

BlueStone Solution for - Owen Mumford Limited

Time Saving!

Stock checks are faster, and month end stock valuations reduced from 2 days without the SMS Sapphire system to around ½ day.

Owen Mumford was established in 1952 as a Precision Engineering Company, with the partners making anaesthesia equipment and aluminium moulds for the local plastic injection moulding industry. They then progressed into injection moulding as a trade moulder for various industries including automotive. By the late 1970s they had become involved with a device to help people with diabetes take capillary blood samples. An insulin delivery pen was added to their product range and in the late 1990s they ceased all trade moulding to concentrate on medical devices. An additional facility in Atlanta, Georgia, USA is a registered FDA assembly facility. The company's products are distributed world wide, with sales offices in France, Germany and the USA, with around 80% of production exported.

The Requirements

Before the SMS Sapphire software was installed, Owen Mumford were using a mainly manual system. These systems made it almost impossible to track materials sent to sub-contractors, and to determine the value of work-in-progress, as stock previously disappeared from the system. To compound this problem month end stock takes were taking up to 2 days, which gave Owen Mumford little confidence in their stock system.



The application of ERP technology was new to the company, and the potential users were understandably apprehensive about the introduction of such a massively different and sophisticated system.

The Solution

The devices made by Owen Mumford are mainly generic, and hence most Sales Orders are 'Finish to Order' (FTO) with customer specific marking and packaging. The base components and assemblies are effectively decoupled from the Sales Order at the lower levels, where manufacturing can achieve economies by batching orders together. The same generic pen can, for instance, be packaged in 7 different ways.

The generic device is held on the system as a phantom assembly, although uniquely SMS Sapphire allows these assemblies to be held in stock. This feature is useful where batch quantities are rounded or combined, to enable some orders to be met from stock. Sapphire allows Sales and Works Orders to be back-to-back, or for manufacturing to group orders together for manufacturing the base item as an FTO. With a standard lead time of 8 weeks from manufacturing, a 'contract review' can be applied by manufacturing to the requested sales date and any changes quickly notified.

A key feature of SMS Sapphire, which is essential to Owen Mumford, is the inherent Batch Traceability to enable a Sales Order to be traced through all levels and Works Orders to the original raw material batch. In the unlikely event of a product recall, all other products and Sales Orders manufactured from the same batch of material can be easily traced. This means material can be issued to Works Orders automatically with the system defining the batches to be used, or manually where specific batches or part batches can be selected to use up specific stock. With the batch numbers printed on the Pick List, the operators are effectively guided through a stock check or PPI (perpetual inventory) process at the same time and any potential stock errors are quickly found and corrected.

Conclusion

Since implementing SMS Sapphire the stock accuracy has improved and is now around 98%. With the huge numbers of low value parts, mostly counted by calibrated weigh scales, this is a significant achievement. Stock checks are faster, and month end stock valuations reduced from 2 days without the SMS Sapphire system to around ½ day. This is against a 250% sales movement increase in the same period. There is also greater confidence in the stock figures.

Month End reconciliations of Work in Progress and Valuation has been reduced from a day's work to minutes, and the figures are more accurate. The year end audits with the external auditors now take a fraction of the time, and the auditors are happy with the information and data provided by the system.

