



Northway Industries, Inc. Implements Comprehensive, Web-Based Solution that Boosts Productivity, Sales, Customer Access and Employee Engagement

CLIENT PROFILE

Northway Industries, Inc.—Middleburg, PA

www.northwayind.com

138 employees

7-day/24-hour operation

Northway Industries, Inc. is a privately held company that provides quality contract manufacturing services to a variety of clients, from large contracts to individual orders. The company was founded in 1966 and utilizes high-pressure laminates, melamine, vinyl, paper, and wood veneer products to produce cabinets, countertops, work surfaces, fixtures, kits, and more. Operations consist of CNC controlled machining, milling, routing, and banding. Primary markets served include OEM suppliers, retailers, schools, and institutions.

SITUATION

Beginning in 2005, Northway partnered with IMC to engage in LEAN and cellular manufacturing consultation and implementation. According to Northway CEO Don O’Hora, “We re-engineered the entire company from mass production to mass customization, allowing us to be responsive to a market calling for more small batch orders.”

The increase in small batch orders and single piece flow also significantly boosted the volume of information necessary to initiate and complete work. O’Hora noted that it became readily apparent that their legacy systems were becoming less effective and accurate with this changing business model. In short, while the changes implemented during the first IMC project allowed them to expand capabilities and machine and fabricate at faster rates, the delays caused by managing an increased volume of critical information were thwarting true growth.

SOLUTION

Northway again reached out to IMC, this time to assist with planning, developing and implementing a comprehensive information system that would allow project data to be managed more effectively. The project began with an objective of creating a web-based project scheduling system, but soon grew to what O’Hora calls a “total information system” that links all aspects of the project and client relationship into one centralized, online location.



To say that the solution is “comprehensive” is an understatement. This robust, scalable system pulls together details ranging from customer purchase orders to Northway production documents to even email communications with customers. The system includes:

- complete project-based scheduling system
- contract documents such as bid sets and specifications
- customer purchase orders
- production documents such as order verifications, press orders, saw schedules, skid tags, and shipping instructions
- materials database; bills of materials
- RFID order tracking; integration with LEAN Visual Manufacturing systems
- Northway policies, procedures, and how-to’s
- quality control data and information
- emails, faxes, proposals and other sales-related communications

Since the Northway plant is completely wireless, all personnel have access to relevant information. “We are a 24-hour operation,” O’Hora says. “Now, even our late-night employees can log in and get the information they need quickly. They can see the progression of an order and even view communications that will enable them to make better decisions.”

At Northway, it’s not just the employees who are empowered; customers also have access to their projects. O’Hora notes, “We have always been ‘transparent’ to our customers and see them as integral to the success of their projects. Our web-based system heightens that relationship as customers can easily log in and view the status of their order whenever it is convenient for them.”

RESULTS

The \$75,000 information systems investment has allowed Northway to operate under new standards of access, organization, detail, and accountability, and in turn has given the company significant competitive advantage. O’Hora explains, “This project has enabled us to be more responsive, and we can be even more confident in the promises that we make. We are now able to take on complex orders and process them much more quickly. What in the past might have taken us two to three days to process now takes two to three hours.”

That type of turnaround has allowed Northway to win over new clients and make improvements system-wide.

- **Increased Sales: \$800,000 initially; now grown to \$2 million** (attributed to two customers in office furniture and residential furniture; a result of the web-based solution)



allowing Northway to process high variety orders with a high volume of project information very quickly)

- **Cost Savings: approximately \$100,000** (savings as a result of less administrative work required to process information)

TESTIMONIAL

Don O’Hora

Chief Executive Officer/President

“This project has made amazing impact here at Northway, and continues to do so. We are on the verge of one of our best years ever, with revenue up nearly 20 percent from 2010. Our employees are fully engaged in the process and are constantly thinking of improvements and additions that will help them in their work. That can only mean more positive outcomes in the future.”