

OMEP CLIENT PROGRESS REPORTS | SPRING, 2013



Construction Equipment Co.
18650 SW Pacific Highway
Tualatin, OR 97062c Hwy

ADDED LOCATION:
540 Jefferson Street
Sheridan, OR 97378

CEC had undertaken expansion into a new fabrication facility in Sheridan, Oregon to support their growing business demands. Initial work with the factory personnel resulted in a revised layout of the new facility to improve product flow and to better utilize high-bay floor space. Additionally, value-stream mapping of the various machine fabrication processes resulted in one-piece builds and minimal floor time for each large piece of equipment being built.

“OMEP has helped us put in place visual triggers and measures to streamline our manufacturing and internal measure processes.”

**– Gary Smith
President and
Co-Owner of CEC**



Cabinet Door Service

Cabinet Door Service
2900 Pringle Road SE, #150
Salem, OR 97302

OMEP has guided the Cabinet Door Service ownership team and employees in the development and implementation of a Lean Enterprise business model. Results are: employee productivity increased 30+%; raw material usage reductions of 20+%; capacity increased 50+%; and customer lead-times reduced 80+%; resulting in market share domination in the Oregon / SW Washington region. OMEP's role continues to evolve as a Trusted Business Advisor now assisting the ownership team with their long term Business Transition Plan goals

“Our improvement initiatives with OMEP have been key to our survival and the preservation of Oregon jobs within this tough economic climate. To this day, OMEP continues to be our partner in “shining the light” on what we may not know about our business, allowing us to move to the next level of deliberate growth and success within our targeted markets.”

– Cliff Stites, Co-Owner



Grove Made
17 SE 3rd, Ste. 503
Portland, OR 97214

Grove Made's desire to reduce lead-times and improve the way their business operated triggered a partnership with OMEP in 2012. Operationally, lead-times were reduced by 80%, quality and capacity were improved by 50% and work in process inventory was reduced by 90%. Financially, cash was freed up and profitability was improved. Employees and leadership have developed the mindset, skills and management systems that will assure continuous improvement of the business.

“Implementing OMEP's program saved us from the brink of extinction. It's great to see our new streamlined process and the cash we no longer have tied up.”

**– Joe Mansfield and
Ken Tomita
Co-founders and Co-Owners**



Fort George Brewery
1483 Duane St
Astoria, OR 97103

OMEPA has assisted Fort George Brewery with implementing manufacturing improvements into their brewery operations. This has included streamlining the final packaging processes; particularly on the canning line. Efforts are continuing with implementing Kanban for supplies and also making operations more sustainable through energy and material conservation.

"OMEPA has helped instill a culture of continuous improvement throughout our brewery leading to reduced waste and improved efficiency."

– Jack Harris, President.



Behlen Manufacturing
4000 23rd St.
Baker City, OR 97814

OMEPA assisted Behlen Manufacturing develop an operating strategy and self-managed workforce based on Lean Manufacturing. The operating strategy and the development of a self-managed workforce resulted in employee productivity increases in excess of 30%; finished goods inventory reductions of 70+%; set up reductions from 1.3 hours to less than 5 minutes; and customer lead-time reductions from 5-7 days to less than 48 hours. The Baker City plant's efforts have become the model for the other Behlen facilities around the country to emulate.

"By incorporating lean principles into our daily work schedules we have been able to produce our products and deliver to our customers faster than our competitors; additionally, we also created a very safe work environment. We have gone well over 6 years without a lost time accident. The sooner you start your lean journey the sooner you will be able to see the huge benefits."

**– Clint Morrison
Plant Manager**



Pacific Pine Products, Inc
17634 Highway 395
Lakeview, OR 97630

OMEPA has been working on an operational transformation with Pacific Pine Products in Lakeview, Oregon since early 2011. OMEPA has worked with Pacific Pine on a sustainable improvement implementation that includes Lean Manufacturing on the production floor, Leadership development, and Management based on a Visual Workplace. Pacific Pine is completely committed to Lean as a business operating philosophy, even to the point that their leadership team meets every day for a Lean Meeting.

"We turned to OMEPA during the economic crisis of 2008-2011; OMEPA provided the catalyst we needed to drive down manufacturing costs, save 50 jobs, and ultimately position our company to experience 50% growth coming back out of the Great Recession."

**– Greg Larson
Owner/Vice President**



Manufacturing Growth
Through Innovation

www.omep.org

PROGRESS REPORT FOR 2011-2013 BIENNIUM

FIRST 6 QUARTERS: 7/1/2011 - 12/31/2012

DETAILS

Companies Surveyed by national firm under contract with NIST-MEP	64 companies
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Jobs Created / Retained	1,266 jobs
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Increased Investment in Plant, Technology or Training	\$43,949,620
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Increased or Retained Sales	\$118,386,261
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Cost Savings	\$10,513,165
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ACTUAL PERFORMANCE YTD

Business Oregon State funding received	\$375,000
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Additional annual Oregon income tax revenue from jobs created/retained based on Legislative Revenue Office calculations 3/23/2009	\$6,709,800
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ROI	17.9
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ANTICIPATED PERFORMANCE FOR BIENNIUM

Business Oregon funding	\$500,000
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Estimated additional income tax revenue from jobs created/retained	\$5,300,000
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Estimated ROI	10.6
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1,266

Created /
retained
biennium to date

Invested in OMEP
\$375,000



Generated by OMEP
\$6,709,800



17.9 ROI

Note: = \$500,000

"IN ONE YEAR, OMEP IMPROVED OUR PRODUCTIVITY BY 33% AND SAVED US OVER \$5.5 MILLION."

