

LEAN OPENS DOORS TO MAJOR PROCESS IMPROVEMENTS

ABOUT CALIFORNIA CLOSETS. California Closets is a national franchise that pioneered custom storage solutions in 1978. Marty and Ruthie Ginsberg first opened the company doors in Fairfield, New Jersey, and since then California Closets has grown to around 40 employees. The Ginsbergs' motto since day one has been to provide North Jersey residents with the quality materials, beautiful craftsmanship, and impeccable customer service that California Closets is famous for across America. Their deep understanding of the particular storage challenges in North Jersey homes helped them build a highly successful company.

THE CHALLENGE. Manufacturing locally has many benefits, as well as many challenges. No project is too large, small or unconventional for California Closets, so having efficient manufacturing processes is key to remaining profitable. Over the years the company has worked with the New Jersey Manufacturing Extension Program (NJMEP), part of the MEP National Network, to transform the shop through Lean Manufacturing. Now it was time to take the next step and introduce Lean concepts to middle and upper management. Naturally, California Closets turned to NJMEP.

MEP CENTER'S ROLE. NJMEP laid out a plan to introduce middle and upper management to Lean concepts via access to Lean Focused Manufacturing Software from Radical Transformation LLC. First, the team produced a Value Stream Map (VSM) for the order-to-cash process, from inception through loading. This included a current state VSM and a future state VSM, with ongoing refinements discovered through Kaizen improvement events. The goal was to eliminate any bottlenecks found in the system in order to accommodate a 1.5 times increase in sales without increasing shop labor.

The Lean transformation cross-trained employees. "They are now full participants in the reduction of production waste, factory efficiency improvements and manufacturing cost reduction," explained Marty Ginsberg. NJMEP assisted the company in implementing numerous improvements to reduce scrap, manage defects, improve first time pass rates, implement parts Kanban systems, and reduce the payroll to revenue ratio. It also worked with the management team to develop the skill of root cause analysis. "Our workforce has developed confidence and pride in their work," said Ginsberg. "Lean has helped us improve our bottom line."

"The Lean Training with NJMEP has increased our operational productivity and efficiency. NJMEP has been a great source of support. Not only did they help with the training when we first started on this journey, they assisted us with DOL grants from beginning to end. We might not be where we are today without the financial help that funding provided. We are very satisfied with their service and would recommend them to other New Jersey manufacturers."

-Marty Ginsberg, President & Owner

RESULTS



Increased sales by **\$250,000**



Obtained **\$150,000** in cost savings



Invested **\$100,000** new products and processes

CONTACT US



2 Ridgedale Avenue
Suite 305
Cedar Knolls, NJ 07927



(973)998-9801



www.njmep.org

