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 SmithPresident andCo-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

OMEP CLIENT PROGRESS REPORTS | SPRING, 2013 CONT'D



Fort George Brewery 1483 Duane St Astoria, OR 97103 OMEP 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.

"OMEP 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 OMEP 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 MorrisonPlant Manager



Pacific Pine Products, Inc 17634 Highway 395 Lakeview, OR 97630 OMEP has been working on an operational transformation with Pacific Pine Products in Lakeview, Oregon since early 2011.

OMEP 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 OMEP during the economic crisis of 2008-2011; OMEP 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 LarsonOwner/Vice President



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
Jobs Created / Retained	1,266 jobs
Increased Investment in Plant, Technology or Training	\$43,949,620
Increased or Retained Sales	\$118,386,261
Cost Savings	\$10,513,165

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

1,266
Created /
retained
biennium to date
Invested in OMEP \$375,000
Generated by OMEP \$6,709,800
17 9 por

17.9 ROI

ANTICIPATED PERFORMANCE FOR BIENNIUM

Business Oregon funding \$500,000

Estimated additional income tax revenue from jobs created/retained \$5,300,000

Estimated ROI 10.6

Note: \Box = \$500,000

acific Wood

contact@omep.org

PROJECTS BY COUNTY

Partial list of OMEP projects:

Behlen Manufacturing St. Elizabeth Health Orchard Wood Cutters Edge Tasty Bake Products

CLACKAMAS

Benchmade Knife Co. Cascade Engineering Great Northern Corp. Miles Fiberglass and Exceed Enterprises J. Frank Schmidt & _ightspeed Aviation Oregon Ass'n of Bob's Red Mill Crimson Trace Composites

CLATSOP

Ft. George Brewery J&H Boat Works

COLUMBIA

Composites Universal Photo Solutions TNW Firearms

Hardin Optical S000

CROOK

DESCHUTES Abilitree

Advanced Manufac-Deschutes Brewery American Licorice Kialoa Paddles **Vlichi Design** Vocal Booth Structus Suterra turing

DOUGLAS

FCC Commercial Furniture

Malheur Lumber GRANT

The Fruit Company HOOD RIVER Diamond Fruit

JACKSON

Oregon Wild Harvest

Pioneer Pump

Oregon Iron Works

Nurseries

Collins Manufacturing Brammo Sports Micro Trains

JEFFERSON

Wilcox Farms **WW Metalfab** SAM Medical

Xzeres

Timbercon

Seith Manufacturing Earth20

Company N N N

JOSEPHINE

Pacific Cast

Fire Mountain Gems Bentwood Furniture Encore Ceramics Jefferson State -orest

KLAMATH

PROJECTS BY INDUSTRY

Medical

Food

Wood

Metal

Smith Bates MCX Inc. **HEACH**

Pacific Pine Products Consolidated Pine

MALHEUR Holy Rosary Medical

Bennett Stone and

Farwest Steel

Jody Coyote

Center

Concentrates The Trading Com-

Silverton Hospital

Cabinet Door Ser-Blazer Industries MARION

Mill Log Equipment

Newcod Display Willamette Valley

Columbia Helicopters Givaudan/Quest Chemeketa CC

MORROW

Boardman Foods MULTNOMAH Highland Laborato-

American Red Cross Alo Audio

CNH Parts & Service

CCI Industries

Best Manufacturers **Bridgetown Bakery** AmFor Electronics Ajinomoto Frozen Beall Corporation Applied Plastics Cascade Corp. Bushwacker Badge Print Machining

The Ulven Compa-

pany Truitt Brothers

McTavish Shortbread Harry's Fresh Foods Imperial Manufactur-Madden Manufactur-Connor Manufactur Mudshark Studios Miles Fiberglass Georgia Pacific **Energy Trust of** Daimler Trucks Houserworks Crary Shoes Gunderson Moventas Lensbaby Oregon

MALHEUR

HARNEY

LAKE

DOUGLAS

KLAMATH

JOSEPHINE JACKSON

Pacific Power Nature Bake NW Pipe

Streimer Sheet Metal Peco Manufacturing Stack Metallurgical QPM Aerospace Sunshine Dairy Service Steel Sign Wizards Speedy Moto Shed Rain Works

Fanner Goods feeny Foods POLK

McRae and Sons Hallco Industries TILLAMOOK

Marquis Spa

Electronics Machinery

Other

Columbia Steel

WALLOWA

UMATILLA

SHERMAN MORROW

MULTNOMAH HODD

CLATSOP COLUMBIA

WASHINGTON

TILLAMOOK YAMHILL

CLACKAMAS

POLK MARION

BAKER

GRANT

WHEELER

JEFFERSON WASCO

LINN

BENTON LINCOLN

DESCHUTES

LANE

Pioneer Asphalt

UMATILLA

/ Manufacturing Growth

Through Innovation

OMEP

JUNE 2012

Oregon Cherry Grow-WASCO

Integrated Biomass

Resources

WALLOWA

NASHINGTON

-ightSpeed Technolo-Hardwood Industries B&L Wood Products Cartwright Innova-Apex Industries JAE Oregon lions-ATAC Englander Acumed **Kinetics**

Q&D Manufacturing Reser's Fine Foods Northwest Signal ife Time Gate Maxim

Warne Scope Mounts Welch Allyn Vanguard EMS ductor

rriQuint Semicon-

YAMHILL

A.R.E. Manufacturing Cascade Steel Roll-Climax Portable Meggitt Silicone Northwest UAV Machine Tools Mission Foods Betty Lou's Products ng Mills

p. 503 406-3770

"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.

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

- Peter Murray, Vice President Operations West, Welch Allyn

WHO WE ARE

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

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

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



.2909 SW 68th Parkway, Suite 140, Portland, OR 97223 Oregon Manufacturing Extension Partnership p. 503 406-3770 | f. 503 406-3779 | omep.org







COMPANIES DREGON'S

CONTROL YOUR FUTURE

THRIVE IN NEW MARKETS

INCREASE PROFITABILITY

DEVELOP LEADERSHIP

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

"THERE AREN'T TOO MANY THINGS **FHAT ARE GAME CHANGERS. BU**J THIS WAS ONE OF THEM."

- Adrian Polliak, President SAM Medical