

NEW LEADERSHIP, NEW FACILITY AND WORKFORCE TRAINING POSITIONS COMPANY FOR GROWTH

BACKGROUND:

For over 15 years, Novel Ingredients has established a standard of excellence in the distribution of premium botanical ingredients. Under the new leadership, Novel has invested significantly in its people, our processes, and infrastructure, including the purchase in 2014 of a state-of-the-art manufacturing plant in East Hanover, NJ, USA. Having transformed the business, the company can now offer partners a remarkable portfolio of ingredient innovations, process technologies, and a suite of manufacturing capabilities.

Novel offers a wide range of services, including wet and dry milling, blending, granulation, agglomeration, and instantization within its 40,000 sq. ft. production space. The Company also offers full pilot plant and powder product development capabilities. The manufacturing site is ISO 9001 certified, USDA Organic and Kosher certified, and is an NSF GMP registered facility. Novel also maintains an Asia purchasing and quality office, based in Xi'an, China.

CHALLENGE:

The long term plan for Novel Ingredients required an aggressive strategy to meet its growth objectives. To do so there was a new team, plans for a move and need to change its certifications and improve its processes. Taking on these major changes could derail a company achieving its objectives but Novel did not plan to have that happen. To stay on course they brought in New Jersey Manufacturing Extension Program, Inc. (NJMEP).

SOLUTION:

NJMEP suspected Lean manufacturing Tools and techniques would benefit Novel so a Lean Assessment was conducted. The results confirmed Novel was an ideal candidate to transform its processes to a Lean model. NJMEP also explained to the company it was an excellent candidate for a NJDOL Skills4Jersey Grant. The grant, if approved would greatly reduce the costs for implementing Lean which would improve its processes and change its certifications.

Working closely together Novel, NJMEP developed an implementation plan and submitted a grant application. Once approved, implementation began. NJMEP and its team of resources trained 79 employees from front office, management and production in Lean, Business Management/Plant Layout, Excel, Quality Control Technology, Industrial manufacturing Technology and Materials Sciences.

Training took place while Novel was in the middle of moving from West Caldwell, where they had 5 GMP processing rooms, to the larger facility in East Hanover, where they have 35 GMP processing rooms. They were also going through the transition from a privately held company to an investment group ownership. Additionally, the changes they made in manufacturing required them to switch from complying to FDA's 21 CFR 110 (food) to 21 CFR 111 (finished dietary supplement manufacturer).

The training program helped bring more people into compliance with the expanded GMP regulations of 21 CFR 111. With the training, they were also able to make a smooth transition related to the growth of going from 5 processing rooms to 35 processing rooms.

The training enabled Novel to use Lean Processing techniques to develop the process flows of a much more complicated production flow with the larger building.

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RESULTS:

When responding to the NIST survey on the impact of the project Novel reported:

- Increased sales by \$800,000
- 6 new hires
- A cost savings of \$800,000 that included \$48,800 in training costs as a result of the Skills4Jersey Grant.
- \$180,000 invested in new processes and products

“NJMEP’s four trainers were all excellent. They were knowledgeable of the industry and were able to go very deep into what Novel would need to continue growth. They were able to talk to different levels within the company from corporate positions to non-technical workers on the shop floor. I was most impressed by the wealth of knowledge and their ability to pull out real life examples of the topics being trained, which made the training easier to understand and put into perspective. I would highly recommend NJMEP and its team.”

-Eugene Lepelletier,
VP of Quality and Technical Services
Novel

NJMEP’S MAIN SERVICE AREAS:

- Business Development Services
- Contingency and Emergency Planning
- Destination Innovation
- Energy Alliance Program
- ExporTech™
- Human Resources Solutions
- Lean Business Solutions
- Quality Management Systems & ISO
- R&D Tax Credits
- Six Sigma
- Supply Chain, Transportation and Logistics Services

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