



# CASE STUDY

## ITW DRAWFORM

Transforming Work-In-Process operations by eliminating manual processing and boosting visibility and accuracy.

### CHALLENGE

ITW Drawform is manufacturing approximately 1 million parts per day, and 400,000 of those go to outside processors and then are received back in for finishing and shipping. ITW Drawform was struggling with timely information on delayed or shorted shipments due to a lack of visibility into the status and location of their inventory.

01

WIP inventory in ITW Drawform's manufacturing facilities was overstated. In most cases, it was actually at an outside supplier's locations for heat treating, plating, and other value-added processes.

02

They had a hard time knowing what material was available to send to their suppliers and what was ready to ship to the customer. Rush shipments had to be expedited, requiring more extreme handholding and additional costs.

03

Accurately paying suppliers had become a very manual and time-consuming process that was challenging to validate.

ITW Drawform Metals consists of multiple specialized deep drawn metal stamping companies, each a recognized technological leader. There are three manufacturing sites in North America and two manufacturing facilities in Velká Bíteš, Czech Republic. The Drawn Metals group employs more than 800 people and provides over 580,000 square feet of manufacturing space. The entire Drawn Metals Group is TS16949 and ISO9002 certified.



04

When ITW Drawform had to communicate with some of their smaller suppliers, those suppliers didn't have the classic EDI technology. Therefore, they would not be able to follow AIAG directed standards, such as sending out Advance Shipping Notices (ASN), creating another layer of complexity.

## SOLUTION

ITW Drawform partnered with Software InsITe to develop a solution to track material movement through their internal and external production processes. The solution encompasses material and production lot tracking across their entire supply chain. By integrating this with their QAD ERP system, it enables them to have timelier and more accurate inventory information.

## RESULTS

01

### Inventory management gains resulted in improved operations and increased visibility.

Prior to working with Software InsITe, manual and paper-based inventory tracking was the norm for ITW Drawform. The little automation they did have was rarely being used. As a result, the consolidation of all the paperwork was taking over 2 hours a day. They eliminated a lot of labor-intensive processing with multiple steps into one workflow. Also, their suppliers can now upload critical documentation electronically to track it and help with communication. E-mail status updates and alerts are sent between the customer and their vendors to efficiently communicate changes. Additionally, 136 Suppliers are now using the Web Portal. Their WIP application that was designed specifically for their process automatically defines the next steps and reduces a significant amount of transactions.

02

### Additional Projects

With the ease of use and success of the WIP Tracking solution, ITW Drawform enhanced additional processes, including:

- Supplier Web Portal with WIP tracking and Lot number management
- Electronic production logbook
- WIP barcode label printing
- Supplier specific routing and work instructions
- Outbound shipment queuing and supplier ASN's
- Accurately tracking supplier scrap costs



**\$60M**  
Growth

ITW Drawform saw a significant increase in revenue growth, from \$40M to \$100M

## IMPACT

01

19,000 transactions per month  
On-boarding for new suppliers is more streamlined. ITW Drawform now efficiently and accurately processes over 19,000 transactions per month with full lot traceability.

02

Decreased paperwork processing  
Significantly decreased paperwork processing from 2 hours per day to a few each month.

03

Revenue growth  
ITW Drawform was able to grow from \$40M to \$100M without adding additional employees.

04

### Reduced software fees

By developing this WIP application specifically for ITW Drawform and their process, they were able to save \$30,000 annually by not purchasing a standard module from their ERP provider. They did not need to purchase an expensive 3rd party supply solution.

05

### Supplier self-serve

Now, ITW Drawform gives suppliers viewing access. Suppliers can go in, view anything they want to and search for what they want based on a WIP Tracking Number – cutting down on a suppliers auditing time.