Panoramic, Inc.

Located in Janesville, in the southeastern rolling countryside of Wisconsin, Panoramic, Inc. is an innovative, customer-focused packaging company that sets the manufacturing standards in the industry today. What was once the internal packaging division of The Parker Pen Company, Panoramic is now an independent maker of retail and industrial thermoformed packages, parts, and process trays.

Global Shop Solutions Founder Dick Alexander visiting Panoramic's operations.

A Panoramic employees packaging product.

Panoramic and Global Shop Solutions - The Total Package

With their massive production line of varying CNC machines, thermoform presses, and high-speed labelers, Panoramic is a master at remaining flexible at producing cost-effective, "smart" packaging designs for a diverse customer base. For Panoramic, their growing success in the industry has been the result of this flexibility – and the outcome of their purchase of Global Shop Solutions enterprise resource planning (ERP) software in 2002.

When your retail point-of-sale area includes hundreds of competitors with products just like yours, purchase decisions are often driven by something as simple as what the package looks like. In these instances, Panoramic's packaging presents their clients' products in the best possible way. From new cell phones to compact disc recordings, sheet cakes to wrench sets, Panoramic packaging not only showcases products on store shelves and racks as that final marketing effort, but is also often designed to secure the product inside from theft and deterioration.

And, with every new product or product re-design, Panoramic must develop new packaging to contain it and deliver it on time. For consistent on-time delivery, this requires almost daily adjustments to schedule and facilities planning, as well as an inventory management system that employs real-time data. With Global Shop Solutions ERP software, Panoramic is able to maintain control of their operations.

"The fact that Global Shop Solutions is fully integrated has been its best attribute for us and what we do here at Panoramic," says Charlie Miller, Chief Financial Officer of Panoramic. "It does it all, from accounting to customer service, and inventory controls to quality controls in each aspect of our manufacturing."

As Panoramic President Richard Holznecht recalls, their first ERP system had little in common with the functions of Panoramic's operation. It was not only inflexible, but expensive and unreliable.

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"With our previous ERP software vendor, from the start there was a general lack of continuity of service from their company," says Holznecht. "There was little support during the implementation process and as a result, we ended up using only 25% to 30% of the capability of the system. And, when you throw in the high maintenance fees on top of it, well, for us the software just proved to be a very inefficient system."

By shifting to Global Shop Solutions ERP software, Panoramic has been able to achieve efficiencies in both daily management and daily production scheduling, while simultaneously reducing their overall costs of production.

ERP Software Working With Real-Time Data

When you are making literally millions of thermoformed packages every year, confidence in your ability to maintain controls is of paramount importance. This is especially true when you are a company that is buying raw material inventory to both the order and to stock. It is a situation where Global Shop Solutions ERP software thrives because of its unique and flexible Auto Purchasing feature.

"We build custom packages for our customers, and for those orders we buy to the order," Miller explains. "However, we also have a stock line of food packages, and for these projects we buy to stock. Because of this dual nature of our operation, we find the Auto Purchasing feature a powerful tool for keeping track of our raw materials inventory."

"Along with this, the Auto Scheduling feature fits right into the project organization process," he adds. "What is really nice is that I'm able to produce custom reports right in the system that are specifically suited for our needs. In the past, everyone used to schedule offline and now with Global Shop Solutions, this is all tied online into customer orders and work orders. This is a huge advantage for us."

Holznecht agrees with Miller's assessment.

"In our production meetings every morning, we project the Global Shop Solutions software right onto the wall for everyone to see, then the managers are able to go through scheduling, see what's on track and not on track, then make the necessary adjustments," says Holznecht.

It is this creative use of the highly flexible ERP software that gives Panoramic not only a real-time assessment of their operations, but a true edge on the competition through both cost savings and, particularly quality control and on-time delivery.

"This sort of daily reporting system has helped us improve our on-time delivery considerably." Miller interjects, "Since we've started using Global Shop Solutions, we've improved from a low of the high 70s to over 95% on-time delivery today. As a result of our better scheduling, there is no doubt that both our direct and indirect labor costs have gone down considerably. With Global Shop Solutions, we're more orderly, our sales are improved, and our production more diversified."
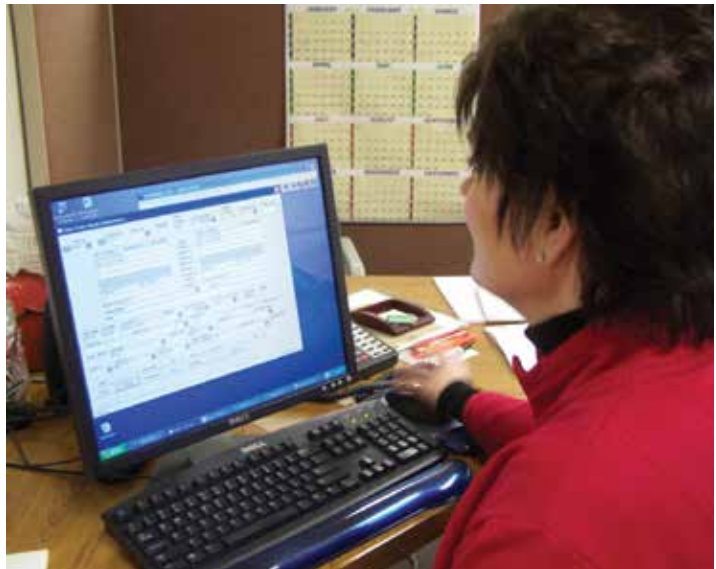
Panoramic employee working in Global Shop Solutions.

