RFgen Software
Data Collection Made Simple

Success Story

> *"The RFgen solution enables us to reduce errors, streamline processes, generate accurate inventory, and improve our ability to ship product on time."*
>
> Eric Van Leeuwen
> Sr. Manufacturing Engineer
> Lakeside Manufacturing

Lakeside Manufacturing Dramatically Streamlines Incoming Receiving and Inventory Control with JD Edwards

LAKESIDE®
Ingenuity on Wheels

RFgen Solution Reduces Administrative Overhead, Improves Accuracy, and Cuts Costs

Business Challenge

- Automate incoming receiving for large manufacturing organization
- Reduce costs
- Eliminate errors from manual processes
- Design and implement a simultaneous quality check program

Results

- Reduced time spent on parts receiving and packaging from 7 hours/day to 2 hours/day
- Eliminated errors of manual data entry
- Enabled better inventory control
- Reduced training time from two months to about 5 minutes for new users

Lakeside Manufacturing Overview

Lakeside manufactures and supplies stainless steel, aluminum, and plastic mobile equipment that provide unique benefits and solutions for the foodservice, clinical healthcare, and material handling markets. With over 50 years of experience, Lakeside offers a diverse product line that transports, stores, heats, cools, serves, dispenses, organizes, displays, and merchandises. To meet the dynamic aspect of the industries the company serves, Lakeside is continually engineering new products and updating existing products to stay in tune with industry trends and its customers' unique needs.

Situation and Challenge

"We run a lean organization," stated Eric Van Leeuwen, Sr. Manufacturing Engineer, Lakeside Manufacturing. "We try to flip orders in just three to five days. But we have a very diverse set of products servicing several major industries. We currently must track over 2,000 parts. We don't keep a lot of inventory, so we need to really optimize our receiving and ensure the quality of the parts that are shipped to us."

"I started working at Lakeside about two years ago," Eric explained. "Over the years, I have worked at a lot of automated distributions centers. When I first came to Lakeside, I saw that a lot of their processes could be automated – there were a lot of easy targets to hit. The company had been running a successful manufacturing business for many years, and had been doing things the same way almost all of that time. Their receiving systems required a lot of manual intervention and the creation of paper records."

Lakeside wanted the ability able to scan all incoming parts they had purchased and match them to the PO they received them under. Lakeside purchased the RFgen software, a portable Wyse terminal, with a flat screen and a few wireless scanners, and then connected a printer to the server. Now with the RFgen solution, when parts come in, the clerk scans the PO. The screen then prompts the user to enter the reference number of the PO. After that, the screen prompts the user for all needed information line by line, including the part number, the description of the part, the quantity received, and more.

"The RFgen system provides the ability to receive the entire PO at once, or line by line for each item," explained Eric. "We let senior level clerks accept the entire PO at once, but limit the ability of new employees to only accept the information part by part to guarantee accuracy until they are sufficient experienced with the system."

As the clerk scans items in line by line, a label is generated that lists the part number and description, the PO number that it was referenced on, the date received, who received it, and finally - the location where the part should go. The parts are then packaged into a box with the automatically generated label. By scanning all parts, things go very rapidly with no accidental typos or errors.

Improving Quality

The RFgen system can also help improve the quality of products that reach the customer. "We maintain a database of all of our part numbers where we can enter questions and the associated pdf diagram for each part number," continued Eric. "So as the clerk is scanning in the part, the system will prompt the user for information on the quality of the incoming part received. It will identify and flag vendors who in the past have had parts that did not meet our requirements or were suspect. The first thing that pops up on the screen for each part is the pdf. This can be a drawing or a picture of the part, or even a MS Word document that asks questions or gives directions on how to inspect the part, such as:

- Check the free length of the part
- Check the OD (outer diameter)
- Check the finish of the part

The user then has to enter the answers to these questions and make a determination if the part meets Lakeside's requirements. If yes, the clerk goes onto the next part. If not, the label prints out all of the information, but with a "HOLD" printed on the label. An email is then automatically generated by the RFgen software with all of the information including the part number, the clerk's answer to the questions, the PO#, and any other details. The email is then sent to engineering, purchasing, and the inventory control group.

