

# Birk Decreases Lead Times with Lean Transformation



## Background

Birk Manufacturing has been developing and producing thermal products since 1989, maintaining a high-quality standard which both aids in the development of their top line products and guarantees customer satisfaction. The company has maintained several quality certifications including ISO 9001:2008, ISO 13485:2003, and AS9100.

## Situation

Birk Manufacturing's 33,000 sq. ft facility has over 86 employees who recognize the value of Lean Manufacturing principles. "The staff has accepted and embraced the change to a Lean organization because it was gone about in the right way," explains Birk's President, Mike Mattox. Before implementing Lean and Continuous Improvement measures, Birk faced significant delivery time and customer satisfaction challenges. When fulfilling customer orders, timing and quality are everything. Mike Mattox knew this, but was struggling to find a solution to his company's issues around decreasing lead times and fulfillment rates.

## Solution

CONNSTEP helped Birk Manufacturing implement a structured roll-out plan for an Enterprise Wide Lean project, executing its stages over the course of a year. For the project to be successful, the entire organization needed to understand why the changes were being implemented. Company culture greatly influences daily productivity and the sustainability of continuous improvement strategies. Low or no involvement from the staff can result in a project derailing quickly.

Howie Birk, Vice President of Operations, explains, "Some of the changes can seem counter-intuitive at first. We experienced some resistance at first because

## Results for Birk Manufacturing:

- Improved lead time – 25%
- Increased sales – \$2M
- Reinvested \$220K in new plant equipment and workforce development



***"For us, Lean is a growth strategy. We've grown 40% ... and have become a much more profitable, flexible organization. Our Lean transformation has guided that growth and everyone in the organization has a stake in that claim."***

Mike Mattox  
President  
Birk Manufacturing, Bristol, CT



800.266.6672 | [www.connstep.org](http://www.connstep.org)

we were not clear on the long-term benefits of the changes. Once we proved that Lean was not going away, that it was important to the future of the organization, people came around.” Leadership credits highly visual results of Lean changes with helping the team embrace Lean principles and encouraging staff to contribute suggestions of their own.

Mattox’s commitment to keeping their processes Lean, employees engaged and customers satisfied provide the expectation for continual growth to occur.

The ability to react quickly to customer requests keeps Birk Manufacturing on that growth curve and towards the top of a long list of competitors. “Once your organization gets to a certain size, and you haven’t implemented Lean, or continuous improvement systems, you lose the ability – the ease – to react to customer requests and needs. A lot of our competitors have a standard 12 week lead time and tell you that’s just the way it is. Very few of our competitors have the ability to react as quickly as we can – a true competitive advantage for us. Using Lean affords us the luxury of staying fast and keeping margins intact,” says Mattox.

“Until recently, most of the production time was spent waiting for a panel to be produced. We now have most of the panels complete and tagged by dimension in our supermarket where the team member can go and grab exactly what they need. With the most time consuming part of the production now significantly reduced, we can turn around prototypes much faster, cutting days off of the request.”

With this new flexible prototyping system, Birk can now go after customers that were previously off limits. “In the past, we probably wouldn’t have gone after jobs because of volumes, but now, we realize that we can start right, setting up a cell to get it done efficiently and profitably.”

Important customer feedback has led to the adjustment of a new and significant Key Performance Indicator of ‘on time fill rate’ – now based on when the customer requests product delivery. “The new metric gives us a much clearer picture of how we are doing. When a customer calls and says I need it tomorrow; can we meet that expectation? That’s what we need to know.”

Where Lean process improvements have led to the elimination of staff or headcount in an area, company growth has created new positions at higher levels in other areas. Mattox calls these Lean improvements “a win-win for everyone.”

Since the initiatives began, Birk Manufacturing’s product lead time decreased from four weeks to three weeks, which is two weeks less than their closest competitor. Sales increased by \$2,000,000 and the company was able to reinvest savings of \$220,000 in new plant equipment and workforce development.



800.266.6672 | [www.connstep.org](http://www.connstep.org)



CONNSTEP, Inc. is a consulting firm strategically helping companies in Connecticut to grow their businesses and improve operational methodologies, leading to increased profitability, improved efficiencies, and creating sustainable competitive advantages in the marketplace.