# Cannon Sleep Products: Putting Business to Bed with Aptean OSAS and Manufacturing & Beyond

Though Cannon Sleep Products is one of the premier mattress manufacturers in the United States today, their story started in a rather different industry. In 1959, Ernst "Ernie" Morgenstern founded the Pleasant Bag Company in Fresno, California. Having emigrated from Vienna, he and his wife founded the business by recycling commercial bags and unusable clothing into rags and bags for local industries. The business later incorporated rehabilitating used mattresses into its recycling program, and by the 1990s the Pleasant Mattress Company had switched to only making new mattresses under the name Cannon Sleep Products.



Though much has changed over the years, the company is still in the family; Ernie's son Herb is now the president and owner, and grandson Rion is the vice president of Cannon Sleep Products.

## Using software to enhance workflow

As part of their growth, Cannon Sleep decided to revamp their workflow and business software. In 2008, they turned to Response Computer Group (RCG) to help them sort it out. Randy Ennis, president of RCG, advised them to enhance their Aptean OSAS (Open Systems Accounting Software) solution with their own Manufacturing & Beyond solution.





Cannon Sleep has used Aptean OSAS since 1990, and it now helps them track every aspect of their operations. "We are fully integrated with all modules to run our business," says Rion Morgenstern. "Payroll and manufacturing are integrated, the accounting, the accounts receivable, the accounts payable, the purchase orders...and we've found that level of integration gives us the greatest, most accurate picture of our company at any given time."

RCG's Manufacturing & Beyond solution provides that integration by putting tracking, scanning, and processing information in the hands of everyone that needs it. "That's one of the key things that I appreciate about the software is that it scales to encompass all of our operations," says Morgenstern. "There is very little that we do outside of Aptean OSAS, and the key to that whole thing is Manufacturing & Beyond. It's a soup-to-nuts solution."

### A solution that fit the bill (of materials)

According to Morgenstern, Cannon Sleep needed more insight into the manufacturing of their products. "When we were manufacturing something, what materials were actually cost into it? How do we then remove those materials from our inventories?" With OSAS and Manufacturing & Beyond, Cannon Sleep found a seamless process for managing those materials. "It really allows our bill of materials to be entered accurately, and translates into individual items that get removed from inventory," says Morgenstern.

From the second an order is placed, Cannon Sleep uses their upgraded system to track the entire process. "Once an order gets scheduled in our system, it gets assigned a law tag with a serial number," says Morgenstern. "Our scheduling and logistics person will schedule that according to a production date and a load date. Then, the various serialized tickets go to the different departments so they can begin pre-working on the components that go into it."

"Ultimately, on the final production day, everything comes together and it's scanned along the process. Once the mattress is bagged for shipping, all the header information from the order, the ship-to information, the product information, and the customer PO is on the label that gets affixed to the outside wrap of the mattress. Our shipping team scans it and loads it into the appropriate truck."







## Workflow on the floor gets an upgrade

Cannon Sleep also implemented a new manufacturing and payroll system to track employees as they move around to different work areas. "We were looking at getting more information about where our labor dollars were actually being spent," says Morgenstern. "We've got 112 employees, and most of my factory employees (about 80 or so) will switch departments all day long."

Randy Ennis and his team had a solution. "Working with RCG, we were able to develop a methodology and an integration in the system that allowed my supervisors to scan an employee into a new department when they change their work, and then I can have my labor cost allocated to that department," says Morgenstern. "It gives me a resolution of knowing where my overtime is really coming from, or where we are spending the most amount of money."

Cannon also used Manufacturing & Beyond to modernize their tracking of piecework labor. "We went from a 'chit' system where our employees turn in and count tear-out chits, to a serial number scan where the payroll was all integrated," says Morgenstern.

#### A trusted partner in their corner

Randy Ennis and the RCG team have remained as trusted advisors for Cannon Sleep Products since the installation of Manufacturing & Beyond. "Working with RCG for the last five years has been tremendous," says Morgenstern. "Randy's team has been very, very responsive. They're smart people. I never hear them say 'I don't think we can do that.' They're creative thinkers and they're great at solving problems."

With the RCG team, Manufacturing & Beyond, and the core Aptean OSAS applications, Cannon Sleep is well-positioned for the next fifty years of growth.

**Aptean OSAS** 

