

CONTINUOUS IMPROVEMENT, FOCUSED MARKETING STRATEGY LEAD TO GROWTH

ABOUT TOLERANCE MASTERS INC. Tolerance Masters is an AS9100-certified contract manufacturer specializing in the production of close-tolerance flight-safety components for customers in the commercial and military aerospace markets. The company employs 55 people at its plant in Circle Pines, Minnesota.

THE CHALLENGE. Tolerance Masters was looking to grow its business by 15 percent per year over the next five years. To achieve this, the company needed to identify and develop new customers in key markets, increase its throughput, and improve its ability to meet the capacity and delivery demands of its customers.

MEP CENTER'S ROLE. Experts from Enterprise Minnesota, a NIST MEP affiliate, encouraged Tolerance Masters to take a multifaceted approach to growth. First, they assisted the leadership team in producing a marketing management system, providing a structured framework to help the company clarify its target markets, create a prioritized action plan, and institute an ongoing system to sustain the plan's execution. The project took place over six months, with the first three months dedicated to building a high-level integrated marketing plan. In the final three months, the company focused on executing the plan and measuring its progress.

In an effort to help Tolerance Masters improve its organizational processes, Enterprise Minnesota led a cross-functional team through a value stream mapping (VSM) project. As a part of this project, members of the Tolerance Masters team underwent training on Lean Manufacturing techniques to learn how to spot waste in their processes and how to implement improvements. At the end of the VSM, the team developed an ideal future state process and created an action plan.

Finally, Enterprise Minnesota led a select team of Tolerance Masters' staff through a rapid improvement kaizen event to increase throughput and improve delivery times. The kaizen event applied Lean principles and tactics to reduce unnecessary and excess inventory. Tolerance Masters implemented many of these solutions right away, and established 30-day action plans for solutions that couldn't be fully implemented during the kaizen. Overall, the multifaceted approach increased sales, produced cost savings, created jobs, and encouraged investments in the company's plant, equipment, workforce, and information systems.

"Every time we have engaged Enterprise Minnesota we've learned something new. With their help we have been able to cut our lead times and reach our growth objectives. Having Enterprise Minnesota as another set of eyes on our business has been great."

-Verne McPherson, CEO/Owner

RESULTS



Increased or retained **\$19M** in sales



Cost savings of **\$500,000**



Invested **\$2M** in plant or equipment, workforce, and information systems



Created **6** new jobs

CONTACT US



2100 Summer Street
Suite 150
Minneapolis, MN 55413



(612)373-2900



www.enterpriseminnesota.org

