

# Neumüller

Products Communicate with ERP – Thanks to a Cutting-Edge Solution

## Short Profile

**Name:**

Josef Neumüller Werkzeugschleiferei GmbH

**Website:**

[www.neumueller-werkzeuge.de](http://www.neumueller-werkzeuge.de)

**Industry:**

Metal processing, toolmaking

**Products:**

Milling, drilling and special tools

**Locations:**

Headquarters: Untergriesbach

**Employees:**

20 (2016)

**proALPHA Customer:**

Since 2012

## Highlights

- Vertical information flow between proALPHA ERP and Neumüller products
- Completely transparent manufacturing process
- Efficient claims processing and fast identification of error causes
- Automatic assignment of customer-specific surcharges and discounts for convenient pricing
- Significant time-savings
- Minimum error rate in production and grinding processes



With 20 employees and a friendly atmosphere at its headquarters in Bavaria, the grinding expert Neumüller might be pigeonholed as a ponderous family-run business. However, Neumüller is a high-tech company that manufactures drills and cutters of all shapes and sizes and grinds them to customer requirements. One Neumüller's production highlight is the Industry 4.0 application that enables products to communicate with the ERP system.

### Innovative Industry 4.0 Platform

In Germany, almost 2,000 companies have specialized in grinding technology, small and large ones alike. The challenges they have to face are manifold: be it complex products that have to be delivered on short notice, a vast number of discount scales and surcharges, products manufactured in small quantities or customizations. Neumüller has to also meet all these challenges with the greatest possible efficiency. In cooperation with proALPHA's implementation partner Wolf IT Consulting GmbH, the company established an innovative Industry 4.0 platform. Neumüller has been digitizing its manufacturing and connecting its products with proALPHA ERP for years now. The data matrix code provides the foundation for this.

### Labeling Tools with the Data Matrix Code

The data matrix code is a 9-digit ID which is engraved on each tool shank with a laser. After this process, each part permanently bears its ID and can be easily identified. When scanned, the ID is linked to the respective product or drawing number in proALPHA. This creates a paperless, transparent flow of tools that can be efficiently controlled.

### Convenient Generation of Follow-Up Orders

The data matrix code is particularly useful for managing demanding follow-up processes. Customers often ship drills and cutters in a wooden box to Neumüller, sometimes 200 or more unsorted pieces arrive. Here the code is of great help: it ensures that all relevant data of regular customers, such as prices, surcharges, discounts, bonus points and other activities, are stored on the ID. Based on the ID, a new order can be generated and linked to the master data stored in proALPHA at the push of a button. Employees can check whether a tool was received and processed in exactly the same way previously and can then generate

an identical follow-up order with a single click. When new customers submit orders, the ID is used to mark tools for a quote and possible follow-up order.

### Acoustic Signals for Completed Orders

Since a counter is assigned to each tool of an order, Neumüller is able to check how many drills of an order of 200 have already been ground, for example. The grinder reports each processed drill by sounding an acoustic signal. The product data can then be scanned to be transferred to proALPHA. As a result, information about the current production status is readily available in the ERP software. If a customer inquires about an order, the respective employee can check its current status and expected completion date promptly. When paper job tickets were still being used in production, it took employees a long time to gather this information. Information about the tools' status could not be retrieved. Moreover, errors occurred more often and could not be reproduced. Customer-specific requirements could not be fulfilled because there was not enough time. It was simply not possible to ensure process reliability.

### Integrating External Partners Effortlessly

proALPHA now provides Neumüller with the process reliability they need. When the company sends tools to an external service provider for coating for example, it stays fully in the picture about which parts from which customer are being coated, which parts need which specific coating, and when the parts will be returned for further internal processing or staging. Shipping documents containing all relevant data such as the required type of coating are also automatically



"We label our tools. This makes our order processing paperless and efficient."

**Josef Neumüller,**  
Managing Partner, Josef Neumüller Werkzeugschleiferei GmbH



generated in proALPHA. Before they are shipped, orders are checked again to determine whether a specific tool is to be coated at all or whether it has actually been sharpened.

"Regardless of whether only one order is processed on a grinder or several orders at once to optimally utilize the machine, the ID tells us how we have to process each individual tool and how we can do this with optimized cycle times," Josef Neumüller explains.

#### Efficient Claims Processing

The data matrix code also provides the foundation for Neumüller's claims management. For example, if a customer complains that cutting tools have not been coated correctly, the lot can be traced back using the ID to identify the defective tool, and a claim can be sent to the external service provider. The external service provider, too, can exactly determine the order affected and the time it was processed. Based on this information, the error cause can be identified, such as the use of a wrong alloy or the malfunction of a machine. Today, Neumüller saves time and reduces costs thanks to efficient claims processing and fast identification of error causes. Claims that were rejected by external service providers previously are now accepted promptly because all processes can be

fully traced. The number of rejected claims has been reduced by 30% thanks to the data matrix code.

The ID also supports Neumüller in avoiding internal errors. Since drawings, notes and other documents can be assigned to a tool in proALPHA, too, all of these files are readily available when the ID is entered. Minor changes and subsequent adjustments that were previously ignored due to tight deadlines can now be implemented effortlessly. "If a customer orders the same tool as some time ago, we are able to deliver it. Time-consuming coordination or searching are a thing of the past. And our process is error-free. If an error occurs nonetheless and a tool does not fulfill our customers' requirements, we can identify its cause and solve it promptly," says Josef Neumüller.

"Together with Neumüller, we have developed an Industry 4.0 solution that is fully integrated in proALPHA."

**Ulrich Hillger,**  
Head of Sales, Wolf IT Consulting GmbH

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