

VX5 is *the Total Package* for Welch Packaging.

CASE STUDY

WELCH PACKAGING GROUP was founded on April 15, 1985, as Elkhart Container. The original vision for the company was to produce industrial shipping containers for companies within a fifty-mile radius of Elkhart, Indiana. However, as is the case with many great businesses, Welch - through investments, acquisitions, new products, etc. - grew and grew and grew. Today, Welch Packaging Group has corrugated plants in Elkhart, Indiana (home office); Indianapolis, Indiana; Cleveland and Columbus, Ohio; Detroit, Michigan; and Chicago, Illinois.



With lead times as short as two hours and two shifts running every day, Welch Packaging Group requires highly accurate inventory and highly reliable equipment. The Elkhart, IN headquartered manufacturer of packaging products was feeling boxed in by its legacy mobile computers, which were increasingly unresponsive, lost connections to the wireless network, and were unacceptably slow for the fast-moving company, which posts double-digit growth each year.

Welch Thinks Outside of the Box with VX5

Welch Packaging Group's Elkhart facilities include a 100,000 square foot factory, a 75,000 square foot warehouse, and a 50,000 square foot building for hand assembly jobs. One customer sends Welch Packaging a box order at the start of each production run, giving Welch approximately three hours to produce, package and ship the order.

Wireless computers are used throughout production, inventory and warehouse operations to track materials and orders. Because all work is custom and lead times are short, accurate inventory is critical to keeping the business running. When the legacy wireless computers began to falter, Welch Packaging IT Manager Jim Williams quickly asked his wireless solution provider, Pinnacle Automation, to present possible replacements.

Welch Packaging had already tested mobile computers from two manufacturers before a VX5 vehicle-mounted computer from LXE arrived for a two-week evaluation. It was - pardon the pun - the total package.

"The LXE unit was light years ahead of what the other two com-



panies sent us," said Williams. "It was like comparing a Cadillac to a Pinto. Every little thing that you could think of that our operators didn't like about the other units, LXE did well. Workers were begging us to take out the old units and give them the LXEs."

Features Raise Productivity

Karen McCormick works in the Elkhart facility and has used both the legacy and LXE wireless computers to perform cycle counts. "Everything on the old computers works, but everything works better on the LXE," she says. "For example, it boots much faster in the morning, the screens come up much faster, and the scanner is much better too. The scanner has enough range so I can read bar codes on the top rack of the warehouse without getting out of the vehicle, and it can also read through shrink wrap."

The improved performance from LXE's VX5 vehicle-mounted computers has produced efficiency gains for Welch Packaging. The time required to complete monthly cycle counts has been reduced 33 percent, from three days to two, saving 12 days of labor annually.

Annual inventory operations have also improved and become much less costly. Previously, production stopped at least one day each quarter while factory and office workers alike took inventory of everything in the facility. More than 20 employees worked on inventory for about 12 hours, costing Welch Packaging approximately 1,000 man-hours in wages and lost productivity each year. "It was a nightmare," says Williams.

Now, inventory is so accurate that Welch Packaging no longer takes a full, formal inventory. Instead, one worker spends about an hour each day using the LXE mobile computer for cycle counting. The process saves hundreds of hours annually, helping Welch Packaging realize a fast return on its investment.



Workers also credit the computers for improving operations and productivity for ongoing manufacturing and warehousing tasks. "The new computers make life easier every day," says McCormick.

The computers were so effective in Elkhart that Williams ordered more of them for Welch Packaging's Chicago plant. The VX5 features the Microsoft Windows XP operating system, 802.11b or g wireless LAN connectivity, a 12.1-inch color SVGA display, internal power supply with optional UPS backup, waterproof keyboard and a rugged IP66 environmental resistance rating.

The Windows XP operating system made mobile integration easy, because it provided compatibility with Welch Packaging's legacy applications and Citrix networking technology. Williams said no software redevelopment or custom integration was needed to get legacy applications running on the vehicle-mounted computers.

"Our current applications were developed for the desktop, so if they can run on the desktop, they can run on the LXE, because it is a true PC," says Williams. He said there was a considerable difference in what was required to integrate the LXE computers compared to the other models under consideration, with LXE requiring much less effort. Besides being easy on the IT department, the LXE VX5 computers are also user friendly.

"There are a lot of great features about this computer - the way the plug connects to the power cord, a bracket to wind any excess keyboard cable.

These are things that are so useful and so obvious that everyone should have thought of them, but only LXE thought of them," says Williams. "They are better than the other units we evaluated in every single detail."

Most importantly, the LXE computers provide the reliability needed to support Welch Packaging's high-volume and just-in-time operations.

"I know I don't have to worry about the LXEs because they are one tough terminal," says Williams.



About LXE Inc. LXE Inc. improves supply chain performance by applying over 36 years' experience developing wireless products and solutions. From wireless computers, advanced auto-ID technologies, and wireless network infrastructure, to our award-winning customer support - LXE's easy-to-use products are as reliable as the people who install and support them.

Based in Norcross, Georgia, LXE also offers a full range of turnkey services, including radio integration, project and installation management, network design, technical support, and repair services. LXE is a wholly-owned subsidiary of EMS Technologies, Inc. (NASDAQ: ELMG), and has offices worldwide. For more information, visit www.lxe.com.