At this point, the part not only goes into a physical holding location, it will not show up in inventory as well. A manager then goes out and looks at the part to determine if it is acceptable, and if not, either determines if it can be fixed or returns it to the vendor. In addition, if the receiving clerk receives more than 110% of what was ordered on the PO, an alert is generated and the part is put on hold until a purchasing agent can approve the over shipment. "When employees operate with access to accurate, up-to-the-minute information on work-in-process and material availability, their ability to plan, forecast and make better decisions is significantly enhanced," explained Eric.

Reducing Costs, Improving Inventory Control

"We order parts well in advance since many of our parts have long lead times," explained Eric. "Before implementing the RFgen solution, we would often receive something without looking at it, and put it on the shelf until we needed to use it. Unfortunately, sometimes when we opened the box, we'd discover something wrong with the part. We'd then have to scramble to re-order the part and pay premium expedited shipping to receive it quickly. And by this time, some of the parts were either obsolete or had gone out of warranty. This resulted in

increased costs for our manufacturing group, and caused us to miss shipment deadlines to some of our customers."

"The RFgen system has dramatically improved productivity, timeliness, and accuracy of our incoming receiving and inventory systems. Before implementing the RFgen solution, our receiving clerk was spending 7 hours per day performing all of the different receiving administrative tasks – completing the paperwork by hand, filling out labels, determining where things had to go, etc. The simple act of moving to a paperless system has enabled us to reduce that time from 7 hours to just 2 hours per day, and there are virtually no mistakes in product delivery due to the automated RFgen processes. Our receiving clerk is now able to multitask and contribute to other company operations, including central packaging, tracking and other transactions.

"It used to take us about two months to get a new employee up to speed on our old receiving system. Now, it takes about five minutes to get someone up and running on our RFgen system. The screens are so intuitive, and all of the information needed is at the clerk's fingertips. The RFgen system has also enhanced our understanding of what we have in inventory, and has improved our ability to ascertain the quality of the parts we are receiving."

Looking Toward the Future

"We are so pleased with the functionality of the RFgen solution for our receiving operations, we are now moving into the next phase of implementation for our Central Packaging group," said Eric. "The RFgen solution will take the labels and the model numbers for the product we plan to build. On one side of the screen will be the "Build Pack" information. On the other side of the screen will be the pdf of the finished product – with instructions on how to pack it correctly. We also plan to expand the RFgen solution in Q1 of 2009 to enhance Facility Management by assigning locations to all bins with skid locations. Since we track over 2,000 parts, this will be a great time saver for our organization!"

"Some of our managers and users were skeptical at first, but when they were able to go out and actually see the RFgen software in action and see how smooth it was – from the time parts came in the door from FedEx or UPS, to the time we scan them, the labels comes out automatically, we put it right on the product and it's ready for delivery, they were all smiling! Now receiving just flows from beginning to end. The RFgen solution enables us to reduce errors, streamline processes, generate accurate inventory, and improve our ability to ship product on time and under budget."

About RFgen

El Dorado Hills, California-based DataMAX Software Group, Inc. helps organizations reduce supply chain implementation costs with the industry's most elegant and flexible mobile and wireless automated data collection (ADC) technology. In business since 1983, software from the DataMAX Group has a proven track record of success when it comes to designing, implementing, and deploying wireless and mobile solutions.

DataMAX's flagship product, the RFgen Framework, is a horizontal system for delivering wireless and mobile automated data capture solutions. RFgen-enabled solutions can be found in over half of all Fortune 100 manufacturing companies as well as in numerous mid-level and smaller enterprises. Whether the target is distribution, manufacturing, retail, agriculture, pharmaceuticals, healthcare, or something else, RFgen is flexible enough to meet each customer's unique requirements; a fact to which the company's 2000+ customers and over 30,000 daily users can readily attest. For more information, please visit www.rfgen.com or contact your nearest sales representative at 916.939.4065.