

LEAN CONCEPTS TRAINING LEADS TO BIG RESULTS

ABOUT MALACH. Founded in 2007, Malach Metal is a one-stop shop for designing and building custom parts. The processes used include CAD, cutting, machining, painting, and assembling. Their customers are transportation, agricultural, and heavy construction equipment manufacturers. Malach's focus on innovative technology and automation means it is constantly looking for new ways to streamline production processes and decrease turnaround time while maintaining quality, consistency and control. State-of-the-art design, modeling, and manufacturing technologies used by Malach help ensure that many parameters, such as fit between assemblies and formability, conform to specifications. The company also utilizes computerized system for order processing, inventory management, and production planning. The company uses of Electronic Data Interchange technology provides real-time and reliable access to customers' schedules and time frames.

Their mission statement is, "to provide superior sheet metal products and supply chain solutions that consistently meet or exceed our customers' needs and expectations. We strive to consistently deliver the highest quality products, exemplary service and exceptional value."

THE CHALLENGE. Excessive and poor placement of inventory, wasted space, and poor product flow were some of the problems that Malach Metal had realized and wanted to address. Impact Dakota and Malach Metal discussed options for addressing such problems and achieving higher levels productivity of company resources.

MEP CENTER'S ROLE. Impact Dakota provided training in lean concepts and with emphasis on layout and material flow, point-of-use inventory and resource placement, and other concepts supporting pull/kanban system. Eight people representing various functions in Malach Metals participated. At the end of training a list problems and of action items (projects) to address were developed and different people were assigned to work on various aspects of the projects. Over a period of 10 months, the company, using its internal resources, conducted a number of projects to address the problems. Malach has achieved high levels of success and is continuing its efforts to enhance the productivity of its resources.

"With the Lean concepts, we have reduced inventory. Keeping more working capital in the bank versus on the shelf in parts. Our Inventory went from holding six weeks to, two and three weeks in certain areas."

-Eric Lien, General Manager

RESULTS



50% reduction in Inventory Levels



Producing same number of products with same staff with 80% less overtime



Freed up 3,000 sq ft which is put to more productive use; Cost avoidance of \$300,000



Installed air dryer and better power wash systems, extra work-holding table



Reduced operator's time search and travel time, improved throughput

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