

## Nebraska MEP Success Story Information

### Situation

Our plant wants to implement lean manufacturing techniques and principles to improve and better coordinate our manufacturing processes. Our primary goals are: (a) to exceed our customers' expectations with regard to speed, cost, quality and flexibility; (b) to encourage and increase employee involvement in improving our processes; and (c) to minimize scrap and downtime.

### Solutions/Results

The Company's efforts so far have primarily been focused on the three "ground floor" lean manufacturing areas (5S, visual signs, and plant layout), developing standardized work procedures and teams, and point-of-use storage. Implemented were no-cost or low-cost improvements wherever possible.

1. **5S implementation / Plant Layout:** Several manufacturing cells in the plant cleaned and reorganized their work areas which resulted in better utilization of very limited floor space. Chuck Kephart implemented 5S principles which helped to reduce the finished goods inventory by 15-25% in one of our cells. Steve Burnside initiated the removal of an unneeded storage rack which increased our effective floor space by 250-300 square feet in a critical staging area.
2. **Visual Signs:** The Company installed two large laminated signs in separate locations of a manufacturing cell. Both signs display the same list of color marks requested by our customers to visually identify SKUs. The signs are inexpensive so they can be updated and replaced as needed. They eliminated several typewritten pages that our employees previously had to refer to, and they also help our shipping department to visually identify SKUs. Many other signs and photographs have been placed throughout the plant to display safety information and standard operating procedures.
3. **Point-of-Use Storage:** The Company purchased fireproof cabinets for two manufacturing cells to simplify the storage and distribution of manufacturing supplies. Each cabinet's size, specifications and physical location were carefully chosen to improve the cell layout and safety, to decrease wasted motion, and to eliminate downtime while waiting for supplies.
4. **Standardized Work / Teams:** The Company strongly encourages communication and teamwork between employees working in different manufacturing cells and on different shifts. The goal is to consistently improve and communicate the "best set" of operating procedures from the combined knowledge and experience of our operators, supervisors and managers. This contributed to a 12% reduction in the amount of scrap produced in one cell during the past fiscal year.

### Testimonial

"We believe we are developing a solid foundation of lean manufacturing techniques and principles at our plant. We are seeing improvements in customer satisfaction and increased employee involvement. Other lean improvements are: better utilization of floor space, scrap reduction and decreased downtime. We are very excited about the prospect of providing long-term benefits to our customers, employees and community by continuing to implement lean principles." Company Operations Manager