



Why Would Manufacturers Need Inventory Barcode Software?

It's a commonly held misconception that only distributors need inventory barcode software. This couldn't be further from the truth and modern manufacturers who choose not to use inventory barcode software risk falling behind their competition.

In this article, we'll discuss why today's manufacturers are choosing barcoding software to increase their profitability, and we'll talk about how manufacturing and we'll talk about how manufacturing automation software can help today's growing businesses.

Inventory Barcoding Software on the Shop Floor? Why?

If you've been running your manufacturing company for more than five years, you've probably noticed the sea change the industry has gone through. Less than a decade ago, you probably sold your products to a small network of retailers or businesses, and you had relatively long lead times, large production runs, and common-sense ordering cycles. Sure, you had to put in extra work a few months before the holidays, but overall, your business grew at a slow, predictable pace.

Times have changed.

These days, direct-to-consumer, e-commerce sales have become a standard offering for growing manufacturers, and even companies that rely on B2B sales have had to transition to an online ordering system to keep up with their customers' expectations. Online sales put small manufacturers on a scale of global competition, and customers now expect two-day delivery speeds as a standard. To keep up, you've probably had to shorten your production deadlines while simultaneously tightening your margins ... and complex LTL distribution requirements, along with freight rating, take up a large portion of your time.

In short: If you want to keep up with the industry, you need to focus on volume. That means you need to work faster. The best way that growing manufacturers can stay competitive in today's market is to streamline their work environments so that they can optimize profitability in the easiest way possible.

Inventory barcoding software can help.

In fact, most manufacturers find that adding a barcoding process to the following areas provides them with the most flexibility at the lowest cost:

Work Orders

Arguably, the most important part of a manufacturing business lies in its work order process. Now that most manufacturers offer direct-to-consumer sales, the number of custom orders has increased, and small production runs have become the standard. This means you're entering in a large number of different work orders, and if you run a make-to-order (MTO) shop, each of your sales orders is likely to have a long list of line items.

Duplicate data entry on these items isn't simply a waste of your time, it's also a dangerous activity since the more data you enter manually, the higher your odds of making a critical and costly mistake. When you pair manufacturing automation tools such as Scanco Manufacturing Efficiency with inventory barcode scanners, you'll be able to automate your W/O creation straight from your sales orders with the automation software, and you'll be able to seamlessly update work order progress in real time using your barcode scanners.

Since scanning a barcode takes approximately 1/6 the time it takes to enter in a barcode manually, you can imagine how much time you'll save with inventory barcode scanners and manufacturing automation tools on your shop floor.

End-to-End Processes

Modern manufacturing operations move a lot of inventory in a very short time period. Take a second to consider all the materials and FGs you work with on a daily basis. Consider all the items that move through your premises each week, from procurement all the way to shipping. If you're like most manufacturers, that's a lot of items and materials.

If you use inventory barcoding software that integrates with your ERP, you can ensure your inventory counts are accurate, which means you'll know how much finished product you have on hand to sell and how much raw material you have in stock for new orders. When you connect your barcoding system to a manufacturing automation solution, you can increase your ordering confidence even more with alerts and warnings that notify you when you don't have enough stock on hand to fulfill an order.

Barcode scanners can also help you accurately and quickly handle RMAs and incoming shipments, so you can simplify your procurement and reverse logistics processes and, if you outsource all your logistics to a 3PL, you can use inventory barcode software and scanners to get pallets out the door faster.

Better yet, inventory barcode software isn't just for tracking inventory!

It can also:

- Track your labor when you assign a code to each worker
- Track your overall productivity when you assign a code to each work order
- Track and reduce wastage on your shop floor by leveraging real-time insight
- Plus, the right manufacturing automation software can deliver all your trackable information in a clear, readable format using dashboards that give you the metrics you need in a single glance.

What a time saver!

Not every manufacturer needs a barcoding solution. If you'd prefer to get personalized answers for your exact business needs, contact sales@scanco.com or at (330) 645-9959 so you can set up your free consultation and find out more.