Federal Experiences Significant Reductions in Time and Effort in Managing Purchase Orders & Suppliers

FEDERAL

Background:

Federal Mfg. is a leading filling systems supplier for free-flowing liquid products including milk, organic milk, yogurt drinks, iced-teas, juices, juice drinks, sauces, paint, stains, agricultural chemicals, cleaning products and kidney dialysis fluids. Federal offers level filling systems and weight filling systems that include rinsing, filling, capping and clean-in- place capabilities. Founded in 1946, Federal Mfg. is Powered by Pro Mach of Cincinnati, OH, a provider of integrated packaging systems and solutions for food, beverage, consumer goods, pharmaceutical and other diverse companies.

Challenge:

Reduce the Amount of Time Required to Track & Manage POs

A typical day as a buyer at Federal requires enormous amounts of time keeping track of approximately 400 parts on hundreds of purchase orders. Updating and expediting POs, costs and dates is managed through manual spreadsheets and countless emails back and forth with suppliers. This error-prone and mundane data entry process is repeated throughout most manufacturing companies, especially those with a long history like Federal.

Reporting is another inefficient, time-consuming activity for many companies. At Federal, it involved building an open purchase order report by searching, copying, and pasting PO line and supplier data into multiple spreadsheets. The reports were then separately emailed to each supplier where the supplier provided a line by line update. Acknowledgements required the same line by line research. There was no easy or efficient way to find when a part would arrive or if it was late, let alone why it was late.

Employees: 90

Geographies:
Main markets in U.S., Canada, South America, Saudi Arabia & Jordan

Challenge:
Reducing the amount of time required to manually track and manage approximately 400 parts on hundreds of purchase orders.

Solution:
Automating the PO management process so buyers can update, get pricing and contact information and send emails and notifications.

Results:
SourceDay has significantly increased effiencies in time and effort by consolidation PO data in one place, eliminating the need for emails and faxes, streamlined communication and improved relationships with suppliers.

"SourceDay has easily saved me about 10 hours per week with order updates, tracking orders and emails regarding orders...I can see what vendor acknowledged what and get a complete history on every part and PO."

—Mary Buhr | Buyer at Federal

Solution:

Automate the PO Management Process with SourceDay

It was not surprising that Mary Buhr, buyer at Federal, was excited to hear about a cloud-based software solution aimed directly at the PO management challenge. "I wasn't looking for a solution because the way we were doing purchase orders was the way we had always done them and how most manufacturing organizations have done them forever," she says. "However, when I saw SourceDay in action, I realized it could solve a lot of problems for both Federal and our suppliers."

SourceDay automates the most labor-intensive steps in managing POs. With just a few clicks, Buhr and other buyers can make updates, get pricing and contact information, and send emails and notifications. Instead of manually searching for information line item by line item, buyers can click on a vendor name to see every open PO, with notes from both parties, allowing each line item to be quickly updated with costs and dates.

SourceDay is set up to mark parts as late and the vendors get a daily email until the parts have shipped. She can plan ahead when she knows when an order was pushed out. In fact, she says she no longer has to keep track of orders because SourceDay does it for her.

SourceDay integrates seamlessly with Federal's Infor CloudSuite ™ Industrial - Syteline ERP system, updating it immediately with the most current data so Buhr rarely goes into Syteline anymore. The user interface gives Buhr and other users dashboards which they can customize to show only what is needed.

Getting some of Federal's suppliers to use the new software was difficult at first because so many were used to the antiquated processes. However, Buhr confirms that once her suppliers saw how SourceDay worked and how much easier it made their jobs, they readily adopted it, particularly because Federal pays for their license. "My suppliers can look at what's past due and what is coming up without me having to bug them," she explains. "Why have extra work when you don't have to? They don't have to scan documents into their computers, forward them to me or type an email. They go to one site, pull all of the information from there, as well as communicate with us and see a history of every interaction between us."

Buhr says the vendor scorecards will be an added perk for the suppliers, helping them maintain strong relationships. "I like that the vendors can see what we think about their on-time delivery and other factors," she adds. "When you're being graded, you try harder to get that grade up. SourceDay is more than just a PO management system; it's a supplier management system as well."

Results:

Significant Efficiencies in Time & Effort

Since implementing SourceDay, Federal has:

- **Consolidated** PO data into one, centralized location
- **Eliminated** the need to send and dig through emails with all correspondence notated in one place
- **Recaptured** precious time that can be allotted to nurturing vendor relationships
- **Facilitated** communication with its suppliers
- **Given** its suppliers free software that makes both companies more efficient

About SourceDay

Founded in 2013, SourceDay is the leading purchase order management application provider for manufacturing companies. Clients use SourceDay to effectively manage their supply chain purchasing and maximize revenue while reducing cost and risk. SourceDay is easy to adopt and clients quickly realize significant savings.

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