

Solution Spotlight: Dispensing Cost Savings

Written by MT Staff

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Self-service technology is everywhere these days. We check ourselves out at stores, check ourselves in at airports and check out the latest videos via Redbox.

This same kind of automation is now making its way into maintenance operations, as workers use specialized vending machines to access everything from drill bits and safety gloves to batteries and thread locker. It's helping workers become more productive while helping businesses reduce consumption, often by 30% or more.

Fastenal, a full-line industrial supplies distributor, is a leading provider of industrial vending machines. It has installed thousands of "FAST 5000" machines at customer sites nationwide. To retrieve product from a FAST 5000, workers swipe their ID cards or enter their PIN numbers (along with a job number or other data to be associated with the transaction). Because the system is Web-based, detailed usage reporting is available online in real time—*not just **who** dispensed*

what

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but

why

and

when

. Managers can also set controls so groups or individuals only have access to specific products and amounts needed for their jobs.

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“The FAST 5000 has allowed us to reduce our administrative costs and manage our production expense material while reducing our on-hand inventory,” said Paul LaBella, Sourcing Manager at Qualitrol, an upstate New York-based manufacturer of gauges and thermometers for the electric utility industry. “The concept has fit well into our lean manufacturing culture.”

Qualitrol uses its FAST 5000 to dispense knives, thread sealant, tape, gloves, safety glasses and other high-use consumables. Other businesses use optional locker units to control larger or returnable items like hard hats, spray cans and power tools. Virtually any size product can be vended—from *earplugs to stepladders*.

In addition to eliminating \$5000 worth of uncontrolled inventory that used to sit on a shelf, Qualitrol has dramatically reduced the number of purchase orders cut each month to procure products now stored in the machine—from *63 previously, to a single P.O. today*. This is the result of vendor consolidation

and

the system’s paperless ordering process: When stock for an item runs low, the local Fastenal store receives an alert and comes out to refill the machine. Costs are further reduced through inventory consignment, whereby the customer is only billed for dispensed items.

Fastenal Winona, MN

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