

## AGRI-MARK INCREASE PLANT THROUGHPUT TO MAXIMIZE USAGE OF ITS MEMBER-OWNED MILK

**ABOUT AGRI-MARK MCCADAM.** Agri-Mark's history as a dairy farmer cooperative in the Northeast goes back more than 100 years. The company has three cheese plants in Vermont and New York State, where they manufacture award-winning Cabot brand of Vermont Cheddar, butter, and other dairy products, the McCadam brand of New York Cheddar and Pepper Jack, and a variety of whey powders. Agri-Mark is owned by the more than 800 farmers who supply milk for the products; a diverse group of families raising as many as 2,000 cows, or as few as 20 cows, as some Amish families do. The primary cheese manufacturing facility, the McCadam plant in Chateaugay, NY, employs around 125 people full-time, and makes around 150,000 lbs. of cheese every day.

**THE CHALLENGE.** Dairy production involves tough standards for food safety, and producing award-winning cheeses year after year requires diligent consistency on the factory floor. Agri-Mark leadership's vision of steady growth requires that every worker understands some basics of continuous improvement. A cheese plant is sanitary by nature, but 5S training puts workers in the driver's seat for noticing and suggesting basic organizational improvements that reduce costs, increase productivity and provide a safer work environment. In addition to wanting to ensure plant staff were trained on 5S, leadership believed that a value stream map, including output data, to define the current state would reveal bottlenecks and prioritize solutions. For help Agri-Mark turned to CITEC, part of the New York MEP and the MEP National Network™.

**MEP CENTER'S ROLE.** 5S training for 16 employees gave the team the common language to eliminate the kinds of waste resulting from wait time, excess motion and transportation, and defects. The value stream map (VSM) exercise was performed with a cross functional team to allow for open discussions and innovation. As the team started to work on the current state map they all believed the tower was their bottleneck operation. Armed with stopwatches, pencil, and paper team members were assigned to designated processes on the floor to observe as employees performed their tasks. After several hours the team reconvened and once the data was all put on the wall, it was clear that the table operations were actually limiting their production. The team then began to look for improvements and listed them to create an action plan. From there, an improvement project was started to reduce the time the auger was "waiting for cheese." Ideas were tested and quickly implemented resulting in a 2% increase in plant capacity, which has resulted in a 2% increase in annual revenues, without having to add new resources.

"Performing a VSM forced us to set aside our preconceived notions and 'go and see' for ourselves. This allowed us to open our minds to the data we collected, and to be creative in new ideas for solutions. "

-Jason Martin, General Manager

## RESULTS



2% increase in annual revenues



2% increase in plant capacity



5S training and value stream mapping to truly see waste

## CONTACT US



625 Broadway  
ESD, Division of Science,  
Technology & Innovation  
(NYSTAR)  
Albany, NY 12245



(518)292-5729



[www.esd.ny.gov/nystar/nymep.asp](http://www.esd.ny.gov/nystar/nymep.asp)



**NEW YORK**  
Manufacturing  
Extension Partnership