



## **HAYES-LEMMERZ CUTS THE COST OF MRO MANAGEMENT**

The world's largest supplier of wheels to the automotive industry faced a problem. In 1997, Hayes Lemmerz International in Bowling Green, KY was growing at an astounding rate and so was their MRO/General Stores area. With this new growth came problems. "We were growing so fast that we found ourselves facing two problems at once," explained Larry Mustreade, Plant Engineering Manager. "These problems had a major impact on how we were doing business."

Larry said, "Our number one problem was to cut cost. The other problem that Hayes faced was that we were just out of space. In fact Hayes Lemmerz was already using almost 4,400 square feet of precious manufacturing floor space to store MRO supply parts, as well as crucial tooling for production.

By utilizing their 31ft high ceilings, Hayes was able to install the CompuCrib Inventory Management System, condensing 4,400 square feet into 172 square feet giving back to manufacturing over 4,300 square feet for production.

Using the standard CribMaster software, a Windows based software designed specifically to manage MRO inventory in Manufacturing plants, not only was Hayes able to reduce overall MRO costs, but also gain inventory control. According to Larry after the first year in operation, "We could already see a reduction in our annual MRO purchases because of better inventory control and having to keep less inventory on our shelves." Hayes has been able to lower inventory levels by 12% without causing Stock Outs. The automated EOQ system in the software allowed Hayes to stock the most economic order quantity of any given item. And with the EDI interface, vendors are notified automatically when inventory levels are at reorder point.

Not only did the CompuCrib System solve Hayes' two major problems, but the system also gave them other added benefits as well. The CompuCrib system also improved inventory accuracy from 80% to 95%, cut down parts search time from 15 minutes to 1 minute, and reduced the number of hours the crib needed manned from 10 hours per day to 2 hours per day.

