IMPROVING SALES THROUGH LEAN

WARREN PACKAGING



Warren Packaging, a family-owned and operated manufacturing company, provides custom labels and performs specialized paper-converting tasks, including producing corrugated packaging and folding cartons, for use in a variety of businesses. These industries span food, health, beauty products, gaming, batteries, and electronics. Warren Packaging is headquartered in Ontario, CA and employs 16 workers.

Challenge

Warren Packaging was going through a period of rapid growth and change. Unable to meet increased demand from their customers, they began suffering from high lead-times and poor customer satisfaction ratings, resulting in a loss of orders to competitors. There were also quality, workplace organization, and inventory control issues, as well as a lack of key performance indicators. Without quantifiable measures, it was difficult for the company to ascertain how to resolve their problems. Warren Packaging realized that it needed to improve it's workplace "value stream" in order to keep up with customer demand.

Solution

Warren Packaging connected with CMTC and, after analyzing the situation, a CMTC consultant designed a Lean Manufacturing transformation project to address the company's issues and position Warren Packaging for growth. Four subject areas were addressed: leadership and culture; information flow; material flow; and process efficiency. CMTC began by helping Warren Packaging determine its essential corporate values, and define what they wanted to be and how to get there. To improve information flow, CMTC engaged the company in process mapping and a "current state" map was created which included input on issues and suggested improvements from a crossfunctional team of employees. A new "future state" map was then created which provided a framework and guide to improve communication accuracy and improve ease of use, internally and externally. Material flow was addressed by obtaining suggestions from shop personnel and incorporating those ideas and recommendations into the future state map. Changes to the physical plant were also made. Improvements to the information flow and material flow relied on the Japanese principle of Kaizen which helped the company focus on the best ways to move forward. Process efficiency was addressed by incorporating the principles of 5S workplace organization, with walk-throughs and daily meetings instituted to improve reporting and help workers understand immediate tasks and overall goals.

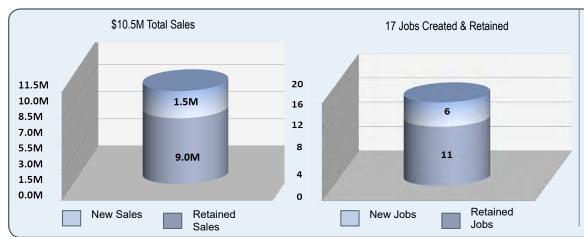
The changes implemented positively affected the morale and structure of Warren Packaging. By helping the company improve information flow, workflow, communication, lead times, and overall organization, CMTC enabled Warren Packaging to focus on growing their business.

"With the support of the California MEP Center, CMTC, Warren Packaging was able to implement a Lean Manufacturing rollout that resolved issues involving quality, inventory control, and customer satisfaction. CMTC helped transform the way we manufacture -- and the way we "think." The result for the company? Increased margins, improved communication, and better employee morale."

Mike Ditenber, Director, Operations



www.warrenpkg.com



FINANCIAL & PRODUCTIVITY RESULTS

- \$1.5M in new sales
- \$9M in retained sales
- 6 jobs created
- 11 jobs retained
 - \$175K cost savings