

CHEMICO SYSTEMS

Gets Lean and Clean with MMTc

Chemico Systems is a member of the Suppliers Partnership for the Environment (SP). EPA, a partner of SP, sponsors a portion of the Lean and Clean Workshops facilitated by the Michigan Manufacturing Technology Center (MMTC), a National Institute for Standards and Technology (NIST)/Manufacturing Extension Partnership (MEP). Chemico Systems, with approximately 82 employees, operates two processes in Chesterfield, MI. Chemico specializes in paint maintenance goods and services, mixing degreasers, and multi-purpose cleansers on one side, and stripping parts on the other, both for the automotive industry. Chemico was excited at the opportunity to have employees participate in the Lean and Clean workshop.

Chemico held two separate workshops, one for the chemical mix process, and one for the part stripping process. Chemico selected a core group of employees to participate in the workshops and, to represent all departments.

One of the focuses of the workshop is to train employees on the Lean and Clean philosophy and how to define improvement opportunities. This overview includes examples of how other companies have successfully implemented lean improvements. Once initial training is complete, the work teams are given the opportunity to walk through their facility, identify value-added and non-value added processes, current and potential waste, and potential improvement areas.

One of the lean tools, a value stream map, is completed of the existing process and compared against potential improvements. At the end of the walk through, the team was impressed with the amount of information they had learned through seeing a familiar process in a different way. The walk through allowed employees to examine a process in the same manner that management does.

The next step of the workshop involved spending a few days brainstorming ideas for changes to improve the process. MMTC representatives encouraged all members to participate, allowing the whole team to be equally involved.

After the brainstorming session, team members were given specific assignments from the list of ideas to investigate feasibility and cost information. Employees gathered information and reported their findings back to the team. Team members were encouraged by the amount of money that could be saved through the implementation of their suggestions.

All information was compiled and presented to the executive management staff on the last day of the workshop. All group members were part of the presentation. Executive management was pleased to see how the principles from the workshop were used to identify potential improvements in the facility. Waste such as time, material and money were identified and specific projects for improvement were suggested. Through participation in the workshop, the employees now share the Lean and Clean philosophy that has always been a part of management's vision.



SUMMARY OF RESULTS

STRIPPING PROCESS

- Revamped current in-house washer. Now able to use two people to operate the equipment instead of 3. **Cost Savings of \$24,000 for the year.**
- Added insulation layer to existing tank. Reduced utilities by 5%. **Result in annual savings of \$3,888**
- Changed the way parts were downloaded. **Decreased cost by \$5,000.**

CHEMICAL PROCESS

- Reduced minimum buy amounts, increased the number of deliveries. **Annual savings of \$1,246**, by reducing carrying costs of inventory 2% per month.
- Purchased customer management software to allow for web purchasing, inventory monitoring, and automatic ordering. Eliminated 2 positions at the corporate office and increased overall efficiency of the manufacturing and paint removal operations. **Total cost savings \$150,000.**

