



## AUTOMOTIVE SUPPLIER BECOMES LEANER WITH IFS APPLICATIONS™

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### BEST PLATFORM FOR FUTURE GROWTH

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### RETURN ON INVESTMENT

“We are looking for payback in the form of more effective use of working capital, stock availability, improving customer service and increasing productivity,” explains Mark Goodwin.

As part of the implementation, Cobra Plastics set up a full scale pilot across all production lines. Says Mark Goodwin, “The pilot study immediately identified certain bottlenecks. IFS Applications enabled us to analyze the flow of material through each of the production stages. It also allowed us to improve throughput by increasing capacity in the follow-up operations. So even before the system went live it was producing the sort of reports we were looking for.” Mark Goodwin continues, “The software provides the evidence we need to justify the capital investment to the board.”

### IMPROVED QUALITY OF INFORMATION

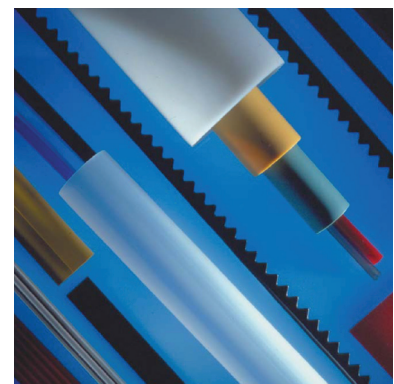
Most of the immediate benefits of the system are from improvements in the quality of information used to support strategic decisions.

One example is the introduction of a more structured costing system drawing on the IFS database, a far more sophisticated facility than the former ‘spread-sheet’ method.

“IFS has allowed us to put in place a very good costing model with a breakdown showing every element of cost, even down to the amount of electricity consumed in the manufacture of the product. Using this analysis we can assess the true manufacturing cost of any particular product. We now have a clear understanding of our bottom line. And more importantly we have the information needed to justify our pricing to any customer,” adds Mark Goodwin. The improved costing capability means that Cobra can now offer competitive pricing while safeguarding its profit margins.

### ABOUT COBA PLASTICS

Coba Plastics specializes in manufacturing thermoplastic extrusions in accordance with QS 9000 standards, chiefly for the automotive industry. As a key supplier, Cobra manufactures the largest selection of trim retainers in Europe. Other products include a range of standard and bespoke components used for seating, sealing systems, airbags and windscreen-wiper mechanisms. Cobra Plastics employs about 165 people at its premises in Fleckney, U.K.



## BALANCING AVAILABILITY FROM STOCK

Mainstream production is largely make-to-order with deliveries against customers' just-in-time schedules. These can change, however, and very often at short notice. An order for just a thousand clips can equate to only a couple of minutes running time on an extrusion machine which can take up to three hours to set up. The costing and pricing model enables Cobra to negotiate on the basis of economic batch quantities, which take account of production set-ups against various make-quantity scenarios.

If necessary, the company would stop the extrusion process to meet an urgent requirement, which impacts manufacturing efficiency. IFS provides the functionality to manage these situations more efficiently, thus minimizing the disruption to the planned production runs. Supplying components at tier 2 and 3 level is highly competitive with very tight margins for profitability. With a strong emphasis on customer service, the balance between manufacturing and maintaining stock availability is crucial.

The introduction of improved production planning through IFS takes into account forecast customer demand, lead time and priorities to achieve the most cost-efficient manufacturing schedules. "We can now service a larger proportion of customer demand from stock, which has not always been the case without increasing the stock level. IFS is helping us to identify where the imbalance occurs."

## SHORTER LEAD TIMES AND MORE PROACTIVE SALES

The new software brings all the management functions together under a single integrated system that enables Cobra staff to be more proactive in dealing with availability and supply issues.

"With real-time production data available the sales team can quote accurate lead times, and customers will be able to track their orders through the production process. And the master scheduling component will enable us to reduce our stockholding significantly, while also satisfying a larger proportion of repeat orders ex-stock," says Mark Goodwin.

Manufacturing requirements played an important role in Cobra Plastics selecting IFS. Machine operators use a touch-screen to access work instructions, drawings and data sheets for set-up. Work orders are communicated via the terminal, and the operator has all information relevant to a specific process. On completion of a task the batch quantities and status are entered to update the system. Where appropriate, barcode readers are also used to record the movement of materials.

Developments in warehousing include a new labeling system linked to IFS Applications. On entering a work order number, the system obtains all the customer delivery details and then calculates how many labels are required for that job.

Says Mark Goodwin: "With its open architecture and advanced technology IFS Applications provides a system which Cobra Plastics can grow into rather than grow out of."

The division's broad customer base worldwide makes the Internet an increasingly important marketing medium. E-commerce and handling business transactions over the Internet will be facilitated with IFS functionality.

"Moreover, planned future installations across Europe will not present any problems as we have experience already in configuring IFS to suit different business types and sites," says Mark Goodwin.

## BENEFITS

- More accurate business information
- Real-time production data
- Greater accuracy in lead time forecasts
- More efficient manufacturing schedules
- Improved throughput
- Better return on investment
- Better overview of costs

## SOFTWARE

IFS Manufacturing™



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Mark Goodwin, IT manager at Cobra