

# Make your next ERP the most profitable decision ever for your plastic processing operation

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## Plastics processors stand to gain massive benefits from choosing the right ERP system:

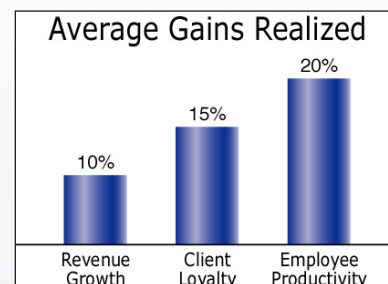
Everything from being able to minimize downtime by improving production efficiency with drag & drop scheduling tied to MRP and purchasing, to attaining simple cost control over resin price fluctuation and customer pricelists, to real time inventory management that considers WIP, finished goods and rejects.

Implementing the right ERP in your molding or extrusion business should be one of the best investments you'll ever make, but you must take extra precaution to avert disaster. Here's how.

## You need to carefully consider these items when assessing ERP providers:

### 1. Return-on-investment

Investing in the right ERP system should have a quantifiable payback in specific areas such as: revenue growth (can we better manage resin costs, quote faster and win more orders or leverage system lot tracking to better serve more demanding markets like medical or pharma ?) customer loyalty (Will we become even easier to work with than our competitors so clients prefer to do business with us and can we offer them online ordering and tracking?) improved productivity that will truly work for the unique requirements of a plastic processor such as, will we save time in purchasing, capacity planning and forecasting as well as will we have the ability to track job profitability from our desks, accurately manage inventory and will it help us avoid unnecessary setups? Find a solution with built-in functionality such as real-time machine PLC data monitoring to instantly identify machines that are underperforming that are tied to production efficiency and profitability reporting to help: manage margins, know when to re-cost jobs, update pricelist and take corrective actions to reduce rejects and downtime.



*My advice to plastics processors would be to find a solution that is 95% ready for your operation without the needs to customize.*

**Stéphane Gonthier**

President,

Versa Profiles

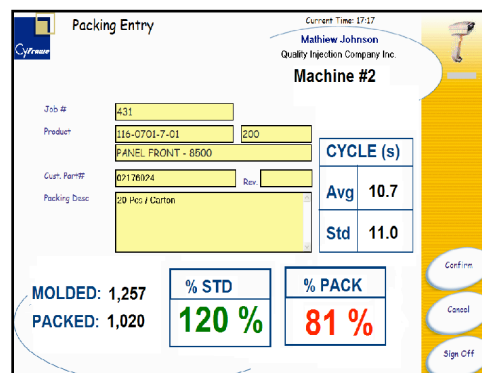
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## 2. Complete integration includes production

Generic software will always fall short in the most important areas; planning, production scheduling and shop floor data acquisition. As priorities constantly change it is critical to have the flexibility to continuously move jobs from one machine to the next and back and forth in time, coordinating color changes to minimize purge and tool changes to minimize mold and die setups and machine downtime - all while viewing the direct impact on material, labor, on-time delivery, machine and secondary equipment constraints such as conveyers, dryers, calibrators, robots, etc.

Intelligent scheduling capability considers that dies or molds run only on certain machines and at different cycle times. Such scheduling is much more than just a Gantt chart. The software must manage complex tasks like last-minute recipe substitutions and visual dashboards to generate restock work orders, quickly sort work orders by tools (mold or dies), and show previous cycle time performances by machines and shifts. The software must also include a shop floor system with lot tracking in addition to tracking machine and pack efficiency - all from touch bar-code driven screens or wireless devices. Integrated production means your shop floor data works in harmony with your financial system to measure performance and profitability by job, shift and day. Bottom line: Interfacing different systems can never provide these essential production tools or the clear actionable data reporting on which to base business decisions. If you're told otherwise, you're being lied to.



## 3. Efficiently process a custom order

It's paramount that you ensure you can efficiently process your sample custom order with the new software. Custom orders will test all the critical software functions including work orders. Powerpoints and canned demos won't cut it and are a surefire way to make the wrong choice. Ask questions like: Will a product order automatically create all the separate work orders for a multi-process part, possibly including purchase orders for subcontractors? Will it automatically track plastic recipe component lot numbers to then generate a material certification at shipping? Will it allow for alternate recipes or machine changes on the fly? Do resin cost fluctuations quickly re-cost and re-price a custom order automatically? In generic software, these functions are very difficult to set up, perform day-to-day tasks and even more difficult to maintain. The customization costs will only become apparent down the road and can sometimes be more expensive than the original cost of the software itself. This software evaluation will ensure that your new system will result in a much improved and simpler company

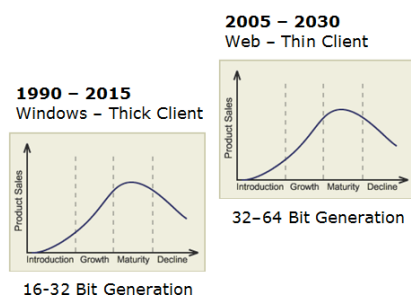
*Browser-based software using reliable and supported databases such as those offered by Microsoft and Oracle have been proven in the market for performance and reliability. Web-driven applications are more intuitive and make it relatively easy for employees with next-to-no computer skills to perform the most basic tasks with minimal training.*

workflow and reduced efforts in maintaining Bills of Materials (i.e. BOM). Look for providers that have successfully implemented solutions in similar plants that have the same processes and who have overcome the same challenges you are now facing. You want an ERP system that can be implemented simply and effectively to deliver true results as fast as possible.

