

Plex Cloud ERP Enables Start-Up Metalformer to Maintain Revenue with Half the Resources Expected



At a Glance:

- Bringing Plex on board from the beginning enables this start-up metalformer to reduce waste, improve efficiency.
- System makes the need for quality inspectors, IT maintenance and other internal functions obsolete, so MFC Netform maintains revenue levels with half the resources.
- As the new company works to attract customers, Plex's leading-edge functionality earns it immediate credibility.
- Parent company sees results and brings system on board as well, improving operations and streamlining communications.

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About MFC Netform

Shelby, Michigan-based MFC Netform is a metalformer of components primarily used for powertrains in automotive and agriculture. It was formed by Metal Forming & Coining (MFC) as a subsidiary to develop and manufacture advanced metalformed components.

As a start-up organization with unique flow-forming and cold-forming technologies, MFC Netform needed to design processes and launch an ERP system, all from scratch. Yet the costs of most systems were prohibitive.

Senior managers at MFC Netform had used ERP from the Plex Manufacturing Cloud at previous manufacturing companies and decided to take a look at the fully integrated cloud-based ERP system as a solution for MFC Netform. They decided to implement Plex immediately upon creation of the entity, starting with basic functions to manage production, finance, and quality.

Affordable Solution

Unlike stand-alone ERP systems, Plex Cloud ERP did not require an all-or-nothing investment.

The launch of basic Plex functions required only a minimal investment and affordable monthly subscription fees. MFC Netform employees immediately gained access to consistent, accurate, real-time business information “from the shop floor to the top floor.”

“Live reporting helps us avoid unnecessary scrap and downtime.”

The core Plex functions include bill of materials, purchasing, receiving, inventory, manufacturing, basic quality, planning and scheduling, shipping, key measures, EDI, engineering change tracking, financials, and document control.

Plex enables MFC Netform to achieve continuous improvement by emphasizing defect prevention and reducing variation and waste. The company is also extending these benefits to its suppliers by implementing the system’s supplier management and subcontractor functions.

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Cost Avoidance

Unlike established manufacturers that switch over to the Plex Manufacturing Cloud from outdated legacy systems, MFC Netform established the Plex Manufacturing Cloud as its single system as it began operations. This helped the company avoid the cost of many unnecessary resources.

For example, Plex's automated quality checklists at each machine brought such immediate efficiency and accuracy to the company's plant-floor quality processes that there was never a need to hire or train any quality inspectors.

"Because we've been using Plex from the start, we've been able to avoid hiring three or four people," explained Assistant General Manager Dan Januszek. "We're a lean operation so that makes a big difference in our overhead."

Because Plex is delivered as a cloud solution, all data is securely managed and stored off-premises. MFC Netform has been able to minimize its internal IT staff, avoiding the need for any on-site systems maintenance altogether.

Also, the live data reporting on the plant floor enables MFC Netform to avoid the costs that typically result from unnecessary scrap and machine downtime.

According to Januszek, the company ended up having to invest in only half the resources it initially expected.

Established Credibility

When MFC Netform first launched Plex Cloud ERP, the system was as much of a help to the company in meeting marketing challenges as it was in managing day-to-day operations.

"We were starting out with just one part number, and our biggest challenge was attracting customers — especially in that economy," explained Januszek. "When potential customers visited our operations and we could show them we had a full-blown, sophisticated system in place and they could see Plex's leading-edge functionality at work, it immediately earned us credibility."

Standardization Brings Efficiencies

Plex met MFC Netform's needs in ways it hadn't even predicted, and the benefits that the system brought to operations soon caught the attention of the parent company, MFC, based in Maumee, Ohio.

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Although MFC is a much larger, well-established organization, it found that it too could benefit greatly from the advantages that Plex Cloud ERP brought to the shop floor. Since MFC came on board as a Plex user, the system has enabled the parent and subsidiary to commonize many shared documents including technical quality specifications and certificates. Documents have been standardized or customized as needed. Common document control processes have enabled efficient, real-time information sharing between employees and management at the two locations.

“Survival would have been extremely difficult without Plex.”

Poised for Growth

Unlike many manufacturers, MFC Netform was able to successfully weather the economic downturn and continue to grow. According to Januszek, that is largely due to Plex Cloud ERP:

“Because we put the system in place from the very beginning, we were able to manage through a tough economy with a lean staff,” he explained. “Survival through the downturn would have been extremely difficult without Plex.”

“We are now in a good position for the future. Our revenue continues to grow, our systems are strong and we continue to expand the role of Plex within the company. Future hiring can be targeted to meet specific strategic needs, as opposed to filling software maintenance positions — something that is of major importance to the company.”

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About Plex

Plex is the Manufacturing Cloud, delivering industry-leading ERP and manufacturing automation to more than 350 companies across industries including aerospace and defense, food and beverage and motor vehicles. Plex pioneered cloud solutions for the shop 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.