



Plex Manufacturing Cloud Helps PGS Expand While Minimizing Costs



At a Glance:

- The Plex Manufacturing Cloud brings a specialized manufacturing services provider improvements in quality management, inventory control, quoting, sales, purchasing, and finance.
- System enables precise documenting and tracking of more than 800 unique part numbers.
- Efficiencies allow PGS to reduce internal resources by one-third while experiencing growth.
- Post-Plex audits identify zero nonconformance and zero opportunities for improvement.

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About Precision Global Systems

When OEMs have trouble with a production run and want to recover the assembly or the costly components, they turn to a unique state-of-the-art company called Precision Global Systems (PGS) in Troy, Michigan. Specializing in Crisis Manufacturing Management™, machining and assembly, and component recertification, PGS's three divisions recertify parts and, in the process, identify and correct engineering, manufacturing, and raw material problems.

“Nonconformances become scrap only when they hit the scrap heap,” says PGS President Richard Najarian. “We typically are able to save about 85 to 90 percent of each lot shipped to us, which nets each of our customers anywhere from \$1 million to \$8 million per year, every year.

“Plex simplified and organized document control.”

“We're able to recertify parts per OEM standards, and the majority of what used to be written off as scrap is available for future manufacturing runs. Everybody wins.”

Plex Cloud ERP Provides Document Tracking

PGS struggled to keep track of the piles of documentation required for every customer. Najarian heard about Plex through business associates and decided to install the Document Control function, becoming one of Plex's earliest customers.

“We need to track changes for every single component, and some components can have as many as 15 to 20 changes,” Najarian explains. “Plex simplified and organized document control.”

“The most current revisions are now only a few keystrokes away and are available to everyone. Repeatability and continuity are critical to our processes, and we needed every change error-proofed. The Document Control function works beautifully for us.”

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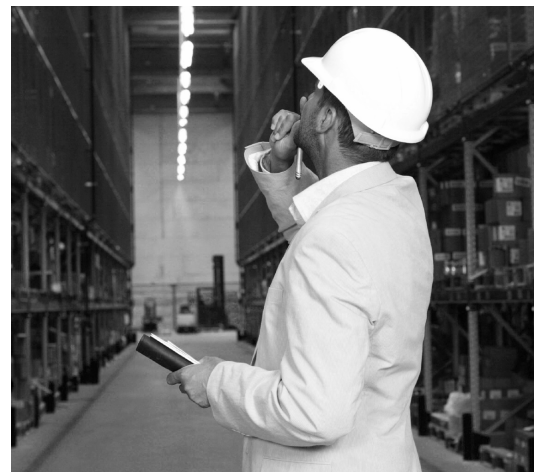
Quality Problems Are Solved

Later, its success at solving customer manufacturing problems led PGS to develop a Crisis Manufacturing Management Division and Machining Division while its Component Recertification Division continued to expand. Problems with customer inventory management, lot traceability, and shipping consistency began to surface.

Errors resulting from growing pains burden most small companies. PGS, like any other growing company, was worried about problems and inefficiencies in quoting, sales, purchasing, and accounting. PGS has hundreds of automotive customers working with thousands of parts, and traceability was a concern.

All processes were conducted internally, but Advanced Shipping Notices (ASNs) went through an outside company, which PGS could not effectively control.

“Like most small companies, our resources are limited,” Najarian says. “We needed a system that would tie everything together without stretching them any thinner. We decided to expand our use of Plex and implemented its complete Quality Management System. Using Plex made earning ISO/TS 16949 and ISO 9001 so much easier than what the typical company has to go through. Plex brought real value to our company.”



Bringing Inventory, Traceability, and Shipping Under Control

PGS is unique in that it determines its own schedule for fixing and shipping recertified parts. It typically recertifies and then inventories parts until the customer schedules them into a production run. Prior to installing Plex Cloud ERP, whenever a customer called to check on the number of parts, PGS had to conduct an inventory before it could answer.

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“Once Plex was installed, we were able to track every part from the moment it entered our warehouse,” says Najarian. “We know when it comes in, who received it, and exactly where it is in our process.”

“We know when each part comes in and exactly where it is. We can answer inventory questions in seconds.”

“We can answer a customer’s inventory question in seconds. We now send customers a weekly email to let them know how much inventory we’re holding for them. When we ship inventory out, an ASN is automatically generated; it goes directly to the customer, and becomes a receivable in our system. Using an integrated ASN system saves us thousands of dollars annually and gives us more confidence in our shipping accuracy.”

Efficiencies realized throughout PGS since implementing Plex have allowed the company to reduce its office staff by 33 percent and its operations staff by 30 percent while the three divisions continue to grow.

“I consider Plex a true competitive advantage,” Najarian says. “It gives me the means to control my business and grow my business.”

“The system does all the work, so I can continue to expand without having to add a lot of overhead or worry about hardware or software problems. The system grows with you. We currently have more than 800 different part numbers we need to track. Each part number is unique to its company and plant, and Plex is the expert in documenting and controlling that information.”

Audit Concludes Zero Opportunities for Improvement

Crisis Manufacturing Management is a rapidly expanding market for PGS. The company was in the midst of resolving a customer manufacturing crisis when the ISO auditors arrived.

“My director of Operations and I were involved with the crisis and couldn’t fully participate in the audit,” Najarian explains. “This was our initial certification for ISO 14001 and an annual surveillance audit for ISO/TS 16949. Our quality

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director worked with the two auditors. The Plex auditing function is excellent and made the audit easy.

“It allows us to input notes for internal audits, and the auditors were able to pull up just about everything they needed right from the Plex system. The audit went smoothly, and we had zero nonconformance and zero opportunities for improvement.”

Plex Cloud ERP Manages Growing Pains

Najarian maintains that Plex Cloud ERP is the ideal system for any small company suffering growing pains or looking to avoid them.

“The Plex system eliminates most of your growing pains,” says Najarian. “It gets your business in order so you don’t have to be consumed by day-to-day problems. It allows you to focus on your customers and your growth, which gives me the freedom to work on my business, not just for my business.”



“Post-Plex audits identify zero nonconformance and zero opportunities for improvement.”

“When potential new customers see our system and how we efficiently track tooling, engineering changes, employee training, and other activities, they’re impressed. With Plex, we demonstrate that we are the experts and have the capability to ensure every part is handled exactly the same way. We would have struggled doing this without Plex.”

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About Plex

Plex is the Manufacturing Cloud, delivering industry-leading ERP and manufacturing automation to nearly 400 companies across industries including aerospace and defense, food and beverage and motor vehicles. Plex pioneered Cloud solutions for the plant floor, connecting suppliers, machines, people, systems and customers with capabilities that are easy to configure, deliver continuous innovation, and reduce IT costs. With insight that starts on the production line, Plex helps companies see and understand every aspect of their business ecosystem, enabling them to lead in an ever-changing market.