Leiden Company

Headquartered in Twinsburg, Ohio, Leiden Company is a privately-owned manufacturer of custom wood interior fixtures for retail environments, restaurants and hotels. Founded in 1941 by Leo Leiden, the company started out manufacturing wooden products used by U.S. Army personnel during World War II. As the retail environment expanded after the war, the company shifted its focus to helping stores create and remodel everything from woodwork in large commercial buildings to customized fixtures for smaller retail stores.

Leiden's 30+ experienced craftsmen assemble and build fixtures.

Leiden has grown to 150+ employees and three facilities in Northeast Ohio.

Since then, Leiden has evolved into a 150-employee, store fixture manufacturing company with 210,000 square feet of production space in its Twinsburg and Strasburg locations. Its lengthy list of customers include many of America's most recognizable brands including Panera Bread, Dick's Sporting Goods, American Eagle, U.S. Polo, DXL Casual Male, Embassy Suites and Hampton Inn. In addition to its retail store fixtures, the company also offers custom cabinetry, architectural millwork and special project services, including consolidation of prefabricated items.

Running a manufacturing business using manual spreadsheets does not enhance efficiency, especially in today's high-tech environment. As Leiden continued to grow and add more large accounts, management began seeking a centralized system that could integrate production data from all aspects of the business. They found their solution in Global Shop Solutions ERP software.

Real-Time Inventory Management with ERP

After going live with the software, Leiden immediately focused on improving inventory. Under the old spreadsheet system, managers struggled to maintain accurate inventory counts and track the exact amount of materials used on each job. The poor visibility of data also led to job costing inaccuracies, making it difficult to determine margins with any degree of precision.

Since implementing Global Shop Solutions ERP software, Leiden can now track material usage for each job while it's in progress. Inventory counts are more precise. And management can track finished goods inventory with ease.

To balance its workload throughout the year, Leiden builds up its stock of finished goods ahead of time and allows customers to pull from inventory as needed. Global Shop Solutions ERP software's robust inventory module makes it easy to track stock levels by customer, including how many parts have been pulled and whether more product needs to be made for future shipment dates.

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"Back when we had a small number of accounts, we could get by with managing inventory on spreadsheets," recalls Mike Mareno, Director of Business Development for Leiden. "Now we have so many accounts that it would be impossible to meet their demands without a reliable ERP system."

Building Fast, Accurate BOMs

Building work orders based on the routers created in Global Shop Solutions ERP software has given Leiden an unprecedented ability to track jobs as they move through the shop floor. This includes capturing accurate labor time at every step of the production process.

"Previously, we had to guess about the status of most jobs," says John Davis, ERP Director for Leiden. "Now, instead of having to call the production manager to locate a job on the shop floor, we simply log into Global Shop Solutions. From there we can instantly see what's going on with every job in production, including which workcenter currently has the job, who's working on it, and when that step will be completed."

The ability to build accurate BOMs in a timely manner has also revamped the order entry process, especially with larger clients that can have up to 4,500 different parts to choose from. Using Global Shop Solutions "exploded BOMs" feature, planners can create complete BOMs in a matter of minutes.

"Panera Bread regularly orders a certain type of cold beverage station that always has 10 products in it," explains Mareno. "Once we set up the BOM for the initial order, it serves as a template for all future orders of this product. When we receive a new order, we put the BOM on the sales order and it automatically 'explodes' the correct part number and pricing information all over the sales order. We get a lot of repeat products from different customers, and the fact that we don't have to build a new BOM for every job saves time and speeds up the order entry process."

Leiden's warehouse team helps package, store, and ship all of their thousands of custom products all over the United States and the world.

Precision Job Costing

With Global Shop Solutions ERP software, Leiden also has complete visibility of all costs related to each job – a key ingredient for achieving the desired margins and maintaining a strong competitive position.

"In old days, if we had more money than debt at the end of the year, we knew we were making money," says Mareno. "With Global Shop Solutions, we can track costs in real time, so that as soon as a job ships we know how much it cost. This allows us to see how we're doing on individual accounts and individual fixtures, which allows us to make smart pricing decisions."

"For example, suppose a customer comes back to us asking for a price reduction on a certain part," continues Mareno. "We simply log onto the system and look up our costs for the product, as well as a history of all the products that customer buys. We know exactly where we stand in terms of our production costs and whether we can give the customer a rebate or perhaps a price break moving forward. These decisions are based on hard data rather than guesswork, and we know we can trust the numbers."

Leiden's customers often require short turnaround times when ordering product. Global Shop Solutions ERP software enables the company to respond in nimble fashion and maintain high on-time delivery rates. Managers can easily see which jobs are in progress, which ones are due right now and which ones might be late. This visibility of data enables managers to adjust priorities, shift labor and resources around, and focus their attention on the hot spots.

"We have two production plants as well as a network of outside vendors we can outsource certain processes to," notes Davis.

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"Global Shop Solutions gives us a clear picture of our current and future capacity, which allows us to determine whether to shift a job to our other facility or have one of our external partners complete it for us."

Shop Floor Control Increases Accountability
Where has Global Shop Solutions ERP software made the biggest difference for Leiden?

Mareno ranks the vast improvement in shop floor control as the #1 difference. He especially appreciates the ability to know where every job is in the production process and track all work orders as they move through the shop floor.

"In the past, everyone tracked their own projects, and whoever yelled the loudest got the most attention," he explains. "Now that we have an integrated system and schedule in place, everyone knows who is doing what and what they will be working on next."

Davis also points to inventory control as another big improvement – not just in terms of controlling inventory costs but also knowing where materials are at all times and making sure enough are on hand to meet the needs of each job.

"Previously, if someone damaged a sheet of material we didn't know about it because we had no visibility of data," he says. "Now we issue another sheet of material and make the adjustment in the system so everyone can see it. This improves trackability and accountability, and we rarely run out of material anymore."

Pictured is one of Leiden's employees using the Shop Floor Data Collection station.

Competing at a Higher Level
Ultimately, operating a manufacturing business is all about making good decisions to deploy labor, machinery and resources more effectively. Both Mareno and Davis consider the visibility of data in Global Shop Solutions ERP software to be its primary advantage.

"Being able to cost our jobs more accurately and look at our work order costs to see how we have performed helps us in many ways," says Mareno. "We can identify process areas where we have done well and where we need improvement. We can see the products we do well on and the ones we don't. If we aren't very good at a certain process or product, we can look at outsourcing it to someone else and staying focused on what we do best.

"It also allows us to take a global look at our vendors and the materials they supply," concludes Mareno. "We can easily compare the materials and prices in a way that helps get our costs down so we can provide lower costs to our customers. Global Shop Solutions provides the data we need to make intelligent business decisions so we can grow to the next level."

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