

DePaul Energizes Packaging Efficiency with PackManager™

AT A GLANCE

COMPANY

DePaul Industries provides comprehensive outsourced packing solutions for the Food, Consumer Goods, and Electronics industries.

CHALLENGES

- Company sought to realize productivity gains through improved process control
- Real-time tracking of labor usage and packaging production is vital
- Current systems were cumbersome and not responsive to contract packaging demands
- Lot-code tracking is an essential requirement for company's demanding clients

SOLUTION

DePaul deployed PackManager in its contract packaging operations. DePaul gained real-time visibility into its packaging operations.

RESULTS

- Real-time optimization of line configurations led to maximum efficiency
- Visibility of costing and production throughput provided confidence both internally and externally to contract packaging customers
- Improved costing and bidding accuracy
- Cost and production certainty significantly enhanced service to packaging clients
- Increased confidence in lot-code tracking and recall process

BACKGROUND

DePaul Industries provides comprehensive packaging solutions, including procurement and sourcing, inventory control, assembly and packaging through to fulfillment. Among its certifications, DePaul has a "Superior" AIB rating, and is FDA compliant. The company was looking to increase efficiency, among other improvements, to provide customers with better, faster service.



CHALLENGES

TACKLING THE LABOR DEMON. As an established provider of contract packaging services, DePaul Packaging certainly had existing production management systems in place. Unfortunately, these systems did not reflect the rapid and ever-changing nature of the co-pack business. "Our existing systems for managing our packaging business were cumbersome and difficult to use," notes Dean Stearman, General Manager. "Looking at production variances days or weeks after a job is complete does not allow us to be responsive or make immediate adjustments." Contract packaging by nature involves significant variation in labor inputs, planning, and costs. The DePaul team wanted to improve its ability to see and manage labor costs and inventory production in real time in order to improve its responsiveness to customer demands.

ESTIMATING EFFECTIVELY. "Quoting effectively is the key to profitability in this business," says Stearman. "The co-pack business is characterized by thin margins, demanding customers, and aggressive competitors, so accurately estimating and bidding on jobs is critical to winning business and meeting customer demands." Incorrect throughput calculations and labor projections can result in costly overtime and inefficient catch-up work.

TRACKING GOODS. Food packaging is a key element of DePaul's service offerings, and a wide range of packaging solutions are available. With four FDA-compliant clean rooms, as well as Organic and Kosher certifications, DePaul is a recognized leader in food packaging. According to Stearman, "Accurate tracking of food products is vital. We handle mixed lot codes and multiple products, so being able to react rapidly to product withdrawal requests is an ongoing challenge."

“PackManager provides real-time feedback of production results, accelerates the efficiency of our contract packaging operations, and allows us to be even more responsive and accurate, while in turn accelerating our customer’s time to market. There has definitely been a positive ROI with PackManager.”

Dean Stearman
General Manager Food &
Consumer Goods Packaging,
DePaul Industries

SOLUTION

DePaul wanted to address these issues as part of an overall corporate improvement initiative. DePaul found Nulogy and was impressed with its unique approach to the challenges facing the contract packager. “We were looking for innovative ways to improve the overall effectiveness and efficiency of our packaging operations,” says Stearman. “We liked Nulogy’s industry-specific solution and the vision it had for solving some of the challenges we face every day.”

DePaul implemented Nulogy’s PackManager supply-chain management solution. “We found the Nulogy team very easy to work with and always eager to gain insight into the customer’s perspective,” notes Stearman.

RESULTS

Nulogy’s PackManager system was implemented in approximately 6 weeks, and the benefits for DePaul were immediate and are ongoing.

IMPROVED LABOR EFFICIENCY. “PackManager has helped us deliver consistent improvements in overall efficiencies. We have not had a week when we have not seen improvements,” testifies Stearman. The primary benefit was found to be real-time labor tracking and throughput costing. PackManager’s automated line optimization also improved DePaul’s ability to configure production lines to maximize efficiencies. “Our improved knowledge of line configurations allows us to better structure jobs and reward customers with improved efficiency,” states Stearman. Some individual jobs have seen upwards of a 100% increase in productivity as a result of improved visibility or modification of production assumptions.

BETTER, MORE ACCURATE QUOTING. Improved accuracy in the estimating and quoting process has delivered both internal and external benefits to DePaul. PackManager ensures that job estimates are easy to develop and capture all relevant costs. This has made the quoting process more systematic and accurate. Stearman notes, “Recently, we identified a significant cost that was missing in one of our quotes and were able to justify thousands of dollars to our client without an issue.”

CONFIDENT RECALL CAPABILITY. According to Stearman, PackManager’s “one-click” lot code and expiry-date tracking provides DePaul with greater confidence in managing its food packaging. “PackManager allows us to better manage our critical food-tracking requirements and to respond rapidly to client requests for withdrawals of batches or lots.”

Overall, PackManager has given DePaul much more confidence in its business as a result of the company’s increased visibility into its contract packaging operations. “PackManager has energized our packaging operations and has been an essential part of our overall operational improvement program,” asserts Dean Stearman, General Manager, DePaul Packaging.

ABOUT NULOGY

Nulogy is a leading provider of specialized solutions for complex supply-chain challenges, and was the recipient of the prestigious Red Herring Global 100 award in 2008. Nulogy’s flagship PackManager is an Enterprise Performance Management (EPM) product suite that optimizes contract packaging operations through real-time management of inventory, production, costing and quoting. Nulogy’s PackPortal collaborative system for consumer goods companies efficiently coordinates workflow, performance and reporting of special packaging initiatives.

Nulogy • Toll-Free: +1 (888) 685-6491 or +1 (888) NULOGY1
Tel: +1 (416) 204-0427 • info@nulogy.com • www.nulogy.com

