



"IEA considers themselves a world-class manufacturer of radiators. Fastenal brought us world-class technology which allowed us to excel at what we do best."

-Jim Ahler, IEA Director of Purchasing

About IEA

IEA is a major manufacturer of large-scale radiators for commercial and industrial applications. In 2012, Fastenal completed a seamless implementation to take over the supply of OEM fasteners and MRO/Safety items within IEA's 175,000 square-foot facility.

Before Fastenal

Prior to Fastenal, they were having stock-out issues; and with the parts that weren't being stocked out, they were having over-stock issues. There was little control or accountability, and employees had to travel to a centralized parts crib to obtain production fasteners, safety supplies and MRO items.

The Fastenal Solution

After performing a process mapping of the facility, a Fastenal Lean Six Sigma Specialist presented a plan to reduce inventory, eliminate stock-outs, and increase productivity by bringing product away from the crib and closer to the point of use. The solution is built around two Fastenal technology solutions: FAST Scale (for fasteners) and FAST Solutions (for MRO/Safety items).

FAST Scale (Internet-based bin monitoring system)

The Fastenal Implementation Team installed 400 FAST Scale bins at three strategic point-of-use locations – Final Assembly, Cooling, and Fan Assembly. This scale-based system automatically calculates the number of fasteners in each bin, reports that information in real time via a secure web site, and sends an alert to the servicing Fastenal store (located two blocks away) whenever inventory falls below a bin's predetermined "min" level.



“It just makes our place look like a more professional, well-run operation,” said Jim Ahler, IEA Director of Purchasing. “All the hardware and everything [our employees] need is at the point of use, so they’re 10 or 15 feet from what they need versus having to walk halfway around the facility to get a box of bolts.”

To support the FAST Scale bin-stock program, the Fastenal store took on an additional 5,000 square feet of warehouse space, enabling them to move nearly \$200,000 worth of inventory (approximately 450 SKUs) from the IEA facility into the store. According to Ahler, this led to a roughly 38% reduction in IEA’s inventory and operating cost.

FAST Solutions (industrial vending)

In the past, employees who needed MRO or safety supplies (gloves, glasses, etc.) would need to track down a supervisor and have them open up a storage locker. Today, thanks to the Fastenal industrial vending machines and lockers installed throughout the facility, that process is much more efficient. To access needed items, an employee simply approaches a nearby machine, swipes his or her ID card, and makes a selection. If approved, the transaction is completed, and the details (who, what, where and when) flow to Fastenal’s reporting web site. The Fastenal store team monitors machine inventory levels and keeps them continually replenished – a completely hands-free, paper-free process for IEA. Based on the success of the initial MRO/Safety product machines, additional units were installed to automate the supply of production items such as band saw blades, hydraulic hoses, and abrasive and cutting wheels.

“[Fastenal] always said that when we need product, it’ll be there, and they’ve never gone back on their word with that. They’ve always come to us with cost savings, profitability ideas, and technology. Fastenal has impressed me, and I think they’ve impressed the whole company.”

-Ryan Moran, IEA Supply Chain Specialist