Pacor, Inc.

Headquartered in Bordentown, New Jersey, Pacor, Inc. is a U.S.-based fabricator and distributor of thermal and acoustical insulation products, with a wide range of product offerings from traditional fiberglass insulation to the latest cutting-edge technology in aerogels insulation. With products that can withstand both hot and cold extremes, from sub-zero cryogenic applications to applications exceeding 2000°F, Pacor enables OEMs and companies in the HVAC, commercial cooking equipment, rail car, and power generation industries to solve their most complex insulation problems.

Pacor employee cutting parts with their waterjet machine.

On Pacor's shop floor, you can find the state of the art Contech diecutting sheeter.

In addition to their custom and stock insulation products, Pacor also fabricates ceramic products and removable insulating covers. Its full range of capabilities includes energy appraisals, lamination, removable blanket fabrication, die and water jet cutting and offers assistance in product design and development.

Pacor operates separate production plants in North Carolina and Georgia and is both a Johns Manville Select Master Fabricator and the authorized OEM fabricating partner for Aspen Aerogels. Committed to quality, Pacor is ISO:9001 and ISO:14001 registered.

For years, Pacor managed the business with a homegrown accounting-based software package that lacked sufficient inventory management and shop floor control capabilities. Seeking a fully integrated system that could keep pace with the company's growth, management turned to Global Shop Solutions ERP software.

"Global Shop Solutions was very user friendly," recalls Pacor President and CEO Ron Latini. "It was easy to navigate through the different screens without getting lost, and you could get an amazing amount of information from just one screen. What really sealed the deal for us was the software's complete integration from estimating through collections, which allows us to manage all three of our locations within one system."

Eliminating Physical Inventory Counts Yields $40K in Savings

In the past, Pacor managed inventory by manually updating the information in the old system. This time-consuming process often led to unprocessed work orders sitting around on a desk until someone had the time to update them. As a result, managers could not depend on having accurate real-time accounting for inventory used and received.

With Global Shop Solutions ERP software, it's a different story. Using sophisticated barcoding, scanning and printing technologies, Pacor now instantly receives, moves and tracks inventory with remarkable precision.

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This, in turn, has dramatically improved visibility of data and materials as well as inventory control. In addition, using bins, cycle counting and real-time reporting has enabled Pacor to completely eliminate physical inventories.

"We no longer need to do physical inventory counts," says Latini. "Instead, we do periodic cycle counts within the system to keep tabs on inventory levels and costs. Our physical counts at three separate locations used to take more than 600 man-hours to perform. Eliminating physical counts saves us $40,000 year over year in inventory costs."

More Cost Reductions with Job Costing Accounting

According to Pacor's IT Manager Anna Kazmierczuk, using the Job Costing Accounting application has helped bring other production costs under control.

Job Costing Accounting (known as FLOOOM) measures freight, labor, overhead, outside, other and material so Global Shop Solutions ERP software users can determine their individual costing components with remarkable precision. For example, the software helps determine how much labor and material goes into each part and how the cost breakdown compares to past production of the part. It also helps to identify which processes need to be improved to lower costs, and how a change in production costs might affect the financial statement.

"With FLOOOM, we can easily see the different costing components for each part," explains Kazmierczuk. "Suppose we want to compare costs for a new job that is similar to something we've made in the past. Before, we had to spend a lot of time digging up the data from many different reports. Now we can get a breakdown of all material, labor and overhead costs from one screen."

Pacor's encapsulated finished parts that are ready to be shipped.

"FLOOOM also provides robust reporting capabilities so we can get better data in regards to actual versus estimate," she adds. "By reviewing the data each day we can identify mistakes and make corrections in real time rather than days or even weeks after a job is finished. Having so much data available in real time has improved our production processes and helped us shave costs."

Consistency Drives Additional $2 Million in Revenue

One of the real advantages of an integrated ERP system is the ability to drive consistency throughout the operation.

"Global Shop Solutions allows us to ensure all three locations do the same things the same way all the time," says Latini. "We start at one location and get the process down, then introduce it to other two. For example, we introduced the barcoding inventory technologies at one location and got all the kinks worked out. Now we barcode at all three locations, for improved materials management throughout the organization."

This consistency of processes has improved Pacor's competitive standing in many different ways, including:

- Elimination of physical inventories and simplifying the estimating process helps increase inventory turns and improves on-time delivery percentage.

- Running work order and purchase order generation programs simplifies production by showing what needs to be run and purchased to satisfy open orders.

- Real-time data visibility enables customer service representatives to provide more accurate ship dates.

- Accurate job costing enables Pacor to offer better pricing.

- Using one integrated system rather than three separate accounting programs reduces the time it takes to close the books at month's end from 10 days to an average of three.

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Perhaps most important, Pacor's improved competitiveness has generated an additional $2 million in revenues.

"Much of that increase is due to knowing our costs better," explains Latini. "In the past, we thought we knew our costs. But we weren't very accurate, so we sold product at uncompetitive pricing. With the data available in Global Shop Solutions, we've been able to eliminate a lot of waste and drive unnecessary costs out of the production process. As result, we've landed some new business we weren't successful in getting before."

A Partner In Pacor's Success

Ask any ERP user and they will tell you the software is only as good as the support that backs it up. As head of IT, Kazmierczuk points to Global Shop Solutions' outstanding technical support as another important advantage.

"With Global Shop Solutions, I can call any time to get help on a technical issue," she says, "and that includes evenings and weekends. Whether I'm doing updates or fixes over the weekend, it's nice to know that I don't have to wait until Monday to get a response. I also like the way the system allows me to create custom reports to extract information from the database."

According to Latini, the company behind the software is a major reason he recommends Global Shop Solutions to other manufacturers.

"First, I like that fact that it's family-owned business," he says. "They seem to understand our needs better, and they went out of their way during the initial implementation process to make sure we had a successful launch. Global Shop Solutions ERP software takes a lot of work up front to correctly set up your part numbers and customer codes. But when you get it right, the system transforms the way you run your business."

"I also like the way Global Shop Solutions constantly improves their software with regular upgrades and updates" he concludes. "They regularly introduce new and improved products that address the ongoing changes in the manufacturing environment, which is something you don't often see with other software companies. We feel like Global Shop Solutions is more than just an ERP vendor; they're a partner in the long-term success of our business."

Pacor associates in New Jersey before their annual holiday luncheon.

Pacor's moveable head press cutting out parts.

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