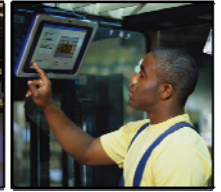
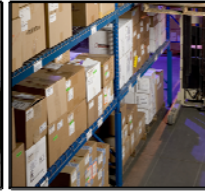
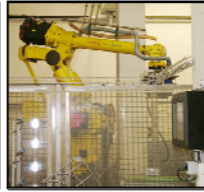


**SPECIALISTS IN
DATA CAPTURE**
BEC SYSTEMS INTEGRATION



CASESTUDY

BAXI GETS IMPROVED CONTROL OVER INVENTORY AND WIP

*Raw material holdings reduced by 14%.
Completed goods increased by 37%. Baxi gets an
improved and efficient supply chain for
managing material moves between 3 sites.*

MULTI-SITE DATA CAPTURE REQUIREMENT

The Baxi group needed to implement a more efficient and accurate supply chain to manage material movements across the 3 sites. This covered the entire process, from goods in at Bamber Bridge, through manufacturing and onto dispatch to one of the assembly operations at Padiham or Birmingham.

For an operation of this size and complexity, this meant data had to be captured at many points in the process to cope with the large number of material movements.

Baxi decided to implement the Movex ERP solution, but realised that they needed an automated data capture system to be fully integrated with Movex, that would enable them to maximise the benefit of their investment.

WIRELESS BASED INFRASTRUCTURE

After a comprehensive review of the market, Baxi chose BEC (Systems Integration) Ltd as their partner. BEC is an experienced and leading specialist of data capture integration.

BEC initially carried out a review of the business processes within the Bamber Bridge, Padiham and Birmingham sites. Based on this, BEC was able to design a comprehensive data capture solution that integrated with the Movex ERP system and met Baxi's precise needs.

The system was based on BEC's successful SIGMA solution. SIGMA is an automated data identification and capture solution that allows companies to control all aspects of their inventory in real-time, from receipt to final delivery using state of the art mobile data-acquisition devices. These devices automatically transfer the captured data to the Movex system ensuring the accuracy and timeliness of the management information it produces.



Photograph courtesy of Intermecc Technologies

The SIGMA system was first implemented at Bamber Bridge in June 2003. It is based on the industry standard 802.11b radio frequency infrastructure. Operators are equipped with wireless handheld and forklift truck mounted barcode readers. These communicate in real-time with the Movex ERP system across a network of access points.

Castings, materials (bar and sheet steel) and components are received and stocked at Bamber Bridge. These are then issued against component manufacturing orders, sub-assembly or against dispatch pick lists, mainly for transfer to the other 2 sites.

Once the SIGMA system had been implemented successfully at Bamber Bridge, it was installed at the Padiham site in September 2003. At Padiham the assembly lines are serviced by trackside bins that are replenished from the stores. Finished goods are also packed and dispatched from this site. All receiving and stock control is covered by SIGMA.

The Birmingham site is now also fully live with plans in place to automate line replenishment as the next phase of the implementation.

"The benefits of the SIGMA integrated data capture system combined with our Movex ERP investment have enabled us to reduce raw material holdings by 14%. Coupled with this we have seen a 10% reduction in stock inventory."

IMPROVED PROCESSES AND COST SAVINGS

This implementation of the SIGMA solution was designed from the outset to provide maximum flexibility by allowing certain transactions to be controlled outside the main Movex ERP system. One critical process that is fundamental to efficiency at Baxi, concerns re-usable containers. These are allocated individual ID's and are barcoded for easy reading.

There are daily trailer deliveries from Bamber Bridge to Padiham and Birmingham. These trailers are also uniquely coded and the association of the coded containers (and their contents) with the trailer is automatically tracked by the SIGMA system. This means that when the single read for a departure or arrival of a trailer is recorded in the system it automatically generates the numerous dispatch and goods inwards transactions. The result of this is significant improvements in both accuracy and efficiency.

No matter how sophisticated or comprehensive an ERP system is implemented, its efficiency will be greatly reduced if the data it is utilising is inaccurate due to poor manual capture processes. Research has shown that operators collecting data manually make at least 1 error in every 300 keystrokes. In a facility that processes 10,000 order lines a day, this is equivalent to 17,000 data errors every year.

The ability to add automated data capture methods into process functionality provides significant benefits in terms of improved decision making, increased profitability and competitive advantage. This has been borne out at Baxi, where implementing the SIGMA solution alongside Movex enabled the company to reduce work in progress by 47% in 3 months.

"We have benefited at the other end of the supply chain as well. A 37% increase in completed goods in stock ensures that we can better service our customers. Overall we have been able to redeploy 3 members of staff to other areas of the business."

ABOUT BAXI HEATING

The Baxi group is one of Europe's leading heating and home comfort specialists. For over 150 years the group has built a reputation as a pioneer in the heating market. Today, through recognisable brand names like, Baxi, Potterton and Valor the group manufactures and sells an extensive range of domestic fire, boiler and heater products.

The group operates through 3 main sites in the UK:

Bamber Bridge - this site provides component manufacture for both the UK based assembly plants.

Padiham - is the headquarters for the sales and assembly operation for the Baxi range of products.

Birmingham - is the headquarters for the sales and assembly operation of the Valor and Wonderfire range of products.



Photograph courtesy of Baxi

ABOUT BEC

BEC (Systems Integration) Ltd are specialist providers of Automated Data Capture Solutions.

With access to a range of the latest data collection technologies, BEC advises, designs and delivers solutions that integrate seamlessly into host systems.

Working in the manufacturing, engineering and food & beverage industries, BEC's supply chain solutions improve productivity, efficiency and profitability.

To find out how BEC has helped other customers maximise their business potential, visit www.becsi.co.uk.