



Managing Mobility From the *Edge* of Your Enterprise

MCNEILUS STEEL

Case Study - Steel supplier upgrades process to improve efficiency



About the Client

Rugged, sturdy, high-quality steel is the expectation of every customer at McNeilus Steel, Inc., a sixty-year-old steel fabricator and distributor in Dodge Center, Minn., and Fargo, ND. And in turn, McNeilus Steel expects quality and durability from the equipment and services it uses to keep those shipments moving.

So as McNeilus was preparing to upgrade its warehouse processes to improve order accuracy and inventory visibility, they employed the help of Barcoding Inc., a Solutions Integrator based in Baltimore, MD. Barcoding offers deep expertise and experience in providing complete automated data collection solutions, including hardware, software, integration and support.

McNeilus is one of the largest steel suppliers in the Midwest, importing steel rolls and fabricating them into products such as hot and cold rolls, sheets and plates, as well as pipe, pipe tube and tube, including stainless and aluminum. McNeilus stocks more than 3,500 different metal products across its two facilities, with over 500,000 square feet of storage and a 70-strong fleet of delivery trucks.

At a Glance

MCNEILUS STEEL

Dodge Center, MN & Fargo, ND

PROBLEM

Needed improvements in order accuracy and productivity, as well as real-time inventory. Needed to track and document mill test certificates.

SOLUTION

Barcoding Inc. provided Motorola MC9090 mobile computers and Zebra Z4M industrial printers as well as QL320 mobile printers; software modifications and new business processes.

The Business Issue

McNeilus has long relied on Metalware, an inventory management application from Paragon Consulting Services designed especially for the metals industry, to ensure the inventory is properly tracked and picked to fulfill customer orders. But as technology evolved, customer needs did as well. "Our biggest customer wanted more accurate proof of pull and ship," documentation that includes the chemical composition of the steel product based on test reports from the mill, says Brandon Vermilyea, database manager for McNeilus.

The company also experienced periodic issues in which sales staff promised inventory to customers, only to have it already shipped to fulfill another, earlier order. In addition, McNeilus wanted to improve on its 90% to 95% order accuracy rate; errors often resulted in costly credits and re-shipments.

Vermilyea and his colleagues knew barcodes would be the answer; now they needed the expertise to integrate barcode technology into their IT infrastructure and warehouse processes.

The Solution

McNeilus picked up the phone and called Barcoding Inc. Their solution architects made a complete assessment of the company's environment and worked with Vermilyea and his colleagues to understand its needs and goals.

*Thermal transfer 4" print width
ideal for warehouse applications*

*Fast print speed means less time
between labels*

*ZebraLink remote management
capabilities*



McNeilus already had purchased Zebra Z4M and QL 320 thermal/thermal transfer printers to generate barcoded labels. But the company had never used barcodes before and needed assistance in selecting the right mobile computers, as well as modifying its software and warehouse processes to reach its new goals. Barcoding Inc. researched

the market and secured several demo products for McNeilus to test in its facilities.

"Our environment is fairly neat, but there is definitely steel dust flying around," says Vermilyea. "We knew the units would get dropped and run over." Trying different brands and models also helped McNeilus realize keyboard simplicity was also a top priority. Barcoding Inc. recommended Motorola's MC9090s and MC9090k mobile computers because they offered a streamlined keyboard, larger screen and better ergonomics than some of the other models.

*Large, easy-to-read screen and
streamlined keyboard*

*Rugged and ergonomic design ideal for
warehouse environments*

*Long life battery options to cover full
length work shifts*



Barcoding Inc. also worked closely with Paragon Consulting to modify the software to accommodate the new business processes.

Now, McNeilus workers receive advance ship notices from suppliers that include the mill test certificates for individual SKUs; items cannot be received without that document. That data is used to receive the product, and then it's marked with a bar-coded label printed on a Zebra Z4M printer and put away in a pre-assigned location. Sales staff now use that data to locate inventory in real time; once they've allocated an item to a particular order, they can be confident it will still be there when it's time to be picked.

Picks are printed out on pick tickets. Pickers take this to the location, and then scan the order number, location and the picked item. Many steel products are large and unwieldy, so pickers may have to move one product out of the way to reach the other; now, instead of searching, they use the Symbol MC9090 to update the location in the database, so the item can be easily located for future orders.

Barcoding Inc. also helped McNeilus add a shipment verification step before trucks leave for deliveries. "We print a bill of lading, and find out if the order is not correct," says Vermilyea. "In the old days we'd give the customer a credit

and reship it." Now orders are much more likely to go out correct and compete the first time.

McNeilus purchased more than 50 mobile terminals and printer combinations for its facilities, with additional units to be added as a third plant comes on line. To manage them, Barcoding Inc. implemented Cloudsync mobile device management, a software tool that enables McNeilus to track the location, health and performance of all terminals and printers on its network. The tool can be used to configure devices, helpful for upgrades or new purchases, as well as reboot them and monitor usage and battery status.

"It gives the option to remotely control the mobile computer," says Vermilyea. "That's really helpful, because our IT guy in Fargo who is in the military reserves has been deployed to Kosovo. If there is a problem we can temporarily remote in. It works well."

The Result

Barcoding Inc. lived up to their promise, helping McNeilus to achieve its goals:

- ✓ Order accuracy increased at least 2%.
- ✓ Productivity rose through more efficient processes, such as eliminating searches for inventory that has been moved or already shipped with another order.
- ✓ Order fulfillment rates increased.
- ✓ Customer satisfaction increased, and McNeilus is fulfilling customer requirements for mill test certificates.
- ✓ McNeilus sharply reduced the costly credits issued for mis-shipments. "Anytime you have fewer credits and less material not on the truck, the better," says Vermilyea.

Testimonial

"Barcoding Inc. has been excellent. They provide fast shipping, the best prices, and they're good at evaluating the situation and recommending the right equipment. That's a big help."

BRANDON VERMILYEA

Database Manager, McNeilus

Partners

Barcoding Inc. has partnered with many industry leaders of data collection hardware and software to ensure we provide the right products for the solution. For this application we selected Motorola and Zebra hardware.



Barcoding Incorporated

Barcoding Inc., an Inc. 5000 and Deloitte Fast 50 company, specializes in deploying and managing enterprise-wide mobility solutions. This is accomplished through streamlining operations and enhancing data collection and wireless communication systems. Barcoding's products and capabilities range from barcode and RFID data collection devices to wireless local area and wide area network integration.

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