## 4. Look to eliminate repetitive tasks

If your ERP minimizes manual data entry, you'll reduce the risk of human error and free up employee time to focus on adding value. The bill of materials need to easily manage plastic recipes and resin cost fluctuations to quickly issue new price lists to your customers. For example, will your ERP: Allow you to create and maintain common production specifications for Tools (Mold or Dies) so you can easily create new products with slight variations to packaging and material in just a few minutes? Look for systems designed to drive ROI that has a one to many relationship between your finished products and the Tools (Die or Mold) or common plastics recipes to avoid replicating the same Bill of Material parameters over and over, year after year.

## 5. Reliable web architecture



Browser-based software using reliable and supported databases such as those offered by Microsoft and Oracle have been proven in the market for performance and reliability. Web-driven applications are more intuitive and make it relatively easy for employees with next-to-no computer skills to perform the most basic tasks with minimal training. They are also far more flexible and easier to customize without

impacting supportability and most importantly will not become outdated for the next 15 to 20 years. Manufacturers must consider end-of-lifecycle when evaluating systems and need to avoid non-web technology that will require a complete redesign and might not even be feasible in web format. If you don't want to spend big money and valuable time on an ERP system that will soon be obsolete, look for Web architecture along with a solid database.

## 6. Be bold and challenge your current processes

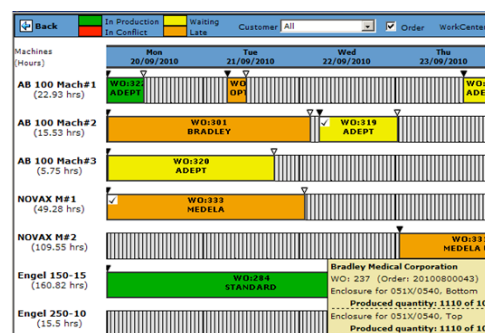
What are your top five business goals? How can an ERP system help you meet those targets? What do you want your ERP system to do for you? Focus on the deliverables and don't get side-tracked by an endless needs/wants list of specific features and functions. To attain your top five business objectives, you need to know what they are and make sure your executive leadership is willing to dedicate the resources required to achieve them. Make a sincere effort to step back and look at your operations in a new

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light. The right system will yield new efficiencies and eliminate tons of standard tasks by automating them. Take purchasing for example. A PO dashboard would empower an employee to execute POs based on actual material requirements driven by the production schedule, stock targets, forecasts and order trends. This would replace the traditional method of looking at countless reports and filling in detailed line items. A restock order dashboard could bypass the order entry screen entirely and issue internal work orders directly to the shop floor.

## 7. Data that jumps out at you

Visual graphics, icons and dashboards readily display the most important data for you. It could be anything from scheduling conflicts to material constraints, production rejects or meeting your on-time delivery commitments, color-coded, visual indicators alert you to issues. This allows you to take action without having to dig into the obscure reports that are the only option available in traditional systems. If you're going to need programmers to make an ERP work for you, walk away!



## 8. Regular updates mean never upgrading

The threat of losing version support or being forced into upgrading to new versions against your will is an antiquated approach to supporting business software. Committed software vendors consistently improve their solutions and release periodic updates as part of regular maintenance so that you never need to wait for new features or find yourselves facing upgrade costs or lack of functionality. You want a provider that regularly solicits and acts on user feedback and makes those improvements readily available.

## 9. Implementation time

The sooner you're using your new ERP system, the more likely you are to achieve your goals, realize the benefits and add value to your operation. Look for vendors that will assist you with the initial data extraction from your current systems. You want vendors who are ready and willing to leverage Excel spreadsheets and access databases to facilitate the cleaning and importing of your data. When using an ERP, one of the most time-consuming tasks is creating and maintaining the Bill of Materials. Intuitive ERP software built for plastics production will understand Molds and Dies and have an intelligent "plastic friendly", built-in copy function to save time and facilitate ongoing maintenance.

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## 10. Sustainability and vendor commitment

When committing to an ERP provider, you're essentially putting your entire business and its future in their hands. You need to know that your provider will be around for at least another decade and remain dedicated to your industry. Companies often commit to the biggest, most recognized names in the market in the belief these firms have staying power. However, in today's business environment, these bigger firms are often involved in mergers and acquisitions that affect their key product lines as well as their ability to support them. Manufacturers in virtually every industry get talked into buying generic ERP systems that require significant customization before providing true value with no long-term guarantee. Identifying software companies that understand your business and truly deliver benefits with commitment to the future, be it by their past history or future succession plans, should be seriously considered if you want to realize substantial long term gains.

## About Cyframe

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Since 1987, CyFrame has become the leading international provider of best-of-breed ERP/II web-based software solutions created specifically for small- to medium-size plastics manufacturers. CyFrame is uniquely positioned to meet the needs of plastics firms because it offers ERP systems that handle both stock and custom product and have been developed specially for injection and blow-molding, profile and sheet extrusion with thermoforming, and blown film and converting manufacturers. The company also offers integrated financial modules, e-commerce capabilities and secure customer account/profile areas. Onsite training, implementation and support services are offered as part of all CyFrame's ERP solutions.