

INCREASED SALES AND COST SAVINGS ACHIEVED AS A RESULT OF WORKFORCE TRAINING

BACKGROUND:

OPEX Corporation is a recognized global technology leader in high-speed mailroom automation, document imaging and material handling. This family-owned business, headquartered in Moorestown, New Jersey, provides performance enhancing workflow solutions and cost-effective results to thousands of organizations worldwide. Billions of transactions take place every year on OPEX machines. OPEX systems are installed in financial services, healthcare, government, non-profit, utility, service bureau, insurance, retail, telecommunications, and university/educational marketplaces.

This leading New Jersey manufacturer operates a net-zero manufacturing complex. Since April 2012, OPEX has derived 100% of the electrical energy needed to operate its 250,000 square foot manufacturing, distribution, and administrative facilities from a 2.77 megawatt solar array. OPEX is proud to say that every product they make is manufactured using 100% renewable electrical energy derived from the sun.

While many companies have outsourced their skilled manufacturing operations overseas, OPEX has opted to not only retain, but expand its manufacturing capabilities within the United States. The company recently opened a state-of-the-art 42,000 square foot metal fabricating plant in Pennsauken Township, just down the road from its headquarters. OPEX, which is celebrating its 40th anniversary, was recently awarded the NJMEP/NJBIZ New Jersey Manufacturer of the Year Award in the Large Manufacturer Category at Made in New Jersey in celebration of National Manufacturing Day 2015.

CHALLENGE:

John Kretzu, Manager of Production, recognized the urgency of implementing further Lean efficiencies on the OPEX assembly floor largely as a result of the increasing number and complexity of new OPEX product offerings. According to John, Production needed to become more versatile and react quicker in order to maintain their demanding production schedule. John chose to partner with NJMEP to provide training in Lean concepts to the production staff, engineering group and select supervisors.

Meanwhile, in the Mechanical Engineering department, they had recently purchased a new software package to allow them to design parts faster and more accurately. This required in-depth training for the Engineering staff in order to maximize the benefits of this new program.

SOLUTION:

OPEX contacted New Jersey Manufacturing Extension Program, Inc. (NJMEP) to assist with the implementation of the Lean training. The training, which was implemented using a NJMEP resource, was conducted in three steps: an overview of Lean concepts and benefits; an in-house Lean 101 workshop detailing Lean concepts and demonstrating them in a simulated setting; and lastly, a comprehensive Lean manufacturing training program that consisted of seven courses ranging from Lean Tools and Techniques (5S Systems and Visual Production Methods) to Team Building and Business Communications -Writing Basics for the Workforce.

In addition to developing and implementing the multi-phased Lean training, NJMEP assisted OPEX in securing a Skills4Jersey grant from the New Jersey Department of Labor and Workforce Development (LWD) for the final phase – the comprehensive Lean manufacturing training.

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NJMEP also coordinated training for the new engineering design software tool with a certified training resource, which allowed the entire Design Engineering team to ramp up quickly on the new software program, and with minimal disruption to ongoing projects.

RESULTS:

As a result of the Lean implementation, OPEX realized improved efficiencies on the production floor that allows them to react quickly to order demand. Following the training, Kretzu implemented single-piece flow into the assembly cells, cross-trained the Production employees, established Takt times for each assembly cell, created standardized workstations within the cells and instituted a 5S plan to maintain the improvements.

These improvements are largely credited for the following:

- A \$2,000,000 indirect increase in sales
- The hiring of 40 new employees in the manufacturing, production and engineering departments
- A \$150,000 cost savings as a result of awarded grants

Additionally, the Skills4Jersey grant saved OPEX \$43,200 toward the cost of training.

Mr. Kretzu reported, “The opportunity to participate in NJMEP’s customized training program provided OPEX with in-depth and diverse modules to address specific training needs for a broad spectrum of the organization. The Lean training allowed us to identify inefficiencies in our current manufacturing processes that resulted in saved time and money in producing our equipment.” He added, “OPEX is able to work more effectively in a team setting as a result of the training.”

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