



Customer story: Fårbo Mekaniska

With the help of CRIBWISE's cloud-based inventory management software and tool-vending solutions, Fårbo Mekaniska reduces the time its operatives spend looking for tools by 2000 hours a year and cuts the size of its inventory by SEK700,000-1,000,000.

The Client

Founded in 1988 and based in Fagersta, Sweden, Fårbo Mekaniska provides machining services to customers in a wide range of industries, including mining, steel production and processing, and forestry. The company operates a state-of-the-art shop with over 100 machines, including 23 2-axis lathes, five 5-axis and two 3-axis milling centres, three hole sparks and two wire sparks, and three deep-hole drilling machines.

Fårbo Mekaniska recently constructed a new factory for contract manufacturing and customer warehousing, and delivers from stock within three days. The company has ambitious plans for further growth; it wants to be Sweden's best workshop, with annual revenues of SEK500 million, by 2025.

The problem

Fårbo Mekaniska has been using inventory management systems since 2007. The managing director of the company, Mikael Vetterskog, says: "Fårbo Mekaniska has grown significantly over the past few years. We have invested heavily in our machine fleet and in our team, but also in software and technologies that help us to the improve efficiency of our production."

With so many machines to keep in service, however, Fårbo Mekaniska invests a significant amount of money in its inventory of tools. Indeed, prior to its adoption of CRIBWISE, the company's inventory accounted for almost 10% of its annual turnover, which was excessive.



Not only was the company's inventory expensive to maintain, but it was also unwieldy to use. Operators wasted approximately 2000 hours a year searching for the tools they needed to complete their tasks. As such, the company was, in effect, paying one full-time employee (working a 37-hour week) to do nothing more than look through its inventory.

Further, huge amounts of time were spent administering the inventory; ordering the tools, receiving them, storing the tools and auditing the inventory.

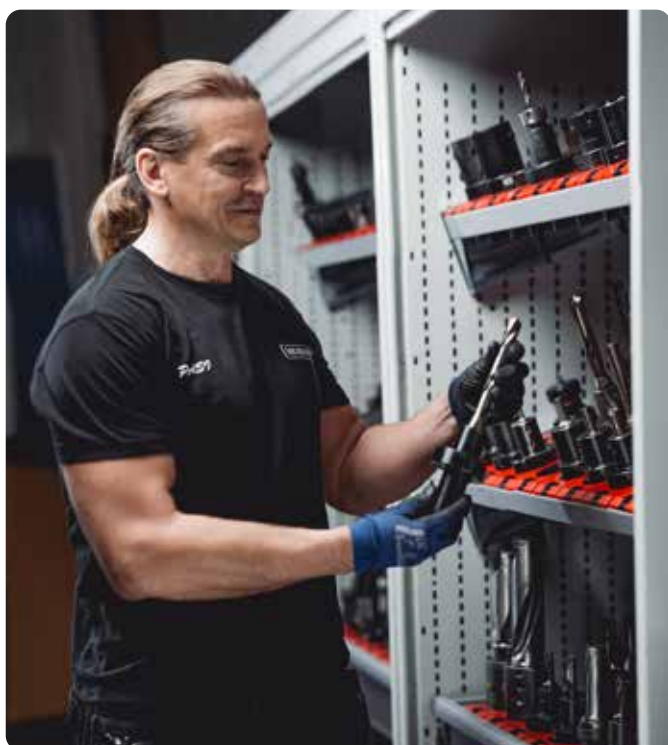


The CRIBWISE solution

To combat these issues, CRIBWISE proposed its modular, customisable and easy-to-integrate inventory-management software, which grants machine shops of all sizes complete control over their tooling inventory with minimal effort and expense. The software eliminates administrative hassles, eradicates production delays and cuts excessive – often hidden – expenditure.

CRIBWISE also supplied Fårbo Mekaniska with industrial vending machines that work in conjunction with the software. These machines are located around the shop floor and can be used to automate the process for re-ordering tools. As the machine runs low on items, it sends a restocking order to the supplier(s) of the tools, which ensures that operatives will have the equipment they require.

Having the confidence that the right tool will be available for the job, just when it is needed, can do much to reduce tool spend. The machines also allow tool use to be monitored and they keep tools organised, making it easy for operatives to find them when they are needed.



The results

Implementing CRIBWISE and placing tooling vending cabinets in close proximity to machining cells has helped slash the amount of time Fårbo Mekaniska's operatives spend looking for tools by around 2000 hours.

CRIBWISE now orders Fårbo Mekaniska's stock items automatically when they are needed, meaning that the time-consuming task of raising purchase orders for these tools no longer needs to be carried out. The receiving of these items is also now automated. This has saved the company 135 hours a year.

Further, Fårbo Mekaniska is making use of the Monitor G5 purchase order integration function in CRIBWISE, running stock optimisation and using reporting for further problem solving.

This has helped the company remove over 1700 items, from twenty suppliers, from its inventory. Indeed, the use of the software has reduced the cost of Fårbo Mekaniska's inventory by SEK700,000-1,000,000, reduced its consumption of tools, and simplified its pick-and-return operations.

All of this has been achieved while the company has increased its productivity.

Vetterskog concludes: "A milestone in our digitalisation journey is the introduction of the CRIBWISE software and cabinets, which has helped us move away from the uncontrolled overstocking of our tools to a whole new world of a perfectly controlled, highly automated process. Our employees love working with the CRIBWISE solutions because it saves them time, and we save money. It's a brilliant example of what digitalisation can do for us."



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