

# Solutions at Work: Dow Chemicals



**Product:** ToolHound Desktop

**Client:** Dow Chemicals

**Challenge:** At the company's Fort Saskatchewan plant in Alberta, Canada, Process Leader, Roy Lura, estimates an inventory of over 15,000 pieces of equipment stored across eight tool cribs. Each tool crib used its own method to issue equipment. For the most part, this meant simply using the honor system, except for the more expensive items, which were tracked using a handwritten record of issues and returns. "It was a lot of work," reports Warehouse Technician, Dave McLaughlin. "You almost needed two guys at the counter to work the book."

Another difficulty was the fact that each tool crib worked independently. Operators from the individual cribs did not know what was available from other locations on-site, so specialty items would be purchased for multiple cribs when fewer were needed for the site as a whole. In addition, if one crib ran out of an item, operators either ordered more or contacted a rental company to supply it, when it could have been available somewhere else at the plant. "There was no documentation," Lura says, noting that large sums of money were being spent on the purchase and rental of replacement tools, which may not have been necessary.

Until 1997, management at Dow had not given the issue a second thought, but then the company began to re-engineer how their plants were run, and the mandate became one for more accountability. "We want to control 99% - 100% of our tools," says Warehouse Technician, Jeff Bowes.

**Solution:** To do this, the plant introduced a bar code driven tool tracking system called ToolHound. Assets valued over \$50 are labeled with individual bar codes, while items of lesser value are bar coded by bin number. Trades people are identified by an ID number as well. When an employee checks out a tool, their ID number is scanned into the handheld scanner, followed by the bar codes of the items being issued. The process is reversed when items are returned. Reporting capabilities offer data on inventory value, asset locations, and equipment usage.

Like a library system, ToolHound tracks who has the item, where it is, how often it is used, and when it is due back. And since the radio frequency scanners communicate with the PC in real-time from anywhere in the crib, scanned data is sent to the database instantly, and information about the status of equipment and employees can be accessed. If an employee at the counter has an overdue tool or is not certified to use the item they are trying to sign out, ToolHound will display the information on the scanner's screen.

**Results:** The system is proving to be of great benefit to the Fort Saskatchewan operation. Lura reports that after only six months, it "has totally changed the way we manage tools." The most significant change is that the plant now has a consistent method of tracking tools in all eight tool cribs, resulting in a change in their purchasing habits. Orders are no longer going out just because one crib runs out of an item. Instead, operators use the networked system to check for the item's availability in other tool cribs. "It's better to get it from the site than to go off-site," Lura advises.

In addition, by forcing the operators to catalog their tools when entering them into the system, ToolHound helped Dow create an accurate count of their assets at the plant and lead to the discovery of an equipment surplus large enough to stock 60% of a ninth crib, which will be set up in the near future. "It's given us the opportunity to inventory our tools," Bowes reports.

Trades people seem to have also gained a sense of accountability for the items they are issued, and tools are now being returned with amazing regularity. "It really made the guys think about it," Lura says. Lura believes the shift in the employee's outlook is a result of the fact that Dow's attitude towards their tools has changed. "Before they had a 'They don't care, so why should I' attitude," he explains.

As time goes on and the labeling and cataloging process continues, Dow keeps finding additional uses for their tool tracking system. While they purchased it with the intention of bar coding only hand tools, they are now using it to track the usage of other items, and they keep coming up with more potential applications. As an example, they have started to track the site's company trucks. This allows them to monitor how often the vehicles are used, and whether they are returned on time.



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1.800.387.8665  
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