



## CASE STUDY: Allied Mechanical

Manufacturing Plant Uses CribMaster Solutions to Reduce Indirect Material Costs by 70%

**CUSTOMER NAME:** Allied Mechanical

**LOCATION:** Ontario, CA

**INDUSTRY:** Industrial Manufacturing

**MATERIALS MANAGED:** Durables and consumables

**CRIBMASTER SOLUTIONS:** AccuCab and ToolBox

### Challenge

Allied Mechanical supplies precision tooling, equipment, and assemblies to its worldwide customer base in the commercial, government, aerospace, and power generation markets. With 130 employees working across two shifts, any tool that goes missing can negatively affect productivity and increase manufacturing costs.

Each misplaced tool results in production down time as well as added labor costs. Tools that are never found incur unexpected replacement costs.

For some time, Allied dealt with disorganized inventory management for indirect materials, including durable and perishable tools. Without a proper system to manage these items, employees collectively wasted hours searching for the tools they needed. Stockouts occurred often, and the lack of accountability to return a tool where it belonged also led to higher rates of theft.

Reducing down time and controlling these escalating costs became a priority for Allied, and the company knew these goals would only be achievable through leaner inventory practices and an improved management system.

**“We needed to find a way to reduce the amount of perishable tooling and eliminate the waste.”**

*– Mark Slater, President, Allied Mechanical*

### Solution

After consultation with, and a recommendation from, its distributor, Allied Mechanical turned to CribMaster to implement a robust inventory management solution.

In the deburr area, which needs to stock a wide variety of durables and consumables, Allied placed an AccuCab. Its modular cabinet design accommodates the larger items used in the deburring process and uses RFID technology to manage MRO, indirect materials and other assets. Allied also installed two secure ToolBox coil-style vending solutions in other areas on the floor to issue drill taps, inserts, and smaller items at the point of use.

Employees no longer spend any time looking through a disorderly collection of tools. Now, they simply walk up to the AccuCab or ToolBox, authenticate with the swipe of a badge, receive the necessary items, and set to work. The powerful CribMaster software automatically records the employee ID and the items issued, and then updates the database when durable tools are returned.

### Results

Access to the right tools at the right time – with no searching necessary – allows the Allied workforce to minimize down time. By tracking accurate usage data, managers now have a detailed understanding of the improvements achieved through CribMaster inventory management, such as:

- 70% cost savings in indirect materials
- \$40,000/month reduction in perishable tooling costs
- Better tool utilization
- Fewer stockouts
- Lower incidence of theft
- Increased worker productivity through better tool availability

CribMaster provided Allied Mechanical with a proven, cost-effective way to solve its expensive indirect material management issues. With efficient tool control, Allied is now leaner, more organized, more productive, and better able to deliver quality products on time to its customers.

**“Our ROI was met in only a few months by saving over \$40,000 per month in perishable costs.”** –

*Mark Slater, President, Allied Mechanical*



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