

Food Makers Bakery Equipment uses a Lean Transformation Program to Improve Efficiencies and Reduce Operational Costs



Food Makers Bakery Equipment is a family-owned business that has been serving the baking industry for more than 30 years. The company manufactures a variety of fabricated goods and equipment parts - from single units to complete baking systems. The company offers a range of equipment including mixers, dividers, proofers, bread systems, baker racks, tables and more. The organization has 47 employees and is located in Irwindale, CA.

The organization was challenged by delays during the production process, particularly for their popular baker racks and tables. This was impacting their client retention efforts. They also wanted to decrease lead times, improve their efficiencies, and reduce operational costs so that they could become more competitive in the market for new customers. For example, the lead time between the order placement and delivery of their baking racks and tables was between 4-6 weeks. Feedback received from current and potential clients indicated

that the organization could become more competitive with lead times less than 4 weeks. Food Makers Bakery Equipment wanted to adopt Lean tools to improve efficiencies to retain clients by decreasing lead times, reduce costs and increase competitiveness.

The owners of the company connected with CMTC in November 2014. After an initial evaluation of needs, it was determined that a Lean Transformation Program would address the organization's challenges. This program utilizes various Lean tools and training to identify weaknesses and improve operational performance. A Lean 101 Awareness Training session introduced key managers and employees to Lean principles.

Value Stream Mapping (VSM) was used to create a visual representation of the company's current state of its production conditions and an improvement plan for the desired future state of its production conditions. A Kaizen event was conducted on their key production lines for baker racks and tables to identify and eliminate excess costs and delays during the production process. 5S training coached employees on how to reduce clutter and keep the workplace more organized to enable a more efficient and smoother production process. Employees were given recommendations on how they could reorganize equipment on the production

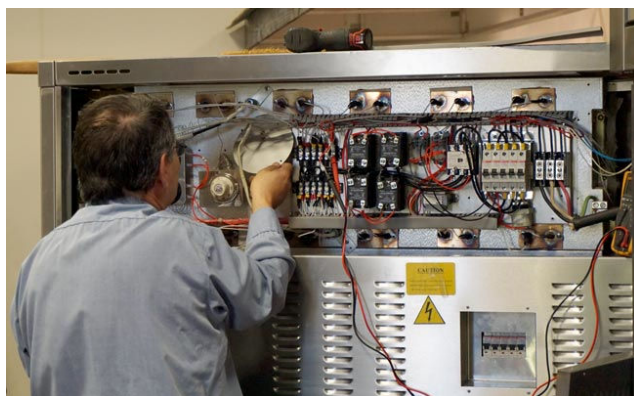
floor, which would enable them to improve the flow of operations, and eliminate unnecessary equipment and supplies. Managers were also trained on how to sustain the improvements. Consulting and training concluded in April 2015.



As a result of the Lean training, Food Makers Bakery Equipment was able to improve efficiencies and operations. Delays on the production line for its baking racks and tables were decreased and lead times reduced from 4-6 weeks to 2-4 weeks. This allowed the company to retain 5% of their sales and 5 jobs. The elimination of excess costs and waste on the production floor also enabled the organization to realize 3% in cost savings, which they used to invest in new equipment, IT, and advertising. The improvements and increased advertising allowed Food Makers Bakery Equipment to become more competitive in the market and the company projects 10% increase in new sales.

“CMTC’s Lean Enterprise Program empowered us to become more efficient and productive. Our improved operational performance resulted in a 10% increase in new sales and a 3% decrease in expenses.”

- Tom and Linda Fowler, Owners



Results from the project:

- 10% in increased sales
- 5% in retained sales
- 3% in cost savings
- 5 jobs retained
- \$237,000 in capital investments