

POLARIS MEP HELPS DOWNEAST COFFEE ROASTERS BREW EFFICIENCY THROUGH LEAN PROCESS IMPROVEMENTS

ABOUT DOWNEAST COFFEE ROASTERS. Downeast Coffee Roasters has, for three generations, been roasting unique global coffees from their Pawtucket, Rhode Island, facility. Nearly 30 workers roast, package, and deliver tasty brews and tailored coffee programs to some of the best food service operators and select grocery stores throughout New England.

THE CHALLENGE. “We thought we were doing a really good job,” said VP of Sales and Marketing Michael Kapos, “and we were. But you can always make a process better.” The manufacturer was growing its footprint, aiming at the New Hampshire market and expanding grocery sales. Downeast was considering a major investment to bring production of their cold brew in house. At the same time, production costs needed to be reduced. Kapos heard about Polaris MEP, part of the MEP National Network™, and lean manufacturing through a classmate in the Goldman Sachs' 10,000 Small Businesses program. “It's getting more and more expensive to produce that same pound of coffee. Whether it's labor costs, or raw materials, or the machinery. Just about everything keeps going up and up and up,” said Kapos. “Improving efficiency and cutting some production costs the lean way is not only a good thing to do it's a necessity to survive and grow and thrive.”

MEP CENTER'S ROLE. Polaris MEP Project Manager Nathan Bonds started with listening. Then he trained Downeast's team on lean manufacturing and value stream mapping. After learning about the eight wastes, the group began breaking down processes to develop a current state map and future map. Operations Manager Michael Fitzhugh said that he did not know what to expect. “I have worked with several consultants over my nearly 30 years in coffee industry and not one of them ever really asked how we did things or why. It was always a forced fit solution! The training was so much more than being handed lean tools and being turned loose.” Downeast Coffee began immediately implementing many recommendations, guided by a priority matrix. “When we looked at the future state map, we were able to see changes that would have the greatest impact. We drilled into those initially and you could see benefits right away,” said Fitzhugh. “With the future state, we have sections which are very exciting. We do the same process over and over and we might find that the future can be pretty quickly achieved.” Two-day kaizen events were a key part of the training, bringing larger groups of workers together to address and eliminate non-value-added activities desired in the future state. The increased efficiency helped Downeast contain costs while expanding capacity. In addition, the Lean tools the team had begun to master helped them decide not to bring cold brew production in-house. Kapos noted that, “On the surface it sounded so simple. But we spent a couple of days with Polaris MEP going through every step of the process in detail and discovered it wasn't something we wanted to do just yet.”

“It's not hard to see how much we saved in dollars by cutting so much waste; we also created a stronger team and boosted morale.”

-Michael Fitzhugh, Operations Manager

RESULTS



\$1,500,000 in cost savings



\$750,000 in increased or retained sales



10 created or retained jobs



\$400,000 saved in unnecessary investments



\$175,000 in new investment

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