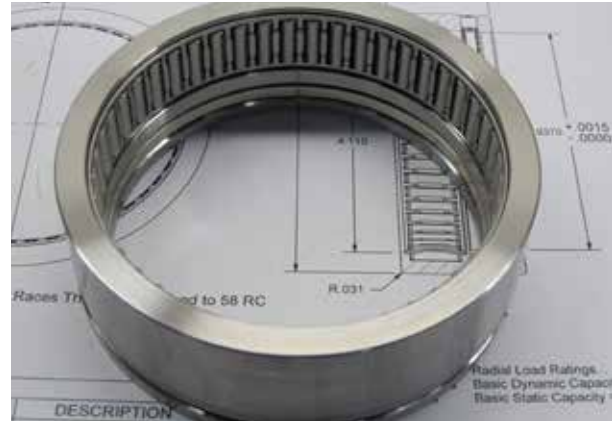


# Tackpoint

*Tackpoint is headquartered in Edmonton, Alberta, Canada, and produces custom engineered bearings systems for the oil and gas industry. These special bearings, used primarily in the downhole drilling industry, allow directional drilling motors and steering tools to operate at high efficiency and reliability levels. The products range from high temperature thrust bearings, to combination needle roller thrust bearings and thin section radial and thrust bearings. Tackpoint products are shipped through out North America, the United Kingdom, Norway, the Middle East and Singapore.*



*A Tandem Thrust Dynabearing produced by Tackpoint.*



*A Tackpoint Combination Radial Thrust Bearing.*

According to Tackpoint CEO Robert Friesen, the first attempt at using Global Shop Solutions ERP software – which took place before he joined the company – did not go well. The software lacked the full support of management. The “Go Live” process was poorly planned and implemented. And once installed, people spent more time finding ways to work around the system than using it to manage production processes. This resulted in frequent scheduling conflicts, big inventory write-offs, and other production problems.

When Friesen joined the company, he saw the potential in Global Shop Solutions ERP software and ordered a re-implementation to straighten things out.

“We needed to do several things,” he recalls. “Make the system more user friendly. Set it up properly so it could perform the functions we needed. And make a commitment to using it to monitor and control costs, which we weren’t doing in the past.”

“The re-implementation went very well, and we began to see immediate results,” Friesen says. “Global Shop Solutions allowed us to eliminate the manual spreadsheets we had everywhere. It helped to smooth out our dynamic schedule. And now that we can plan our work properly, we can get products to the customer faster and more accurately.”

## **Dynamic Scheduling with APS**

As a design and engineering company, Tackpoint sub-contracts all the machining of its components out. Once the components are made, they bring them back in-house for quality control and assembly. Due to a steady growth rate, one of the primary goals with Global Shop Solutions ERP software was improving scheduling to meet increasing customer demand.

Tackpoint also wanted a more accurate way of allocating time to their jobs and determining their real costs of assembly. Furthermore, bumping one customer order to accommodate another – a common practice at Tackpoint – often resulted in both jobs falling behind schedule. According to Friesen, Global Shop Solutions ERP software's **Advanced Planning & Scheduling** (APS) application and workcenter process have enabled the company to meet these demands.

"We book orders six months out, so we constantly need to adjust our schedule to accommodate changing customers needs," he says. "With Global Shop Solutions' dynamic scheduler, we can easily see what we're doing when we shift jobs around. APS tells us where we have capacity, so we can move jobs up to those days rather than just trying to do both jobs at once."

"Global Shop Solutions also gives us the ability to foresee upcoming labor shortages or bottlenecks and make educated scheduling decisions based on the data in the system," he says. "We can now allocate time, identify job costs with greater accuracy, and make schedule adjustments with ease."

### **Less Inventory, Less Scrap**

During the first go-round with Global Shop Solutions ERP software, Tackpoint also struggled with inventory management issues. For example, they often had to contend with variances between inventory numbers in the system and actual inventory on hand.

"We didn't set up Global Shop Solutions properly the first time," he explains. "As a result, we would often finish jobs without picking up the part in inventory. Now that we've fixed the routers and set up the system correctly, everything gets picked up when we complete a job. Once we got **inventory straightened out**, we developed more confidence in the integrity of the data. Now we trust the numbers when the system tells us how much we have in inventory."

As a result of tighter controls over inventory, Tackpoint has also reduced scrap costs from a high of 20% to less than 5%, with the majority of the savings coming from the ability to track inventory more accurately on production runs.

"When the system didn't pick up all the inventory, it showed up as scrap because the materials had to be accounted for somewhere on the general ledger," explains Friesen. "Even if it wasn't damaged product that had to get thrown out, it still showed up as scrap."

"With Global Shop Solutions, we can now take leftover parts and put those costs to the job instead of waiting until the end of the year and throwing them away. My first year here, inventory write-offs were out of control because we couldn't accurately track inventory. With Global Shop Solutions, our distress inventory has dropped by more than 200%."

Tighter inventory controls, along with the use of the Auto Purchasing feature, has also contributed to less material sitting around waiting for a job. For example, last year Tackpoint had an order for some very large bearings that took eight months to produce. However, the crates the bearings are used in showed up within two weeks, and sat on the shop floor for almost a year.

"With improved purchasing through Global Shop Solutions, we've eliminated that problem as well," adds Friesen. "Now, when we get a repeat order for that product, we order the crates about two weeks before the bearings are due and they show up when we need them."

### **Supporting Continued Success**

As Friesen and his team get more comfortable with Global Shop Solutions ERP software, they have begun taking advantage of its industry-leading **customization capabilities**, including the ability to produce custom Crystal reports using system data.



*A Tackpoint Mud Lubricated Stack Bearing.*

For example, Tackpoint has created several inventory and sales reports that have been formatted to provide specific information during department meetings. Friesen and his managers use these reports to review the status of booked sales and on-time deliveries. He also reviews some custom **financial reports** that reformat general ledger and other financial information.

One of his favorite reports tracks the company's top 25 parts based on net sales. This allows Friesen and his management team to easily identify the top customers, what they're buying, and how the top-selling products trend over time.

In addition to Global Shop Solutions ERP software's superb management of shop floor production processes, Friesen also appreciates the three hundred thousand foot view of data the system readily provides – most of which he gets from the ever-popular Supply & Demand screen in the Inventory application.

"I love that screen," he says, "and so do all the staff. I especially like the **business intelligence** and sales analysis because they give that big picture view of the company that every CEO wants. From Supply & Demand, I can easily stay on top of sales, receivables, on-time performance data, margins, profitability and just about anything I need to know. I can get snapshot data as well as long-term trends. Looking at all this data lets me know which customers are really driving this business and which ones we probably shouldn't be doing business with."

Where has Global Shop Solutions ERP software made the biggest difference at Tackpoint?

According to Friesen, it's the ability to adapt internal processes to better control price, delivery and realization costs, such as more accurate labor costing, more accurate estimating and quoting, pricing based on real costs rather than guesstimates, and improved on-time deliveries.

"We recently received an 'attaboy' from a customer for delivering at 98% on-time," says Friesen. "It's always nice to get one of those from customers."

"It took us a while to get Global Shop Solutions up and running the second time, and we haven't yet gotten to where we want to be with the system," he concludes. "But we understand that in order to continue with our success, we need to completely embrace Global Shop Solutions. When you set it up right, it's a powerful business management tool that can handle just about anything you need it to do."