

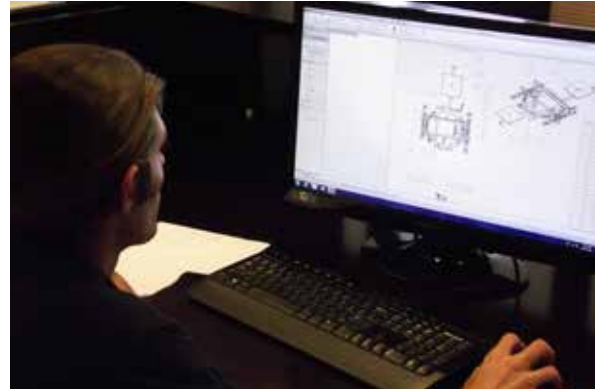
GLOBAL SHOP SOLUTIONS CASE STUDY

Rugo Machine Shop Services

Rugo Machine Shop Services (RMSS) is a family-owned production job shop serving commercial customers, headquartered in Phoenix, Arizona. Founded in 2006, the fast-growing business makes a variety of component parts for the medical, automotive, aerospace, commercial, solar energy and other industries that require precision-made parts for their product assemblies.



RMSS uses precision CNC machining to manufacture component parts such as these nozzles, go into fire suppression systems for military vehicles.



Global Shop Solutions ERP software's reporting tools, allow the programmers at RMSS to stay up to date and on schedule, creating programs on time to meet customer delivery requirements.

Using the latest in CNC milling and turning equipment, RMSS can machine parts from all types of metals, including aluminum, titanium, stainless steel and exotic alloys, and many types of plastic. Their products are used in fire suppression systems for military vehicles, handicap accessible vans, telemedicine carts, solar energy mounting systems, server rooms and more. As a full-service **job shop**, RMSS offers turning, milling, Swiss machining, laser cutting/marking, CAD/CAM design and other process capabilities.

Most companies implement Global Shop Solutions ERP software to replace cumbersome spreadsheets and manual systems or to upgrade outdated software packages. Unlike others, RMSS acquired the software when they first moved out of the owner's garage.

"When we started looking at ERP systems, we were so small we didn't have many processes in place, manual or otherwise," recalls Lindsey Rugo, Financial Manager for the company. "Looking ahead, we wanted a platform that would not only work for us as a small company, but also had the capacity to grow with us. We chose Global Shop Solutions for its robust out-of-the-box capabilities, outstanding service and support, and ability to expand through easy customization."

Tripling Annual Growth Within 3 Years of ERP Implementation

It turned out to be a good decision. In the three years since going live with Global Shop Solutions ERP software, RMSS has averaged 56% year-to-year annual growth. The company is moving into a new facility more than twice the size of its current one. And the growing demand for its quality parts has the company's CNC mill, lathe and Swiss-style machines running from 7:00 am until midnight.

Global Shop Solutions ERP software has contributed to this growth in several important ways.

RMSS needs to be able to meet customer demands for quality, timeliness and cost-effective pricing. Global Shop Solutions ERP software's [Quality Control application](#) provides RMSS with real-time scrap and rework information, allowing managers to see where and why parts are getting scrapped and how much it costs.

To assist with on-time delivery, RMSS uses Microsoft Query to pull job data into an Excel spreadsheet directly from Global Shop Solutions ERP software. This customized reporting tool enables the manufacturing engineer, purchasing manager and shop floor scheduling to all work from the same page when tooling, programming and ordering materials for a job.

To provide customers with accurate pricing, RMSS uses data from several different applications, including [Shop Floor Control](#), [Inventory](#), [Estimating](#) and Routing.

"A lot of job shops base their quotes on a general hourly rate," says Rugo. "Global Shop Solutions gives us a detailed cost breakdown for each workcenter. When quoting a job, we determine which workcenters will be involved and then factor in the estimated hours and associated labor rates for each one, giving us a much more accurate quote for every job."

Growing the Business, Not the Overhead

Early on, RMSS made the decision to implement all the Global Shop Solutions ERP software applications at one time rather than using a phased implementation process. This has paid off in significant time savings and process improvements that have helped triple the size of the business without adding front-office personnel.

"From order entry and scheduling to the [general ledger](#), [Business Intelligence](#) and sales analysis, we use almost every feature in Global Shop Solutions," says Rugo. "This provides a solid information management platform where everyone has instant access to the real-time data they need to work faster and more efficiently."

For example, the [Advanced Planning & Scheduling](#) (APS) application enables planners to quickly determine accurate lead times for customers. The [Shop Floor Data Collection system](#) speeds the collection of labor and production time information for faster scheduling and more accurate pricing. The general ledger cash flow projector enables Rugo to forecast cash inflow and expenditures to manage the growing company's cash needs faster and more effectively.

"As a result of these and other process improvements, we can get a lot more work done with the same amount of people," adds Rugo. "Over the last three years, we've averaged 56% annual growth without having to add a single person to our front office team."

Easy Customization

Rugo also has high praise for Global Shop Solutions ERP software's many [customization options](#) – including the ability to integrate with outside software packages.

To better manage the programs on its CNC machines, RMSS recently implemented a wireless DNC system that seamlessly integrates with Global Shop Solutions ERP software to update the barcodes on all work orders. When a new work order is created, the system automatically sends a notification identifying whether a program exists for each machine or if a new program needs to be created. Once the job hits the shop floor, the machinist setting up the job simply [scans the barcode](#) on the work order and the correct program is automatically loaded into the CNC machine.



The Shop Floor Data Collection station is working behind the scenes to accurately monitor this machine set up time, giving RMSS the data collection it needs for accurate pricing and continuous improvement.

“We also implemented a custom material certification packet option that saves a lot of time,” adds Rugo. “When we receive material, our purchasing person scans in the material cert on the purchase order receipt, which automatically links to the work order. Every time we ship a part, the material cert pack automatically prints out with the packing list.”

Rugo really likes the ability to use MS Query to build **custom Dashboards** in Global Shop Solutions ERP software without having to use Crystal reports. One of these Dashboards provides daily scheduling information used by everyone from engineering to purchasing.

“The Dashboard lists every job, the projected start date, which machines it needs to go on, and more,” says Rugo. “This gets us all working on the same page and helps ensure we finish the job in time to meet the customer’s delivery date.”

Precise Job Costing and More

In today’s highly competitive manufacturing market, companies have to know their costs in order to compete – another area where Global Shop Solutions ERP software excels.



RMSS’ experienced team members take a dedicated approach to hands on training with new team members.

“At the end of a day, week, month or quarter, we can see in real time and in detail **what and where our costs are**,” says Rugo. “We can also see which costs are increasing, which ones are decreasing, and why. This allows us to make quick and accurate business decisions to proactively manage our margins as well as our costs.”

Ultimately, growing a business involves making the right management decisions at the right time. And that requires having accurate information – no matter how big or small the business.

“Global Shop Solutions has served as a platform to help define most of our business processes,” adds Rugo. “Before, our company consisted of the two owners and a couple of family members making parts in their garage. Now we have two owners and 15 team members, and we’re continuing to grow.”

“Global Shop Solutions worked well for us as a 5-person shop,” Rugo concludes. “And with so many options for customization we know it will continue to work for us when we become a 50- or even a 100-person shop. It’s good to know we can keep expanding the company without having to worry about changing our entire business management system at some point in the future.”