C.E. Smith Company, Inc.

North Carolina was made for people who love the outdoors. So it's no surprise to find a company like C.E. Smith Company, Inc. making outdoor sporting goods products in the gently rolling hills of Greensboro, North Carolina.

C.E. Smith's large press breaks in action.

A laser cutter used for cutting large pieces of sheet metal.

Established in 1967, C.E. Smith manufactures precision metal stampings, fabrications, and assemblies for a wide variety of industries, including boating, fishing, hunting, and trailer parts. The company's make-to-stock boating and fishing products, which are distributed through retail sporting goods stores, range from stainless steel rod holders to fiberglass electronic boxes, T-top storage bags, navigation lights, antenna brackets and more.

The company also manufactures replacement parts for small to mid-size boat trailers. These include trailer fenders, boat guides, galvanized bracketry, tire carriers, replacement wheel bearings, rubber rollers, roller shafts and u-bolts, as well as custom parts made to customer specifications. Custom contract parts for the vending machine, aerospace, and cable network industries, and direct import and private-label packaging for OEM and after-market customers round out the company's extensive product offerings. An ISO 2008:9001-certified business, C.E. Smith has earned a reputation for quality products and fast customer service.

A long-time Global Shop Solutions ERP software user, C.E. Smith implemented the software in 1995. Back then, the company was a small, custom job shop just beginning to develop its retail product lines, and Global Shop Solutions ERP software seemed like the perfect fit for its operating environment.

"Prior to implementing Global Shop Solutions, we had no real business management system, just an accounting software package," says Scott Noyes, Purchasing and IT Manager. "We chose Global Shop Solutions primarily for inventory control, work orders, sales orders and things like that. But we also wanted to do a better job of understanding our costs, and Global Shop Solutions gave us the ability to do that. Today, we use Global Shop Solutions in just about every area of the business."

Reducing Inventory Costs

C.E. Smith makes about two-thirds of its products to stock; the rest are custom orders, primarily from boat trailer customers. This combination of stock/make-to-order jobs creates some interesting inventory management challenges. According to Vice President Bo Adams, Global Shop Solutions ERP software handles these challenges with ease, giving the company much greater control over inventory levels for both stock and custom items.

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With Global Shop Solutions ERP software, Adams can establish pre-set inventory levels for every product. Once inventory falls below the set points, Global Shop Solutions ERP softwareautomatically generates new work orders to manufacture more product and bring inventory up to the appropriate levels. On the custom product side, Global Shop Solutions ERP software offers a similar feature that automatically generates purchase orders when raw materials fall below a certain level.

"Global Shop Solutions gives us a lot more control over managing inventory costs," says Adams. "At year's end, our variance on several million dollars of inventory is typically less than six thousand dollars. And knowing where we stand with inventory at any given time improves our quoting accuracy and ability to determine margins on every job. In today's markets, if you can't accurately track your costs and margins, it puts you at a real competitive disadvantage."

EDI Saves Time, Reduces Paperwork

Another challenge for C.E. Smith involves interfacing with the many different EDI (electronic document interchange) systems used by their large retail customers. Fortunately, Document Control feature integrates well with these programs, making it easy to import and manage the documents.

Using Document Control, sales staff can import customer documents and automatically link them to the correct customer, part, or work order. On the shop floor, production workers can then access those job documents electronically with just a few clicks of the mouse. This saves time and ensures that workers have the most recent and accurate versions of every document.

A custom precision tooling product ready for shipping.

"We still have a few customers who fax or mail their documents," notes Noyes. "In those cases, we just scan them into the system, which takes a bit longer. But most of what we receive now comes in via EDI. This has allowed us to significantly reduce the amount of paperwork traveling through the shop floor, which supports our goal of eliminating as much paper as possible."

Adams agrees. "One of our customers regularly orders more than 300 SKUs at a time," he explains. "Manually entering all those SKUs would take half a day. With Global Shop Solutions ERP software, it's one click and all the SKUs are in the system because Global Shop Solutions has mapped all the EDI software together, making it extremely convenient and time-effective for us."

