

Boeing Precision Parts supplier gets production under control with Preactor



In 1999 after years of making his employers successful, Jeff Roth's wife convinced him that he should start his own business. Jeff mortgaged the house, purchased his first CNC machine, and started manufacturing high quality machine parts for the aerospace industry in his garage. Jeff instinctively understood that to fulfill his dream to be the best he would have to deliver the highest quality products at the most competitive prices, and he would need to build innovative processes and systems that supported his vision.

From the beginning Jeff made a decision that he would only buy the best CNC machines he could find, which led him to build a long term relationship with a company called Eurotech. He then put together a team of highly motivated operators that he personally trained to deliver speed and quality at every step in the process.

In a stunningly counter-intuitive move Jeff decided that he would create his own home grown mini ERP (Enterprise Resource Planning) system to help him manage his critical business functions such as Order Entry, Inventory, Purchasing, Quoting and Accounting. He says he built his own system because he felt that other systems were too complex. He needed something that combined power and simplicity. He knew exactly what data he needed to get control and this bold step allowed him to keep his overhead costs well below his competitors.



So he could control his prices because he could control his costs and so he was able to add new machines and grow his business every year.

By early 2007 Jeff had made unprecedented progress but he was running into a new and difficult problem that his home grown system couldn't handle. He was a victim of his own success. His sudden growth put him in a position where he was unable to keep his customers happy because he couldn't deliver their orders on-time.

He instinctively knew that he had to keep his expensive machines busy working on the most important orders and he had no systematic way of measuring his backlog. This meant that he couldn't give his customers accurate promise dates and at any point in time he had no idea where an order was.

For the first time his customers were unhappy and no matter how hard he worked he couldn't get control. In other words he had a scheduling problem.



During this time Chasco had tried virtually everything from scheduling with Excel to installing a manual card based scheduling system which occupied three of the four walls in his planning room. Due to the barrage of change he had to deal with on a daily basis, each of these systems proved unworkable. The good news was that by the time Jeff Roth eventually contacted his local Preactor reseller, Suncoast Technology Partners (STP), he had

already learned some hard lessons. Mike Liddell, STP's CEO, listened to Jeff's long story, asked some questions, and then showed him exactly how Preactor could help him.

Due to the number of orders that Chasco was processing each day, STP recommended that Jeff should also use a data collection system called Factory Viewer. Now Jeff had total control again. Within a couple of weeks and after some basic on-site training Chasco was scheduling orders and tracking them in the plant.

Every morning Jeff himself downloads the new customer orders from his main system into Preactor where he can juggle his orders based on the latest customer priorities and his intimate knowledge of how to sequence orders so that he can minimize changeover times. Once he is happy with the schedule he releases it to the shop floor. Operators on the shop floor use a PC to log into Factory Viewer, look at the schedule for their machine and click on or off the next job.



Factory Viewer also lets Jeff monitor the progress of every job running through his shop so when a customer calls he can instantly tell him exactly where it is in the process and when it is scheduled to complete.

Today Chasco is a highly respected manufacturer of parts for aircraft control and fuel systems and is one of the key component suppliers that Boeing relies on for the fast assembly of its Boeing 737.

Despite the economic downturn business is growing quickly and sales have more than doubled since early 2007. In March 2009, Chasco Machine & Manufacturing, Inc. will move into a brand new 35,000 square foot facility. Customer satisfaction is improving daily mainly because Chasco now delivers 95% of their orders on-time up considerably from 80% in early 2007.

Jeff Roth again. "Preactor gives me a level of control that was previously missing, allowing me to take my business to the next level without getting overloaded and without compromising the level of service that my customers have now come to expect".

As always, Jeff is thinking to the future; he is working with STP on some new and exciting ideas that he intends to roll out in the near future.

Jeff explains. "The ability to keep our machines running unattended during company off hours is the fundamental building block of what we call our 'lights out' strategy but it is only the first step. We are currently in the process of implementing some revolutionary new ideas that will significantly increase the effective capacity of our machines. We expect that these ideas will reduce our changeover downtimes by at least 50% setting a standard that our competitors will not be able to meet".

Author Mike Liddell is CEO of Suncoast Technology Partners based in Bradenton, Florida and author of "The Little Blue Book on Scheduling". For more information about Mike or this company, please visit www.stpartners.net. For more information about Chaco Machine & Manufacturing, Inc please visit www.chascomachine.com