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Highlighting two of Santa Clarita's core industries – aerospace and defense, and advanced manufacturing, the Santa Clarita Valley Economic Development Corp.'s Aerospace and Defense Coalition toured B&B Manufacturing in Santa Clarita on Thursday.

Some 60 people registered for the tour, three-quarters of them aerospace coalition members, said Holly Schroeder, president and CEO of the SCVEDC. The tour gives member organizations a chance to see lean manufacturing in practice.

"Different companies have different capabilities," Schroeder said. "It helps (people) envision opportunities for their company."



Simply put, the concept of lean manufacturing is based on removing any wasteful tasks or steps that don't add value to the end product – or add unnecessary costs to the process.

Escorted in small group tours led by B&B Manufacturing management, coalition members walked through 120,000 square foot plant housed in five adjacent buildings. With 215 employees, viewing B&B's lean manufacturing in practice equated to seeing roughly only one employee every 558 square feet. Yet, the company

has sales of \$50 million annually.

The firm, however, didn't always employ lean manufacturing methods until it experienced a big upset many years ago.

"An aerospace company that we contracted with halted shipment of \$3 million in products," said Jeff Lage, vice president of B&B Manufacturing. "That started our journey toward practicing lean manufacturing."

With machinery, much of it automated, worth millions of dollars in value, only one employee runs five specialty machines – that is until the company bought a sixth machine. B&B has more than 115 computer numerical control machines.

One part-time person moves all of the parts in and around the manufacturing plant on a daily basis. Key performance indicators are posted throughout the plant, along with white



boards where employees identify and solve work place problems.

The only people with an office at B&B are those who work in Human Resources. Everyone else from the president on down works out on the floor in cubicles, staying connected employees and the tasks at hand of producing quality driven, complex machined parts and assemblies to some

of the biggest names in the aerospace and defense contractors.

Working in 'cells,' or teams, employees on hand for the company's Q&A session said they were energized by the continuous learning and process improvements that are wholly embedded in the company's culture.

"I started 10 months ago and was pushed to grow," said Adam Alonzo. "I ended up in contracts and the process just gets better. I've learned more here than I learn in school."

That "push" to learn is part of the company's training and development program which they estimate costs some \$25,000 per employee in their first year of employment. In follow-up years, 10 percent of an employee's hours are spent in ongoing training. Group leaders are chosen for their ability to mentor and develop employees. B&B managers said their bottom line revenue has increased as a result of the focus on continuous learning and improvement.

"The results are impressive," said Kathy McIntyre, client advisor with the California Manufacturing Technology Consulting group. "Other big defense manufacturers are only hitting around 90 percent on time delivery marks. B&B's record is 97.5 percent," McIntyre said. The CMTC helped sponsor the coalition's tour.

The Aerospace and Defense Coalition was first identified as one of Santa Clarita's key industries in 2010 when an economic consulting firm studied the business makeup of the region.

While the presence of research organizations and access to government agencies was rated as weak, the consulting group identified many strengths in both the local aerospace and manufacturing industries. A skilled workforce and proximity to market were the top two factors bolstering the local industries.

"The coalition was formed in partnership with the EDC a couple years ago to provide administrative support, but we re-energized it in the second quarter," Schroeder said. "We had a presentation based on the study of the industry in California and organized this tour to showcase one of our leading businesses."