

GLOBAL SHOP SOLUTIONS CASE STUDY

Sigma Fasteners

Headquartered in Houston, Texas, *Sigma Fasteners* specializes in manufacturing high pressure bolting for wellhead equipment, pipelines, valves, and offshore. Their wide variety of custom manufactured ASTM bolting is plated or coated in-house. *Sigma Fasteners* also stocks and distributes a huge selection of standard and non-standard bolting products.



Sigma Fasteners' friendly Sales Team is always ready to help.



Sigma Fasteners produces custom fasteners such as these.

In addition, the company offers a wide selection of coating and plating services to its customers, including customer material up to 20 feet long. ISO 9001-2000 certified, Sigma Fasteners is on the approved vendor list of major energy related original equipment manufacturers, petrochemical oil and gas companies worldwide.

From the very beginning of their business, Sigma Fasteners used the Global Shop Solutions ERP software to manage their operations.

"Our management team had experience with ERP software, so we started up with Global Shop Solutions from day one," recalls Bobby Baker, Vice President of Operations at Sigma Fasteners. "Initially, we looked at a software that was too impersonal and cost too much. When we came across Global Shop Solutions, it seemed like a much better fit for our fast-paced, job shop mentality."

Managing 25,000 Different Parts

Sigma Fasteners makes more than 25,000 different fastener products. Many of these seem almost identical yet still require different part numbers, which presents a number of shop floor challenges.

According to Baker, Global Shop Solutions ERP software's **shop floor control** features – including the **ability to customize** and easily duplicate router templates – brings a new level of efficiency and control to the production process.

"We might have one part that is essentially the same but sell it to eight different customers, which means we have to produce the part as eight different jobs," he says. "Trying to manage so many individual revs, part numbers, and all the processes that go into it would be next to impossible without Global Shop Solutions."

"For example, if we have to put a 1/16" instead of a 1/4" chamfer on the end of a stud, we can quickly adjust the routers to accommodate the change. This allows our salespeople to identify the **job costs in real time** and give customers an accurate quote. It also means we don't have to go through the time and effort of creating a whole new router."

Moving to Mobile

Having almost identical finished goods parts presents some unique inventory challenges – including precise lot-to-lot and bin-to-bin transfers.

Global Shop Solutions ERP software's **inventory management** capabilities enable Sigma Fasteners to manage raw materials inventory with the precision they need. To simplify the finished goods transfer process and improve inventory accuracy, the company has begun implementing **GS Mobile**. Workers barcode each box of finished bolts, and then use GS Mobile to facilitate the lot-to-lot and bin-to-bin transfers.

"The hardest part was figuring out how to organize the warehouse," notes Baker. "Once we got that done, it's easy to put the labels on and transfer everything to the correct bin locations. Next, we plan to barcode incoming raw materials, which are mostly large, bulk metal bars, to improve raw materials management."

200% Growth with ERP Software

Sigma Fasteners has grown more than 200% percent since implementing Global Shop Solutions ERP software. According to Baker, they couldn't have done it without the many benefits derived from the ERP software – including the ability to **accurately track costs**. However, because the company tends to have very short production runs, they track overall costs a bit differently than most manufacturers.

"Our jobs typically run hours rather than days," explains Baker. "So although we do track costs by the job, we prefer to use Global Shop Solutions' superb financial capabilities to manage costs and profitability by departments than individual jobs. We manage from the income statement by tracking expenditures across the whole company."

"We now know our inventory costs because we always know what we have on hand," he adds. "We know which jobs are profitable and where we make our money. This kind of information is critical for making smart decisions that support our continued growth."

Meanwhile, the **Quality Control application** helps manage Sigma Fasteners' strict traceability requirements.

"Global Shop Solutions has all the bells and whistles that our customers look for when they come in to audit our facility," adds Baker. "They especially like the **Advanced Planning & Scheduling (APS)** application, the shop floor controls, and the routers we create in the system. The ISO certification auditors like the fact that we can easily produce the required documentation using Global Shop Solutions."

The Complete Package

From software to support, Baker sees Global Shop Solutions ERP software as a complete business management package.

"The software has all the features and functionality we need built right into it," he says. "We don't have to go out and get a separate router or accounting system. When we need to print labels, we don't have to buy **labeling software**. When we barcode finished goods, we don't have to reinvent the wheel because everything is already there."

Baker also appreciates the personalized support his company receives from Global Shop Solutions.

"Global Shop Solutions takes the time to understand your business and what you're trying to do for your customers," he adds. "And if you have problems, they offer fast, knowledgeable, U.S.-based technical support. The more we grow as a company, the more we learn about how Global Shop Solutions can help us get to where we want to go. More than just a software vendor, we view Global Shop Solutions as a partner in our long-term growth."



Coated High Pressure Bolting.