Keep Tabs On Consumables Consumption

Lakeshore Technologies processes ingredients for the food and pharmaceutical industries, serving customers such as Cadbury, Schweppes, Kellogg's, Pfizer, and Ocean Spray. Their facility in Lakeshore, Michigan spans 75,000 sq. ft., with 7-8 employees per shift.

Like many companies that don't have a dedicated inventory control manager, they found it difficult to keep their stock in balance, opting to over-stock inventory rather than risk stock-outs. This excess inventory tied up cash and floor space, requiring a 65-foot row of shelving that included secure lockers for food-grade oils and lubricants. Whenever one of the maintenance workers needed lubricants, he had to track down a supervisor.

The SmartStore Solution

A Fast 5000 SmartStore machine was implemented to vend everyday MRO consumables. It was equipped with two SmartStore locker units to manage larger items that require check-in and check-out. Because Lakeshore's nearby Fastenal store manages the machines' inventory on a consignment basis, the company has been able to slash inventory spending and remove the 65-foot wall of shelving, creating additional production space. Lakeshore employees use their ID cards to access products from the machines, enabling management to control and track how much each employee uses.

"It essentially does the job of an inventory control manager," said Ricardo Lopez, Lakeshore's VP of operations. "We've cut inventory by at least 75 percent ($20,000 a month), and we've seen a huge drop in consumption, because people are accountable for what they're using."

Lopez notes that customers and third-party auditors such as the FDA are impressed with the SmartStore's automated control of chemicals and lubricants. Exemplifying the system's flexibility, Lopez receives an automated email alert when a gallon of oil (used to lube equipment) has been checked out for more than 24 hours, ensuring that it's never left out on the floor.

Another key benefit is the system's usage reporting capabilities. Previously, Lopez had no way to track MRO consumables usage. Now he has the ability to review live data and receives an automated usage report in his email inbox every Monday morning.

"We went from having almost no information to having more than we know what to do with," added Lopez. "The biggest thing, from a reporting standpoint, is being able to clearly see that usage jibes with what it's supposed to be. That's huge for us."

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