Better Estimating, Quoting, Cost Analysis

As any custom manufacturer knows, scheduling and quoting custom jobs can be a complicated task that involves a certain amount of "guesstimating." Here again, Global Shop Solutions ERP software lends a hand.

With Global Shop Solutions ERP software, schedulers and estimators can quickly search and retrieve information from similar jobs for comparison purposes. This improves their ability to estimate setup and run times, while making it easier to identify job costs and determine the amount of materials required.

"Global Shop Solutions enables us to work custom jobs through the system a little bit at a time to see what's going to happen," says Noyes. "Most of our custom orders have a lead time of four to six weeks, so we'll run an order a few times to see how long it actually takes, how much material is required, and what it will cost. Combining that with the data we get from Global Shop Solutions on similar jobs we've run in the past enables us to estimate, quote and schedule new jobs more efficiently and effectively."

As Vice President, Adams uses Global Shop Solutions to get a big picture perspective of what's going on in the business at any given time, especially in the areas of sales, quoting, and cost analysis.

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Adams creates an estimated router for every job to help break down the cost of the product. After running the product, he compares the estimated router with what it actually cost to run the job. This enables him to evaluate the job – from the cost of the material to the time cost of the run – down to any level of detail he wants.

"As a result, our estimated costs have gotten a lot closer to actual," notes Adams. "And being able to track everything through the routers has made our production processes a lot more efficient."

The ability to precisely track raw materials in the ERP software as they move from inventory to finished goods also gives management a better perspective of what is happening on the shop floor. This, in turn, allows them to make better decisions regarding costing and pricing.

"We used to manually trace everything throughout the plant," recalls Adams. "Now, Global Shop Solutions does it automatically. It gives us our costs quickly and efficiently, so that we can monitor runs when material costs fluctuate rapidly, which they often do in today's markets. And Global Shop Solutions helps us quickly see the movement of costs so that we can respond faster in the marketplace with quoting and pricing on our products."

A Complete Business Management Tool

On the sales side of the business, Adams has found Global Shop Solutions ERp software's ability to create custom reports to be a real asset. Recently, his staff created a custom sales analysis report that assists in the company's efforts to grow sales.

With this report, which organizes the data by customer or territory, Adams can determine which customers are buying what and how much they have purchased in a month, quarter or year. It can compare purchases by territory, and can even drill down to compare purchases by customer or product within each territory. Armed with this level of detail, Adams can identify opportunities to increase sales with specific products, customers or territories.

On the purchasing side, Noyes uses Global Shop Solutions auto purchasing screen a bit differently than most. Rather than setting up automatic purchases, he runs custom reports to help analyze the company's purchasing needs. He uses the information to determine when to buy raw materials, but then manually purchases those materials in order to maximize inventory turns and explore opportunities to buy at lower prices.

When wearing his IT hat, Noyes frequently uses a new feature that allows him to install hotfixes (weekly system updates) without disrupting those using the system at any given time.

A sampling of C.E. Smith's many bracket products.

"I'm always checking the hotfixes to make sure we stay current with the software," says Noyes. "In the past, this required getting everyone out of the system and shutting down the server. Now, we can apply hotfixes at any time and nobody even notices."

What's the biggest benefit of having Global Shop Solutions ERP software?

"The fact that you can run your whole business with it," says Noyes. "In fact, you don't need anything but Global Shop Solutions to run it. The system is easy to use, and the customer service is great. Any time we have an issue with the software, we know we're going to get the support we need in a timely manner."

For Adams, it comes down to managing costs and controlling inventory.

"We recently invited one of our customers to come in and look at Global Shop Solutions because he doesn't know how to manage his costs," he says. "We showed him how we can see our costs live in Global Shop Solutions so that we know exactly what a job costs as soon as it is finished. He was quite impressed."

"Global Shop Solutions allows us to compete more effectively because we can do more with less people," continues Adams. "Any time you can do more with less, it gives you a real edge in the marketplace."

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