

Making Things Easier at Steam Flo Industries

Author:

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At Stream Flo Industries, machine shop supervisors knew there had to be an easier way to keep track of tool inventory and replenishment. The task cost the oilfield production equipment manufacturer too much time that could have been spent on more productive things.

Tool crib managers at the Edmonton, Alberta, Canada, company had been keeping up with tool issues and returns by entering them in a log book, handwriting purchase orders and regularly sifting through all that information to create reports upper management wanted. The result was a time-consuming process that undoubtedly could be improved in accuracy and efficiency.

The manufacturer, which employs approximately 350 people around the world, went looking for an inventory and tracking system. Managers wanted a system that could track what is in the tool crib, take over much of the work of producing purchase orders, identify places where costs were too high and provide fast but informative reports.

Stream Flo chose CribMaster, an inventory management system created by Marietta, Ga.-based WinWare Inc. The system allows manufacturers to take control of their tool cribs by providing inventory tracking, purchasing and reporting using bar-code technology. "It's control in the sense that we know right now where our consumables are going instead of just issuing them to people and not knowing where they're going," said Les Kibler, manufacturing purchaser at Stream Flo.

Kibler manages the tool crib at Stream Flo, where the machine room is fully staffed during the day shift and runs with a smaller staff at night. Kibler and an assistant man the crib during the day and at night, the shift supervisor issues items from the crib using the bar code scanner.

CribMaster manages the tool crib inventory, and keeps track of who is using what tools and how many items are being used. The flexible system accommodates Stream Flo's practice of considering the vast majority of its tools consumable. When the items are issued, they go to a machine, rather than to a person. The tools stay with the machine for the life of the tool. As a result, 96 percent of the transactions Stream Flo makes using CribMaster are considered consumable. The company also makes use of CribMaster's ability to track gauges and reworkable goods.

CribMaster gives Stream Flo knowledge of what is in the tool crib at any given time, as well as what needs to be ordered. The program calculates order points and order quantity for each item, and generates purchase orders either automatically or manually. Stream Flo's orders draw from a database that includes information about more than 100 suppliers and distributors, including ordering data, stock numbers, addresses, price breaks and any other necessary information.

Kibler said the software has dramatically reduced the time he spends on paperwork he used to do by hand.

“We don’t have to physically go and check stuff,” he said. “Before we didn’t have any computerized system. We used basically a manual system.”

Along with cutting down time for purchase orders, CribMaster also saves time on the receiving end because all the information Kibler needs is on the receiving report. He just has to check to make sure that what’s actually being received is what’s showing on the receipt. “I can spend more time analyzing and looking at ways of improving things and doing more meaningful things than filling out POs and adding things up and trying to find things out,” he said.

“CribMaster has produced remarkable cost savings in the approximately 200 companies where it’s being used,” WinWare President Larry Harper said. “There has been a need out there for a system developed specifically for managing inventory in tool cribs. What CribMaster gives manufacturers is a way of managing and controlling inventory using a state-of-the-art application and tool distribution system.”

While, in many cases, CribMaster has produced savings and lower inventories, Kibler said he can’t really draw a comparison within Stream Flo because no system was in place before and because the oil business has been in a slump.

“At the time when we started this thing ... it was still a little bit busier. We can’t say it helped us reduce the inventory, but that wasn’t really a purpose. The purpose was really to control what’s happening with the goods that are coming in here and reduce the manual time doing POs,” he said.

Nonetheless, he has seen lowered costs in some frequently used items because, he said, employees are paying more attention. Gloves are one example. “I think with certain goods, certain consumables, we can see the reduction in usage. People are more aware that there are records of what they’re using, instead of just coming and getting things,” Kibler said.

Though gloves are a relatively low-cost item, the savings on such items eventually may pay for CribMaster, he said. “I found out, and I never knew, that we spent over \$7,000 on wiping rags and about \$9,000 on gloves a year. I guess if you reduce it a couple thousand dollars, it adds up. It’s not our big concern, but it’s a side effect,” he said.

As employees become more aware that the company is keeping track, they hopefully will change their practices. “There are certain other things that could be used to full potential, instead of just using them and people are changing just because there’s a change of shift,” Kibler said. “We can see with individuals and with machines. We can compare similar machines and jobs.”

Kibler hopes that by using CribMaster to track such information, he’ll be able to pinpoint reasons for costly problems – a broken machine, an employee not working in the most efficient way, a process that could be streamlined.

The wide range and easy accessibility of information CribMaster tracks pleases Stream Flo Business Systems Manager Frank Lee, who said that although the company is just beginning to use CribMaster’s extensive reporting features, he already can see the difference. When company managers and administrators seek information, asking CribMaster for it is much easier than locating it in the old handwritten log book and doing manual tabulations and summaries. “We’re able to get the information we need in the time we need it,” Lee

said.

The Windows-based program uses an intricate but well-integrated system of screens displaying a variety of information. Lee and Kibler agreed that learning to use CribMaster was easier than they thought it would be. “I attribute that to the ease of the program and to the time the salesman, Ron Holmes, spent with us looking at what we needed,” Lee said.

Holmes spent four days in Edmonton in October 1998 conducting a demonstration that was to have kicked off Stream Flo’s free 60-day trial run of CribMaster. The demonstration itself was enough to convince Stream Flo to purchase CribMaster on the spot, and Holmes stayed on to install the program and conduct training.

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