

## **LEAN IMPROVEMENTS TAKE CUSTOMER SERVICE TO A WHOLE NEW LEVEL**

### **BACKGROUND:**

**Centryco**, a certified woman owned business, is an ISO 9001:2000 certified custom manufacturer of bellows, way covers, and spring metal guards that shield operators and equipment from machine-generated debris. Since its founding in 1946, Centryco's product line has expanded to meet the ever-increasing need for protective covers. Its installations can be found worldwide. The company employs 30 in its Burlington New Jersey facility.

### **CHALLENGE:**

As a customer-driven company, Centryco wanted to improve things... expand its core competence and strengthen its technology to meet an ever-increasing demand for global rod, shaft, screw, and way protection of all types. As Mary Gordon, president of the company explained, "We've been operating in this building for 36 years and, while we've made improvements over time, we've never really kept up with the "stuff" that accumulates over the years. Samples we've made for customers or tradeshow, literature that's outdated, spare parts to equipment we no longer have or worse, we don't use but it's still occupying space." This clutter, real but also symbolic of mental disorganization, needed to be changed.

Ms. Gordon, and Bill Hartman, Vice President, attended the NJMEP workshop, Principles of Lean Manufacturing with Live Simulation. As a result of the workshop, the two believed introducing Lean manufacturing into their operation would be the perfect means to meet their objectives: improving customer service, decreasing lead time and reducing inventory.

### **SOLUTION:**

Working closely with NJMEP, a plan was developed and funding was secured through a New Jersey Department of Labor Customized Training grant. Over the course of the one-year grant period, NJMEP provided 80 hours of Lean training to Centryco's entire workforce. The training included:

- Introduction to Lean Manufacturing
- Value Stream Mapping
- The Financial Benefits of Lean
- Implementing 5S
- Applying Lean to the Manufacturing Process

Training began with Value Stream Mapping (VSM), a process that forces companies to focus on what they're doing, how they do what they do and what activities are required to get it done. VSM also helps them to identify the waste in the process, which, as Ms. Gordon pointed out, "could be anything and be anywhere." It was followed by 5S. "The 5S portion of the program helped us segregate needed, wanted, and to-be-eliminated items throughout the business," explained Ms. Gordon.

The new Lean processes have become part of the Centryco culture. Ms. Gordon continued "The real key to our success to date has been the eye-opening attention given to processes we had come to take for granted. Our training with NJMEP and Joe Pranzo allowed us to see the time/efficiency killers in our process flow."

### **Connect with NJMEP:**



## RESULTS:

The elimination of wasted time and activities positioned Centryco to be more competitive in pricing on the lines where Lean tools and processes have been applied. Moreover, the company has been able to improve internal quality so that the customer rarely, if ever, sees any defect. Ms. Gordon reported, “The metrics we put into place have eliminated the potential “fall through the cracks” opportunities with information as well as production oversights.

“But the best result” she added, “has been our ability to dazzle the customer with “product on their dock” when they want it, and sometimes –often –before. In our customer surveys we ask what the customer experience is and it’s typically “spectacular service; delivery that’s impressive.” Our customer service and support has become our trademark, so to speak. Thanks to our Lean improvements, we’ve taken that to a whole new level.”

As a result of the implementation of Lean:

- Incoming sales leads are contacted within the same day
- 100% of RFQs are responded to within 2 hours
- 96% of quotes are issued typically within 24 (real-time, as compared to work day) hours –down from 48.
- 0 RFQ’s “lost” or misplaced or forgotten
- Lead times for 3 product lines were reduced by 25 –50%
- 2 additional people were added in the last 18 months
- Reorganization of raw materials created a safer work environment (0 workplace accidents) and better and quicker confirmation of inventory levels (fewer unnecessary purchases).
- Increased sales \$50,000
- Training cost savings \$27,200
- Retained sales that could have been lost \$15,000
- Achieved overall cost savings of \$50,000
- Investments in New Products & Processes –\$15,000

NJMEP and Centryco continue to work together on a 2nd grant for Lean training and implementation.

**Mary Gordon explained, “Although it was difficult for many of us to retrain our thought process, after a while, we were able to recognize that Lean made sense to us for address so many of our issues. We have seen significant improvements as a result of the grant and are looking forward to continuing training. Training was a great experience. It improved our skills, helping us to become more efficient and effective.**

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