

Lean Increases Sales and Revenue for Medical Manufacturer



Background

With over 60 years of business under their belt, Alden Tool Company is a specialty tooling manufacturer, focused on producing surgical cutting tools for the medical industry. The medical industry makes up about 90% of their business, but they also produce small precision parts for machinery builders.

Alden Tool had previously been involved in many different industries, including screw machines, specialty cutting, and commercial production before settling into mostly medical manufacturing.

Alden Tool is privately owned and headquartered in Berlin, CT. They also employ approx. 25 employees. Notably, Alden Tool was the first company in the United States to make a tool that helped pioneer the development of CPM products.

Situation

During initial meetings with Alden Tool's President Chuck Muravnick and Vice President John Killeen, CONNSTEP uncovered some opportunities to improve their order entry to production process, resource constraints, and lead times.

At the time, incoming job orders were taking too long to reach the floor. The production line was experiencing bottlenecks in the rotary cutting tool process. Because of the bottlenecks, which included the order entry process, lead times began to extend. Additionally, too much inventory on the shop floor caused process flow interruptions, which also contributed to longer lead times. In addition, the engineering team (which worked on developing the process for tools) was experiencing redundancy on jobs that were from repeat customers, and required no changes.

Results for Alden Tool:

- Increased sales – 7% or \$250K
- Reduced process times by two hours a day
- 13 new jobs created
- New investments – \$97K



Working with CONNSTEP was an educational experience, and valuable for our company. Through team work and collaboration, we've meet our objectives and continue to experience success.

John Killeen
Vice President
Alden Tool Co., Inc., Berlin, CT



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They were also responsible for other non-engineering clerical activities, which took too much of their time and disrupted their output.

Solution

CONNSTEP introduced several Lean techniques that improved overall process flow, including order entry, which reduced the engineering time and increase the rate of jobs to the production floor. CONNSTEP also, and created efficiencies by lowering lead times, reducing work in process, and increasing capacity. We eliminated the extra work for the engineering team by cross training additional staff members. This reduced process times by two hours a day, which improved lead times significantly. John Killeen spoke to the experience, noting “employee attitude was positive and open” during the transformation.

To combat delays between order entry and job processing, visuals were put in place to communicate when jobs were ready to hit the production lines, and other aspects of the job status. Revenues immediately began improving as well, with an improved master production schedule and decreasing lot sizes to meet

demand. As a result of all the improvements made at Alden Tool, they continue to be a leading competitor in their industry and have been able to invest back into the company to continue growing the business.



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