

Lean concepts pull Seaman, RBB to top of the heap

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WOOSTER -- Bruce Hendrick was following a mantra from an Intel executive.

Richard Seaman was looking for a method to improve the quality of his first run yields.

Whatever their motivation, the steps implemented by the two local business leaders to streamline the efficiency of their companies when the economy was strong during the mid-2000s are a big reason why both not only survived 2009's global financial crisis, but came out stronger in 2010.

Seaman, president and CEO of Seaman Corp. on Venture Boulevard, and Hendrick, who fills the same capacity for RBB Systems, were featured on the cover of Smart Business Magazine for their foresight, which can be credited with pulling the businesses through the worst economic year since the Great Depression.

"The truth is, it had everything to do with our success in 2009," said Hendrick, whose company produces small batches of specialized electronics for customers. "We've improved our performance in terms of service and quality -- we served 20 more customers through that same period of time and were able to attract them because we have a stronger brand image. I think people understand what a job shop is here to do, and we're delivering on that promise much better than we used to because we've optimized our new vision."

Using lean sigma strategies to create a more efficient working environment and reduce costs, Seaman Corp. and RBB have applied the practices both in their manufacturing and office sectors.

"It's something developed by Toyota, which may not have good (public relations) at the present time, but historically has done an incredible job," said Seaman, whose company produces highly durable fabric used around the world. "We found a consultant to help us understand lean sigma concepts."

"They started with our manufacturing processes and what they were able to do was significantly improve our quality, and also reduce the cycle time. When applied appropriately to our business process, it improves the quality and productivity of that process as well, which increases the flexibility and capability of the organization. Over the five or six years we've been doing this, we have seen a tangible savings of \$6 million."

Taking a page from Intel Chairman Andy Grove's notion of "healthy paranoia," Hendrick said companies can't afford to be stagnant during good times.

"When companies rest on those good times and become complacent, that's usually a very dangerous thing to do," Hendrick said. "RBB needs, as do all manufacturers, to constantly be honing itself to provide new services, better services, higher quality at a lower cost, and you can't do that by resting. You've got to be willing to push the organization."

Seaman is so pleased with the results from his lean implementation he's working with Ohio gubernatorial candidate John Kasich to have the measures implemented in the state government should he gain election. Currently, Iowa's state government uses the strategy to increase efficiency and reduce cost to taxpayers.

"I think it would go a long way toward improving cost and production at the government level," Seaman said. "(Kasich) came to our plant a few months ago and we gave him a tour of our facility. I shared with him what lean sigma has done for us, and he's very interested in it. We've had a number of conversations about it, and I think if he's successful in his attempt to become governor, it will be a key initiative in terms of how to save money at the state level."

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