

INNOVATION DRIVES EXPANSION

ABOUT MAGNUS INDUSTRIES, LLC. Headquartered in Edmond, OK, Magnus Industries manufactures a diverse range of oilfield well, well-control, and well-testing equipment. With about a dozen employees, the three-year-old company has developed a manufacturing process that results in shorter lead times for new equipment and less downtime for remanufacturing, repair and service of existing equipment.

THE CHALLENGE. Like many other firms in OK, Magnus was dealing with the effects of a weak petroleum sector. The company was looking for opportunities to diversify and expand its business. "We were busy and humming along, but then the bottom fell out and projects dried up very quickly," says owner Wayne Darce. For ideas and support, Darce turned to the Oklahoma Manufacturing Alliance, a NIST MEP affiliate. They had worked with Magnus on several projects and enjoyed a solid relationship with company leaders.

MEP CENTER'S ROLE. The Manufacturing Alliance suggested Innovation Engineering might be a good direction since the company had talented employees and deep production knowledge. Innovation Engineering is a program of the Manufacturing Extension Partnership, which helps commercialize unique and cost-effective ideas. Innovation Engineering is a scientific method for accelerating more profitable products, services, customers, markets and processes. It's an accessible system for companies to accelerate existing ideas and quickly address important problems and opportunities. The Manufacturing Alliance brought in a certified Innovation Engineering Black Belt, specifically trained to teach continuous innovation concepts to Oklahoma manufacturers. He quickly measured the company's strengths, weaknesses, opportunities and threats to determine the best way to improve business. Since the energy industry showed no immediate signs of recovery, they realized via their analysis that Magnus needed to launch its own product line rather than remain dependent on outside jobs. Since setting up a product line from scratch can be expensive, they looked into buying one that was already established. With a widespread familiarity of the Oklahoma industrial landscape, the Manufacturing Alliance soon matched Magnus to a retiring owner hoping to sell his successful product line of hydro and vacuum-based excavator equipment. It was a good fit, similar to Magnus' existing work but with an established and prosperous market niche. Utilizing Innovation Engineering concepts, Darce took his firm's experience and expanded the new product line to offer a larger variety of sizes and applications. Now with successful new markets and activities, Magnus is positioned to develop its original work when the petroleum industry rebounds.

"I wish more people knew about the Oklahoma Manufacturing Alliance and took advantage of its resources. For us, it was a lifesaver."

-Wayne Darce, Owner

RESULTS



\$1.5 Million in increased sales



7 new and retained high-wage jobs



\$150,000 in new capital investments



Several new successful products

CONTACT US



525 South Main Street
Suite 210
Tulsa, OK 74103



(918)592-0722



www.okalliance.com



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