



JOHNSON CONTROLS IS GETTING A CHARGE OUT OF CRIBMASTER

Life's a lot easier these days around the purchasing department at Johnson Controls Inc.'s Battery Group plant in Kenersville, NC. – ever since the plant got some control over the way its MRO inventory was issued and tracked.

The Battery Group is the largest supplier of automotive batteries in North America. It makes batteries under nine name brands for customers such as AutoZone, Interstate Battery, Sears, Wal-Mart and CostCo. Johnson Controls started using the CribMaster Inventory Management System in October 1999 because the company needed to get control of where its MRO inventory was going and how it was being used. The system they had in place wasn't efficient or cost-effective. "We would just give (inventory items) away. If they came three times a day, we just let them have it," explained Marie McDaniel, plant buyer/purchasing agent for the Battery Group. With about 520 workers in the assembly-line production area, that clearly was not the best way to do business.

So Johnson Controls began using CribMaster, Windows-based software designed specifically to manage inventory in manufacturing plants. CribMaster allowed McDaniel, the plant's five tool crib attendants and six engineers to organize and keep track of the approximately 850,000 MRO inventory items in the plant's tool crib. About 90 percent of the inventory is nonreturnable machine parts – motors, sprockets, hydraulic motors, pumps. The rest includes paint, paper items, drill bits, fuses, and anything else that might be needed on the assembly line. The items are bar-coded and listed in the CribMaster database. Each employee also has a bar-code designation.

Say an employee needs a motor to drive a conveyor belt. The worker goes to the tool crib and tells the attendant what he or she needs. The attendant either keys by hand or uses a hand-held radio-frequency scanner to scan the bar code on the motor and the bar code assigned to each employee. In seconds, the transaction is complete – it's become part of the CribMaster database. "Issuing by employee is a big advantage to me, where you can keep track," McDaniel said. But that's just the start.

CribMaster uses well-tested accounting operations to calculate appropriate min/maxes for each type of inventory item. The information from the bar-code scan enters the database real-time, and when a minimum is reached CribMaster notifies McDaniel that it's time to order back up to the maximum. The purchase order gets produced in triplicate on a customized form that includes Johnson Controls' terms and conditions for purchasing. Information about the vendor, cost, ordering quantities, shipping charges and other details already is in the CribMaster database, and it's automatically included on the purchase order. The P.O.'s then are sent either by EDI or e-mail, which drastically reduces the paperwork involved in ordering supplies. "It's so convenient from what we've done before. It's really user-friendly," McDaniel said. In the past, whenever a purchase order was necessary for an MRO part, McDaniel had to print a report, then decide what to order and re-key all the information. With CribMaster, she said, "Just select it or delete it, then finalize it and it's done."

The min/maxes themselves have provided cost savings as well. No more is the tool crib stocking 100 of something when 80 will do. "We narrowed it down to minimum use so we wouldn't have to stock as much. So it's working out fantastic," McDaniel said. Stock outs also are less frequent because the buyers are aware when minimums are reached. CribMaster's extensive database helps engineers on the shop floor when they need supplies for special projects or services. They, too, can check the inventory database for parts they can use, and prepare requisitions for parts they need to order to complete their work. McDaniel uses the requisition to quickly prepare a purchase order, and the parts are ordered. In all, the tool crib is much better organized, and the ordering and purchasing process are a lot easier. "You don't have people going in and out, taking what they need. You have more control," McDaniel said.

Not only is there more control over what's going into and what's coming out of the tool crib, but the CribMaster database is stocked with up-to-the-second information about exactly what is in the plant. That data can be used in any of the hundreds of standard reports that are included with CribMaster software, or in custom reports that fit each customer's needs. "You can pull out a lot of reports," McDaniel said. Some of the reports used at the plant include spending, issues by employee, inventory by vendor, cost by vendor and consignment by vendor. And, since the addition of CribMaster wouldn't have helped if it was too complicated to use, McDaniel particularly appreciates how easy the software is to use. She learned much of the Windows-based application on her own, and received additional training from WinWare, Inc., the Marietta-Georgia-based company that created CribMaster. WinWare continues to provide whatever technical support McDaniel needs. "It's extremely user-friendly. It does what we need it for as far as reporting and keeping track of inventory," she said.

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