Front Office Efficiencies

Fifty years ago, at the height of Parker Pen's power, when the typewriter clatter from hundreds of clerk desks filled massive corporate spaces, huge numbers of employees were needed to administer to the vast paperwork demands of the company. Lean methods introduced through ERP software have reduced not only the amount of actual paper used in the modern manufacturing operation, but the support staff has diminished as well. If an ERP system is correctly implemented, it will successfully reduce direct labor administration costs and front office personnel. In the case of Panoramic, these efficiencies are nothing short of remarkable.

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"Before Global Shop Solutions, we had a lot of overhead and administration costs for both accounting and human resources," states Miller. "Closing out our books for each month end would often take three to four weeks to finish. Now, with Global Shop Solutions ERP software, we've been able to trim back our front office administration staff 70% - from 10 people handling lots of paper, down to only three who work much more efficiently and cost effectively. And, we're able to close our books in less than one day at the end of each month."

The capability of a company to rapidly generate and use real-time data is a keystone for its success. Without such information, it remains ever harder to be flexible to the sudden changes in work flow that is part of every operation.

Miller also finds that such front office efficiency then translates into cost reductions on the shop floor itself. In the packaging industry, where lead times are often non-existent due to the customer's difficulty in ascertaining inventory needs at any one moment, production operations can expect more hot orders than most other industries. Therefore, a flexible posture is paramount to rapid customer response.

"We have the constant need to react quickly – it's what separates ourselves from our competition," Miller says. "We react quickly to what our customer needs are, or we're simply not here. Global Shop Solutions helps us tremendously in our ability to react quickly. In Global Shop Solutions, we can make schedule changes, see incoming raw materials, tools being built in the shop, and then we can schedule the machines to fit in with all of these production aspects. What Global Shop Solutions does is help us to understand the ramifications of our decision-making process in advance of making those decisions. This is a great thing for us when considering we have three different schedules we're dealing with every day – a production schedule, a tooling schedule, and a prototype schedule."
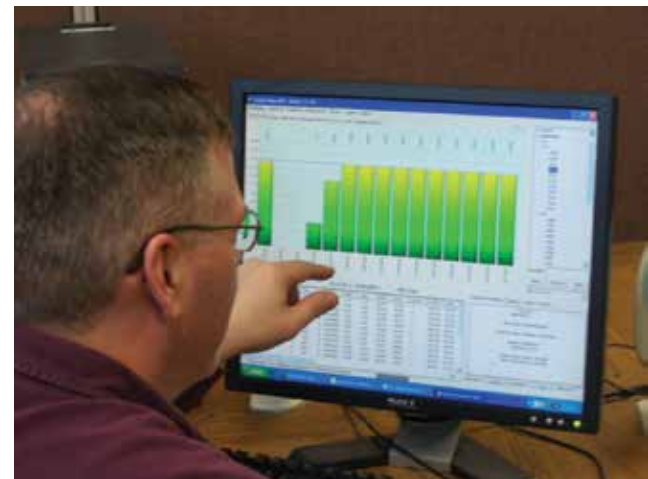
"And, that goes right back to servicing the customer," adds Holznecht. "As forecasting is an imperfect science, our customers rely on our manufacturing flexibility. When an urgent request comes into scheduling, using Global Shop Solutions, we can quickly and easily drop the request into the schedule, 'can we move this order or that order', and then review the ramifications of this action on other orders. Then we can quickly get back to the customer to talk about the feasibility of meeting their request. The schedule can simply be altered. Also, with Global Shop Solutions, we're able to project where our capacity hot spots are going to be, and then adjust manpower and machinery to fit the demand. During the course of the year, this feature is also particularly useful in scheduling during periods where any spikes in demand may affect our capacity."

A Panoramic viewing their current planning & scheduling screen.

Timely Information Flow

There is a sense at Panoramic that they're making all the right moves. This confidence comes from their decision to buy Global Shop Solutions ERP, and to make it a central part of their operation. From the start, the Global Shop Solutions partnership has strengthened Panoramic's ability to manage their company more efficiently, effectively, and at reduced costs. With ever-shrinking margins, especially mass produced packaging products, such changes in the system result directly in an enhanced bottom line. Information that flows rapidly in the right direction and ends up in the right destination is the name of the game in business today. The robustness of their ERP software helps map this information flow for Panoramic.

"Global Shop Solutions has helped Panoramic succeed because it's put the important information in the hands of the people who need it the most, and on a timelier basis," says Miller. "And, most critically, it's more accurate information than anything we've had in the past."

"The consolidation that Global Shop Solutions brings to the management of our information is great for both the manufacturing and management end of what we do," concludes Holznecht. "The quicker we can get the information, the quicker we can make adjustments and with the competition we face in global markets that becomes very important."

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