



Case Study – American Licorice Company

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American Licorice Company – Frees Up Valuable Production Space and Improves Inventory Control

Established in 1914, American Licorice is one of the oldest companies in the US candy industry. American Licorice Company is a world leader in the manufacture of extruded candy products. Its brands include Red Vines®, Snaps®, Sour Punch® and Super Ropes®. American Licorice became one of the first candy companies to expand into the sour candy market with the launch of the Sour Punch line.

The Problem

Handling new growth inside an old-line company by adding new production lines was the challenge. The existing MRO parts crib took up 1800 sq. ft. of valuable floor space and a mezzanine level to accommodate approximately 6000 SKU of parts. This was valuable floor space that could better be used for production. In addition, maintenance technicians had to walk up and down the rows of shelving searching for replacement parts causing delays in timely repair of production equipment.

The Solution - CompuCRIB™

American Licorice turned to the ShelfPlus' CompuCRIB™ parts management system as a way to reduce floor space requirements and gain better control of their spare parts inventory. The CompuCRIB system freed up more than 1300 sq. ft. of lost production space. As a result of the freed up space, new production lines were installed to handle the increased growth the company was experiencing with the new Sour Punch Brands.

CompuCRIB Benefits

- More than 1300 sq. ft. of lost production space was freed up for use in production
- Increased efficiency and speed
- Better inventory control and tracking of MRO parts reduced volume of expensive rush orders
- Lower payroll costs due to elimination of late shift storeroom attendants

Better Inventory Control

An unexpected benefit of the CompuCRIB system was the included inventory control software. Purchasing and maintenance personnel had found the existing indirect inventory management software to be difficult and not very user friendly. They found that the CompuCRIB software not only to be user friendly, but brought a whole new level of speed, efficiency, control and tracking capability to the parts management system. In addition, the CompuCRIB automatically generated purchase orders for replacement products and transmitted them through fax, email or EDI.

Increased Saving by Reducing Expensive Rush Orders

Keeping the line running at all times is critical to meeting production goals. Previously, more than \$2.5 million worth of MRO parts were kept in an open maintenance crib on open shelving and plastic totes. Due to the lack of control provided by an open crib, out of stock items were common, requiring many expensive rush orders during a typical 24-hour production cycle.

Payroll Reduced Due to the Elimination of Storeroom Attendants on Late Shifts

Prior to the installation of CompuCRIB, American Licorice needed a storeroom attendant on duty each shift. CompuCRIB enabled them to cut crib payroll costs by eliminating the need for storeroom attendants on the late shifts. Today, maintenance personnel don't wait for crib personnel to locate and retrieve the parts they need. Instead they gain instant access to needed inventory through password security and are back on the job with the parts they need in seconds. Best of all, transactions are automatically recorded for a secure audit trail and reported with 100% accuracy.

