

## Automation Plus, Inc. Delivers a Foundation of Growth for Midwest Tool and Cutlery Company



### Issues that Led to New System

- Access to sales information
- Manual payroll processing
- Maintaining inventory
- Manually maintaining bill of material information
- Addition of new customer requiring EDI

### Results Achieved Working with Automation Plus, Inc.

- Able to fill orders same day 99% of the time with 100% accuracy
- Fewer errors
- Reduced duplicate and manual entry
- Integrated system
- Payroll processing reduced to a few hours instead of a full time job
- Faster inventory turns
- No out-of-stock situations
- Access to information to monitor materials and vendor lead times
- Added \$2-3 million in sales without additional staff

Manufactured entirely in the USA, Midwest Tool and Cutlery Company has been producing top-of-the-line aviation and tinner snip products for more than 60 years. With two locations in Michigan, Midwest Tool and Cutlery Company distributes their product to customers around the globe. Midwest Tool and Cutlery Company has a constant commitment to improving their manufacturing processes to ensure the highest quality product at a fair price.

"Midwest Tool and Cutlery Company's snips are sold under various private labels as well as our own label," said Tim Eagan, Treasurer and Midwest Tool and Cutlery Company employee since 1983. "We continuously listen to our customers to make changes and improvements to our products." Much like the commitment to improving their own product, Midwest Tool and Cutlery Company is committed to improving their internal processes.

"We started the automation of our office in the early 80s," reflects Tim. "At that time, we met Automation Plus, Inc. and have been with them ever since. They installed our first network and as our needs continued to grow and software became available, they would recom-

mend various products and services for us." Midwest Tool and Cutlery Company needed an automated way to track inventory and sales information. Automation Plus, Inc. introduced Midwest Tool and Cutlery Company to Sage Pro. Ideally, inventory would integrate with accounting functionality to reduce the amount of manual work and double entry of data.

"Automation Plus, Inc. implemented and trained us on Sage Pro as well as made a recommendation for TIW to integrate inventory with our manufacturing process," said Tim. Midwest Tool and Cutlery Company manufacturers the steel forgings used on their snips. "Once this was going we dramatically reduced the amount of manual work we were doing and definitely saved a significant amount of time. We also made fewer errors."

Midwest Tool and Cutlery Company orders materials for both its snips and for its forging production. "We are able to keep a close watch on our reorder levels now," said Tim. "We don't have out-of-stock situations and we can easily monitor vendor lead times. This allows us to turn our inventory very quickly. We don't have a lot of money tied up in



*"We trust the people at Automation Plus, Inc. We depend on them to recommend new solutions as well as support what we have. We have relied on them for nearly 25 years."*

— Tim Eagan, Treasurer

inventory that is just sitting around. Having access to this information allows us to be ahead of the game."

Payroll is another area that has been impacted with customizations from Automation Plus, Inc. "Our payroll is complex. Several employees are on a bonus plan that is based on the number of snips produced. Automation Plus, Inc. analyzed the situation and designed a front-end program that integrates with payroll to calculate the correct bonus. This has reduced the amount of time spent processing payroll to just a few hours," said Tim. "We used to have a full-time employee dedicated to payroll processing. Now that we are more automated, we were able to shift other responsibilities to this position."

When The Home Depot started carrying Midwest Tool and Cutlery Company's products in its North American locations, Midwest Tool and Cutlery Company again turned to Automation Plus, Inc. for recommendations on how to handle the additional volume and unique shipping requirements. Orders would come in from individual stores, be billed to one account and then shipped to individual stores. Automation Plus, Inc. recommended and implemented a system that integrated EDI with Sage Pro Order Entry and Accounts Receivable. "We were able to add between \$2-3 million in sales without adding any additional staff in either the administration or shipping of the orders," said Tim.

Products are out the door quickly with 100% accuracy. "We are able to handle on average 600 EDI transactions a week with ease."

More recently, Automation Plus, Inc. recommended Sage CRM to help Midwest Tool and Cutlery Company manage leads through the process of turning prospects into customers. Midwest Tool and Cutlery Company also benefits from accurate mailing lists, having an easy way to contact customers and the ability to introduce new products to customers.

"Whenever we have a situation, we turn to Automation Plus, Inc. for their input. They are able to analyze what we are doing and offer a solution. They are good, quality people who care about the success of our business," said Tim. "The software they recommend is straightforward and Automation Plus, Inc. is able to customize whatever we need to get the job done."

Midwest Tool and Cutlery Company has evolved over the years. Listening to the needs of their customers has produced more ergonomically-shaped snips, snips that require less hand pressure to use and snips that are easier to use in tight spaces. The relationship with Automation Plus, Inc. continues to evolve as well. "As we grow and come across new opportunities, Automation Plus, Inc. is here to help us get the most out of our system."



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