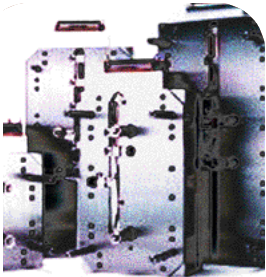


HUSKY

HUSKY Injection Molding Systems - Components



THE COMPONENTS BUSINESS, within Husky Injecting Molding Systems, primary role is to manufacture the components and assemblies for Husky's Machine and Robotics businesses. The facility and the experts that it employs have improved Husky's designs from the perspective of manufacturability, and have allowed Husky to maintain a higher standard of quality and on time delivery. The 200,000 square foot state of the art facility began its shipments in 1998 and is located on the Husky Main Campus in Bolton, Ontario, Canada.

THE CHALLENGE

- Inventory levels within the business have increased in the past few years. With decreasing lead times from the customer and ever modified part numbers, a difficult task of balancing inventory, obsolescence, and on time delivery became a challenge.
- The cost of materials attribute to a large portion of the manufacturing costs within the business. Although many corporate agreements have been negotiated, additional savings in the cost of materials were needed.
- In the Fabrication area of the business, searching for tooling and proper custom parts were quickly identified as the largest contributors to lost time. Other contributors to lost time were material handling and equipment scheduling.

- Due to long cycle times daily visibility of status was difficult. Results could only be seen after a complete project was completed or on the monthly financial statements.
- Gaps existed in the current Management Operating System. Although many of the system elements existed for different areas within the business, a complete Management Operating System was needed.

THE RESULTS

- An inventory model was created to forecast material requirements on long lead time items. Safety stock levels have been modified and a process to ensure minimal excess inventory has been created. Inventory levels are expected to drop by 20-25% in the next 6 months.
- A vendor review program has been created to negotiate with vendors not only on pricing, but also on terms, lead times, stocking programs, freight, and quality. Currently all vendors reviewed have met or exceeded the targeted savings. The total targeted savings is valued at \$600,000 USD.
- Material yield has increased by 14% with the use of "Kan Ban" (stocked) items and storage of remnant pieces at the laser. The total estimated savings is over \$100,000 USD.
- Kitting, as well as several method changes in the Parts Preparation area has increased productivity in the area by 23%.
- A detailed management operating system has been implemented to allow the business to manage key indicators and identify performance variances.

THE TESTIMONIAL

MR. STEVE LAWRYNUIK, GENERAL MANAGER, COMPONENTS : "As we wrap up the project at Husky Components, I would like to compliment you on your teams' excellent work. The professionalism, tenacity and team approach brought to our business were critical to the success of the project. The long-term benefit of this initiative extends beyond the financial aspect of the project itself. Your team has acted as a catalyst to help establish continuous improvement as a core business behaviour."

Carpedia International is a management firm uniquely focused on helping leading companies implement sustainable improvements in revenue growth, productivity, and asset utilization.

CARPEDIA
RESULTS NOT REPORTS™