

# General Broach Company

Made2Manage® ERP

## Staying Competitive



### Innovating Early

General Broach Company, a Morenci, MI-based manufacturer and designer of broaching machines and tools, entered the metalworking industry in the early 1940s under the leadership of company founder Karl Eklund. In the mid-sixties, Eklund quickly realized he could help his company, then using the broaching process to produce machine tools like automotive gears, expand. Soon, the company began designing and producing the simple broach tools used on their own broaching machinery. The company flourished and branched into a bi-focused enterprise that today, under the ownership of Utica Enterprises Inc., employs 60 people in two facilities to serve more than 200 customers across the automotive, hand tool, firearm and aircraft industries.

With a manufacturing business built solely on innovation—that is, designing and building make-to-order products that meet unique customer requirements—General Broach was an early adopter of technology. Because it was using an ad hoc system that separately tracked the company's production, financial and sales activities, General Broach began a search for an integrated, comprehensive business system that would track and measure its operations from quote to cash in the late 1980s. The search ended in 1989 when General Broach purchased and implemented the DOS version of the Made2Manage® Enterprise Business System.

### A Lasting Partnership Is Born

Broach's 12 users employed the basic enterprise resource planning backbone (Made2Manage ERP) to manage accounts payable, accounts receivable, quotes, sales orders, materials purchasing, bills of material, routing, work in process, job order status, receiving, labor input, shipping, and virtually every other day-to-day activity. General Broach also integrated M2M ERP with their AutoCAD system in order to connect broach and tooling designs with job orders.

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General Broach Controller Mark Miller, one of Made2Manage Systems' first 20 customers and an original member/founder of the software company's User Advisory Board, said that there was at least a 30 percent savings in administrative and labor costs upon implementing the system. According to Miller, who, in addition to the role of Controller, also acts as the company's system administrator with IT Manager John Miller, the capabilities of the system immediately allowed General Broach to bring its financial reporting in-house. Then owned by the company's President, Robert Roseliep, the greatest savings was incurred at the corporate level. Data entry and processing requirements, as well as administrative costs, were eliminated. Miller testified that the system easily paid for itself within a year.

Throughout the 14-year General Broach Consona partnership, both companies have grown—General Broach by 300 percent. With 70 percent of its customers in the automotive industry, including Chrysler, Ford and GM, and more than 80 percent of its business in the Midwest, General Broach has remained one of the top three manufacturers in its niche market and has continued to grow and develop its product line through innovation, strategic alliances in Europe, cross-selling, and product partnerships.

What's more, General Broach continues to grow and remain competitive with the support of the Made2Manage Enterprise Business System. Recently, Utica Enterprises Inc. has returned the management of its broaching machine division back to General Broach. As a result, General Broach has expanded its operations to an additional building, just a few blocks down from its headquarters on Salisbury Street. The new building also houses the company's new Spline Rolling Division, created to produce a new line of electro-mechanical driven spline rolling machinery.

"We need to give credit to Made2Manage for helping us remain competitive in an ever-changing market," said Miller. "We've seen our competitors come and go over the years, and our commitment to technology has helped us diversify and remain profitable during rough times. In fact, we've seen a steady increase in sales over the past three years, despite the hard, economic hit manufacturing has taken."

## Shifting Into High Gear With M2M Advanced Scheduling

Despite limited resources allocated to IT spending, Miller makes it a priority to continue looking for new ways to bring greater efficiencies to his business through technology. A long-time attendee of Consona's annual user conference, the company's premier customer event focused on education, training, and the latest and greatest innovations in both manufacturing and technology, Miller attended a breakout session on M2M Advanced Scheduling. "My eyes just lit up," said Miller, "and I knew that this scheduling tool was going to do wonders for our business."

Six months later, after pitching his idea to management and implementing M2M Synchronizer, an application that synchronizes back-office data from M2M ERP with M2M Advanced Scheduling, a powerful, real-time scheduling tool that sequences and schedules work center activities in one step across all operations, Miller began to see dramatic improvements on his shop floor that more than paid for his investment in new technology.

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— *Mark Miller*  
Controller  
General Broach



## Dramatic Results on the Shop Floor and Beyond

Using Theory-of-Constraints-based methodologies and proven mathematical algorithms, M2M Advanced Scheduling optimizes shop floor throughput by identifying, buffering and protecting bottlenecks and resource constraints. From January 2003 to January 2004, the metrics were telling. In January 2003, jobs as a whole were 849 days late. After implementing the scheduling tool in August 2003, General Broach reached up to 735 days early on all jobs in a given month.

The dramatic impact M2M Advanced Scheduling had on General Broach's lead times caused Miller to begin redefining lead times for each of his product classes. Nearly every class has seen at least a two-week lead time reduction. For example, the company's new spline broaches have gone from a lead time of 12 weeks to eight weeks. The company's increased speed to market and resulting increased revenues prompted Miller to return to his Made2Manage scheduling tool to push deliveries back to "zero," or in other words, on time instead of early.

"We've been able to promise accurate delivery dates and become more proactive with our customers," said Miller, "but most importantly, these faster lead times are allowing us to stay competitive." Indeed, in an industry where small mom and pop businesses are able to deliver machine and cutting tools at a faster pace by walking a part throughout the entire building process, General Broach continues to win business. "We make up for the difference by finding new efficiencies and cashing in on their associated savings," said David Graham, general manager of General Broach. "We can match their lead times and their prices, and still manage the overhead that pays for the quality and service our customers want. Smaller shops simply cannot provide the full package."

Miller agrees that the weekly Gantt chart he produces for his General Broach crew has taken the long lead times associated with high-precision broaches, shortened them, and passed the savings directly to both General Broach and its customers. According to Miller, sales orders are the best they have been in three years. "We're getting quality products out the door faster, and we've significantly cut down on our need for overtime labor," he said. "We're limited in terms of space and people, but with improved scheduling and forecasting, our prices have stayed the same and sales volume is up."

## A Partnership Focused on Continuous Improvement

"Using technology is an ongoing learning process," said Miller, who stays on top of things by taking advantage of the service packs, report sharing, and self-help knowledgebase on M2M Expert, Made2Manage's customer support and service Web site. "I never miss the user conference," Miller added. "I think I've met every Consona employee over the past 14 years, but being there with them in person once a year and figuring out better ways to run our business—you can't put a price tag on that."

## About Consona ERP

Consona Corporation is a worldwide leader in providing customer relationship management (CRM) and enterprise resource planning (ERP) software and services for companies of all sizes. Consona serves more than 4,500 customers worldwide and across a variety of industries.

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