



ERP ETO Manufacturing Software in Metalforming Magazine

TR Cutler, Inc., November 16, 2005

URL: <http://www.pr9.net/comp/software/2922november.html>

Metalforming Magazine Article on ERP ETO Manufacturing Software

PR9.NET November 16, 2005 - October issue of Metalforming Magazine (www.metalformingmagazine.com) focuses on ERP in the ETO environment.

To win business, ETO metalforming manufacturers must provide accurate estimates and quotations to a demanding customer base. Often, payment for a project is only received after it is installed and operating on a customer's site. Following the sale, these firms must provide warranty tracking and aftermarket services, including the sale of spare parts, which may constitute a significant share of the company's business. The institute (www.etoinstitute.org) provides resources, discussion boards and tools to assist ETO metalforming companies in overcoming their unique challenges. Challenges faced by Engineer-to-Order (ETO) and project-based metalforming manufacturers that cannot be resolved by traditional manufacturing systems are profiled.

Designing and building complex products to exact customer specifications frequently involve long lead times and heavy engineering content. Quantifiable results for a metalforming conveying manufacturer such as HMM, following an ETO ERP system implementation, should include reduction in costs by 30 percent; increase in margin by 10 to 25 percent; 100-percent revenue growth with little additional indirect cost; improved change control resulting in \$250,000 in additional revenue; reduced delivery cycle times by 40 percent; greater visibility and control over project costs; reduced costs in one department by 50 percent; reduced accounting month-end closing time; and elimination of non-value-added activities resulting in savings of more than \$100,000 annually.

Harry Major Machine & Tool Co. (HMM), Clinton Township, MI, an automation and washer manufacturer and maker of conveyor equipment, extensively researched better ways to bring its products to the marketplace, mainly for automotive and Tier One suppliers, including metalforming companies. To that end, the company recently implemented ETO enterprise-resource-planning software from Encompix, Cincinnati, OH, and is beginning to see substantial internal process improvements related to the implementation, according to Bill Jurek, HMM materials manager. "This ETO ERP system has assisted in analyzing in detail the material costs, schedules and releases to the floor," he says. That has allowed the company to build products on time and to the budgeted requirements, bringing improved timing on deliveries to customers.

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About TR Cutler, Inc.

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