

Oconomowoc Manufacturing

Infor SyteLine Implementation



customer success story
discrete manufacturing

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Kyle Stoehr
OMCO President

THE COMPANY

Established in 1964 and family owned and operated since 1982, Oconomowoc Manufacturing (OMCO) is a leading U.S. manufacturer and supplier of motion products, including unground bearings, ground bearings, integrated bearing assemblies, conveyor system components, casters and wheels, and certain other manufactured components. OMCO’s motion products are used for applications in a wide variety of industries, including material handling, sliding doors and partitions, furniture, food & beverage equipment, and automotive. Since its inception, the company has produced almost five billion bearings, and maintains a current production portfolio of more than 1,000 proven bearing designs.

With more than 40 years of experience designing and manufacturing custom unground bearings to reduce application costs while improving overall performance integrity, custom does not mean expensive. OMCO is able to reduce costs because of its expertise in bearing design, material composition and ball grade selection, tolerance, lubrication, and process control, along with efficient manufacturing and quality control processes. The company’s custom unground bearings can provide an innovative and economical solution meeting many demanding application requirements.

THE SITUATION

Prior to the implementation of Infor technology for enterprise resource planning, OMCO was manufacturing in a very manual environment. Production and purchasing requirements were determined by tracking information in spiral-bound notebooks by one full-time employee. Purchase orders were manually released with “generous” releases to try to avoid shortages in parts.

There was also one primary person within the organization that was responsible for retrieving data for custom-created reports, or any other information needed to make business decisions. Because only one person knew how to retrieve data, the employees on the plant floor felt as if they were in the dark. There were silos of information and if irregularities were discovered, it was very difficult and timely to find the error - let alone determine what happened, why it occurred, and how to prevent it.

“Previous to adopting Infor’s integrated system, we were running six different software programs and trying to use different parts of each program to get us through the entire manufacturing process. And because only one person had intimate knowledge of all of the systems, we found we were constantly trying to react to every little problem on the floor, rather than taking a look at the big picture,” says Kyle Stoehr, OMCO President. “We were also dealing with data security issues. We knew it was time to find an integrated solution that would serve our specific needs and our customers’ needs.”



“By using the Infor solution we have been able to reduce our in-stock inventory of steel to 30 days.”

**Michael Ciohon
OMCO National Sales
Manager**

THE SOLUTION

OMCO implemented Infor SyteLine, with a goal of opening its business system up to every employee that needed access. The company did not want to rely on one person to retrieve data anymore. After only two-and-a-half months, SyteLine was implemented and the company was up and running.

“One of the things we liked the most about Infor SyteLine is we could implement it with no additional programming. We could take the package and run with it, as it was designed.” Adds Stoehr, “Because Infor has in-depth experience with job-shops, we were able to implement the solution quickly and easily, with little or no modifications, and that equals money saved.”

With more than 4000 component parts, OMCO wanted to focus on lean manufacturing methodologies. The motion industry specifically is challenged with customers continually driving the price of parts down. To remain competitive, OMCO was able to reduce its inventory costs and get “leaner” with its inventory to make more room to produce more products for its customers.

The company was also able to utilize lean methodologies by revising its business processes. “With Infor SyteLine we are able to reach our lean manufacturing goals by analyzing our processes and reducing the redundancy we had built into our processes, because we did not trust the data,” comments Stoehr.

Oconomowoc Manufacturing's revenues have grown 40% over the last three years and are expected to climb an additional 20% in 2006. “One of the biggest changes I have seen is the ability to access information quickly from the customer in the form of a quote, get it to the shop floor, create the sample and get it out the door, so that we can exceed customer expectations,” says Michael Ciohon, OMCO National Sales Manager. “We can turn quotes into actual orders more quickly and with more accuracy than we could before.”

REAL RESULTS

“One of our measures of success is tracking our ability to get ‘leaner’ in our inventory levels. By using the Infor solution we have been able to reduce our in-stock inventory of steel to 30 days,” says Jeff Ostermeyer, OMCO Controller.

With Infor solutions, OMCO also was able to:

- Reduce time spent on creating quotes to a number of days from the previous three to four weeks
- Improve the ability to turn prospects into customers
- Grow 40 percent the year Infor was implemented by refocusing efforts on sales and new products
- Eliminate the need for more than 300 manual transactions per day with cycle counting
- Improve costing methodologies by bringing costing “inside” the four walls

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