facility. Sanborn specializes in cut to length, and tubular laser cut fabricated parts, and is ISO 9001:2015 certified.

As Sanborn continued to grow the manufacturing side of the business, management realized the time had come to upgrade to a more sophisticated ERP system that could add flexible production scheduling capabilities to the company's existing supply chain/distribution model. After researching a number of different ERP products, they selected Global Shop Solutions ERP software, in large part due to its robust Advanced Planning & Scheduling (APS) and Customer Relationship Management (CRM) software.

"Our old system was completely warehouse and distribution driven," says Sanborn Quality and IT Manager Tim Brinkmann. "It worked well in those areas, but lacked the functionality we needed to efficiently schedule jobs, track costs, and do all the other things necessary to compete in today's manufacturing markets. With Global Shop Solutions, we can manage these and other areas much more effectively."

APS Improves On-Time Delivery

As with many of today's manufacturers, Sanborn's customers typically demand very short lead times when ordering products, which made more efficient scheduling of jobs a top priority upon implementing the new ERP software.

Previously, Sanborn planners used hand calculations and spreadsheets to schedule and track jobs as they moved through the shop floor. Now they schedule all jobs through APS, which provides near real-time data on all jobs once the sales and work orders get entered into the system. In addition to simplifying the entire scheduling process, it also enabled Sanborn to improve on-time delivery rates by identifying jobs that are behind schedule.

"With APS, we can instantly see which jobs are running on time and which ones are late," says Brinkmann.

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"This allows us to react in time to schedule overtime, outsource some work, or do whatever else it takes to get a job back on track," he continues. "The visibility of data in APS also enables us to communicate more accurately with customers about our ability to meet their lead times. Prior to Global Shop Solutions, we spent most of our time creating data. Now we spend it making better decisions based on the data in the system."

Finite Scheduling Yields Quick Answers

In particular, the finite scheduling feature in APS plays a key role in communicating with customers and completing jobs on time.
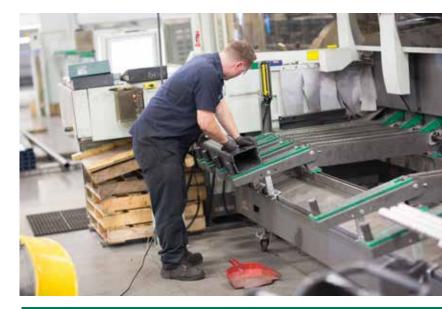
"When customers place an order, we need to give them quick answers because of their short lead times," says Operations Manager Chad Schultz. "They want to know if we can finish the parts to meet their deadline and, if not, what date we can promise them. Finite scheduling shows our capacity by work load and hours so we can give customers a much more accurate estimate of what we can do by when."

The historical data in APS also helps Sanborn make long-term decisions. For example, if they're constantly short on capacity, management can consider buying another machine to increase it. Having a constantly updated schedule in APS also lets planners know right away when to schedule overtime to ensure a job gets completed on time.

"The big difference with APS is that it allows us to schedule proactively rather than reactively," adds Schultz. "That way we can avoid the problem of coming in on Monday morning and realizing we should have worked overtime the previous Saturday."

Reducing Aging Inventory

Because Sanborn holds manufactured goods in stock for many of its customers, managers need to keep a close eye on inventory levels to ensure they don't run out. At the same time, they don't want to hold on to inventory items forever. Using customized Crystal reports created in Global Shop Solutions ERP software, Sanborn has reduced both its aging and delinquent inventories.

Sanborn employees work hard to produce top-of-the-line tubing for a variety of industries.

"We created two special inventory reports," says Brinkmann. "The aged inventory report lists all items in inventory past a certain cutoff date, which helps us identify slow-selling products. The delinquent inventory report lists anything we have in inventory that hasn't sold at all."

"The reports filter the data by customer," continues Brinkman, "so our outside sales reps can show customers how much old inventory they have and what inventory they aren't taking at all. The sales rep can then work out an arrangement with the customer so we don't hold on to their inventory for inordinate amounts of time."

In addition to organizing and presenting data in preferred formats, the custom reports also help increase productivity. For example, to ensure sufficient inventory levels for incoming sales orders, inside sales reps had to sort through all the sales orders. Now they automatically receive a custom report (via email) that lists all their orders due to ship for the week and their inventory levels.
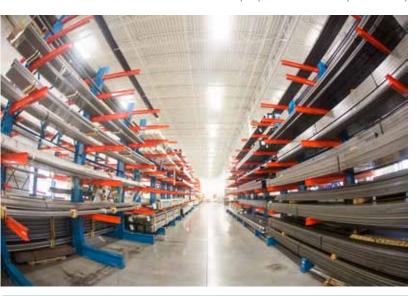
"Instead of spending large amounts of time manually looking up data, they can now focus on working with customers any time they have a concern," says Schultz. "That's one of the real benefits of Global Shop Solutions – it does a lot of the mundane stuff so people can work on higher value tasks."

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Simplifying Manufacturing

When asked to identify other ways Global Shop Solutions has simplified production or reduced costs, Brinkmann and Schultz rattle off a long list of improvements:

- Visibility of materials and inventory data makes it easier to manage WIP changes by grouping jobs together and reducing setups.

- Using the reorder point feature in auto work order generation prevents stock outages on the distribution side of the business.

- The Auto Purchasing feature improves efficiency by consolidating all purchasing to one employee and eliminating the problem of multiple purchase orders being cut on the same day.

- Accurately tracking all manufacturing costs, including labor time and scrap, improves quoting accuracy.

- CRM allows sales reps to easily access customer information while on the road, share information with each other, and more quickly resolve customer issues.

- The Quality Control report improves quality control by identifying the amount of scrap produced each day, which RMAs are still open, and any customer complaints.

- The ECN feature helps prevent the shipment of parts that haven't been inspected or approved.

A portion of Sanborn's shop.

"As the IT guy, I really like the help files and ServiceWeb (customer portal), " says Brinkmann. "Employees constantly come to me with questions about how to do this or that, and in many cases, right clicking on the 'help' button on the screen provides a quick answer. If not, I can enter a service request and know I'll get a timely response from a Global Shop Solutions service rep."

For Schultz, the biggest impact has come from the visibility of data – not just on the shop floor but throughout the business.

"Global Shop Solutions has simplified how we view our entire operations," he says. "We save hours every day by no longer having to manually track RFQs, on-time delivery, and other key business metrics. The data helps us resolve problems quicker and do a better job of planning for the future. Knowing our true costs enables us to compete more effectively. And the software allows us to do a better job of tracking the types of quotes and jobs we do well on so we can identify which customers and products to pursue."

"Global Shop Solutions is a great system," concludes Brinkman. "It combines the functionality we need with the ability to customize screens, reports and features to meet our manufacturing environment."

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