

B&K Corportion

Encompix® ERP



Automotive Manufacturers Rely on B&K Test and Assembly Systems; B&K Relies on Encompix ERP

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— **Lev Mondrusov**, Production Control Manager, B&K Corporation

Serving the Who’s Who of the Automotive Industry

Founded in 1945, B&K Corporation is a leader in the engineering and manufacture of test and assembly systems for automotive engines, transmissions, suspension and steering systems, and other automotive components. In 1999, B&K was acquired by the IWKA Group of Germany, which recently changed its name to KUKA AG. KUKA is an international network of about 100 mid-sized companies.

B&K’s power train assembly and test systems are used by a “who’s who” of the automotive industry—General Motors, Ford, Chrysler,



Nissan, Caterpillar, Harley Davidson, Visteon, John Deere, Magna and more. The company’s two Michigan plants—Saginaw (test equipment)

and Fenton (assembly equipment)—work together to build complete systems which can take from 30 to 60 weeks to complete and cost millions of dollars.

Decisions Made Using Three-Week-Old Data

In a competitive global marketplace, a manufacturer must be very concerned with costs. Worldwide, customers want commonality across plants and, therefore, demand standardization and modularization—both of which can be managed only with good engineering controls and documentation. B&K did not have the infrastructure and systems support to be effective in these areas. Manual and paper-intensive processes at B&K left engineers and management with thick notebooks of data that was often weeks old. “We would get key people together in monthly job cost meetings with three-inch books of paper with all the budget recaps,” said Production Control Manager Lev Mondrusov. “The problem was with our antiquated system; the data was usually three weeks old.”

Project-Based ETO ERP Selected

After deciding the company needed to upgrade to a new ERP system, a B&K cross-functional team determined that Encompix ERP offered what the company needed: an integrated, project and engineering-oriented



Return on Investment at a Glance:

B&K Corporation, a Saginaw, Mich.-based leader in the engineering and manufacturing of test and assembly systems for engines, axles, transmissions, and automotive components, achieved the following return on investment after implementing Encompix ERP:

- Improved on-time deliveries from 75 percent to 95 percent.
- Reduced customer complaints by 50 percent.
- Decreased costs for some products by 20 percent.
- Increased sales volume by 40 percent while maintaining same number of workforce.
- Reduced time-to-purchase for make-to-order details by a factor of five.
- Increased engineering capacity by a factor of four.

ERP system that would support B&K's drive for standardization, real-time information, and good manufacturing controls. B&K considered upgrading its incumbent system to the latest version, but quickly dismissed that idea. "We needed a system that was designed for engineering-to-order and project management," Mondrusov said.

Encompix ERP Helps B&K Grow Sales and Impress Customers

B&K has grown its sales volume by 40 percent, including the introduction of new products to the assembly side of the business. The accounting department has shrunk by the equivalent of two full-time employees. Time-to-purchase for special items for make-to-order equipment has been shortened by a factor of five. Engineering capacity has increased by a factor of four while providing outside engineering resources with a direct connection to the Encompix system.

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B&K uses a business intelligence solution from CorVu (a Consona/Encompix partner) to create reports and metrics that allow B&K to customize views of system information to meet unique needs without complicated programming or changing the system itself. "With CorVu, we can meet the challenges of installing and using a standard product while dealing with real-life business needs and user expectations," said Mondrusov.

Among the milestones B&K achieved through the use of Encompix and companion Consona products are:

- Improvement in on-time delivery performance from 75 percent to 95 percent via the use of Encompix's advanced planning tools.
- A reduction in customer complaints by 50 percent via Encompix's customer service applications.
- Reduced costs across several projects by 20 percent as a result of Encompix's checkup service, which focused on redesigning B&K's quoting process.



According to Mondrusov, B&K is much better able to manage multiple projects, control costs, avoid duplication of effort and non-productive administrative labor, and bring projects to profitable completion on-time through its use of Encompix. "Our customers are impressed with our ability to control large and small projects without losing focus on small details or the big picture," commented Mondrusov.

CASE STUDY

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