– Cliff Stites, Owner-Mfg Manager, Cabinet Door Service

WHAT WE DO

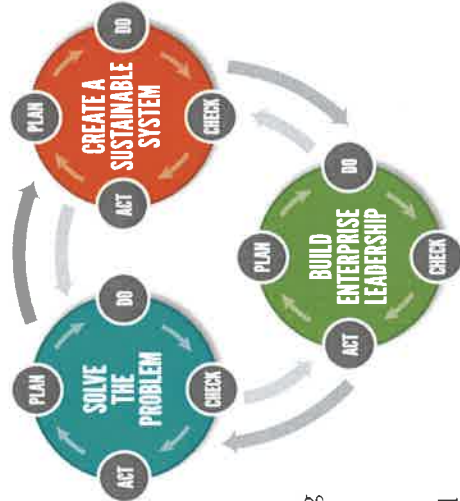
OMEP is a not-for-profit organization that aims to help Oregon manufacturers respond to the challenges of competing in an increasingly global economy.

We work with owners, executives, managers, and operators to assess company needs in all areas. We move quickly from assessment to implementation to ensure that the company's efforts provide an immediate payback. Regardless of our starting point, our goal is to unleash a company's growth potential.

OUR PROCESS

Every client requires a customized approach focusing on their specific obstacles to growth. Entry points range from creating improved flow on the production line, to speeding sales order processing, to training the workforce on problem solving approaches, to developing a strategy to enter new markets. Whatever the need, OMEP offers the tools, expertise, and the flexibility to engage with manufacturers at all levels.

GROW YOUR BUSINESS



OUR SERVICES

- Customer Focused Innovation
- Engaged Workforce
- Operational Excellence
- Supply Chain Management and Collaboration
- Green/Sustainability
- Global Engagement

"OMEP'S CONTINUED INVOLVEMENT IS VITAL ...[AND] NECESSARY TO COMPETE IN THE GLOBAL ECONOMY."

– Alvin Elbert, President
A.R.E. Manufacturing

OUR PARTNERS

OMEP is part of a national network of 60 MEPs across America administered by the MEP program of the U.S. Department of Commerce/NIST. In addition to national collaborations, OMEP has strong working partnerships at the state, regional and local levels. These partnerships include Business Oregon, regional and local economic development groups, workforce development interests, industry associations, chambers of commerce, and many more. The objective of these relationships is a stronger, more vibrant, and more profitable manufacturing community in Oregon.

WHO WE'VE HELPED

We've saved a helicopter company more than \$1.25 million, increased a cabinet maker's capacity by 25 percent, and hit record sales numbers for an electronics manufacturer while increasing their productivity.

Within every business, there are always opportunities for growth. OMEP helps companies identify and realize those opportunities. We've done it for many of Oregon's leading manufacturers, and as their businesses have grown, we provide the ongoing support to effectively manage that growth.

"OMEP HAS BEEN KEY TO OUR SUCCESS IN MAKING OUR LEAN TRANSFORMATION. WE HAVE BEEN WORKING WITH OMEP FOR OVER SEVEN YEARS NOW AND THE RESULTS HAVE BEEN FANTASTIC."

— Peter Murray, Vice President Operations West, Welch Allyn

WHO WE ARE

OMEP is a not-for-profit team of business and manufacturing professionals — one of more than 60 Manufacturing Extension Partnership resource centers nationwide — that aims to make Oregon companies more competitive.

OMEP supports growth and innovation at companies in a wide variety of industry sectors. A partner of choice for the economic development community, OMEP's emphasis on strengthening and transforming companies creates a ripple effect of positive sustainable impact on the business, the workforce, and the community.

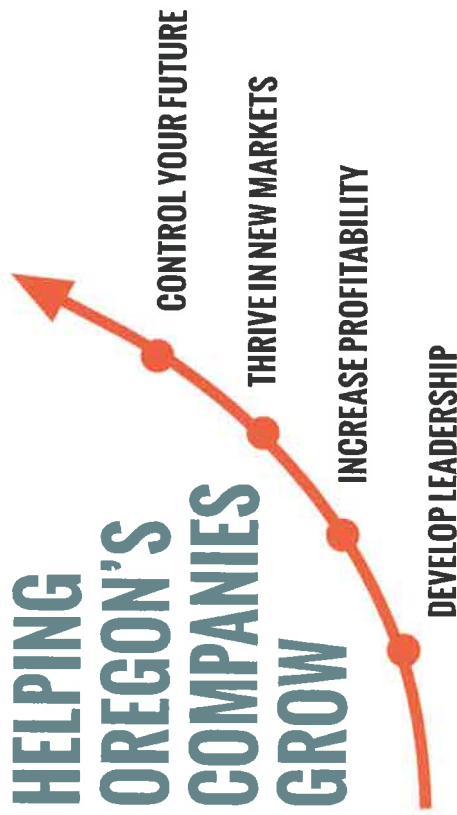
For more information about OMEP, please find us at omep.org.



Oregon Manufacturing Extension Partnership
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BACKGROUND PHOTO BY: WILLIAM WARBY



We bring advanced thinking and hands-on skills to guide you towards business improvements that lead to immediate results. Our goal for you is permanent, long-term profitability.

"THERE AREN'T TOO MANY THINGS THAT ARE GAME CHANGERS, BUT THIS WAS ONE OF THEM."

— Adrian Polliak, President
SAM Medical