

IMPROVED FLOW AND INCREASED CAPACITY

ABOUT DAKA CORP. DAKA Corporation is a family-owned metal fabrication manufacturer based in Pine City, Minnesota. Founded in 1977, DAKA Corp. employs over 30 skilled professionals in a modern 40,000-square-foot facility and offers state-of-the-art metal fabrication, CNC metalworking equipment, and AWS-certified welding for steel and aluminum. DAKA's primary product lines include structural steel, steel joists, stairways and railings for commercial construction, custom steel fabrication for clients and OEM's, a line of premium aluminum docks and boat lifts for marine recreation, wood burning stoves, and heavy-duty trailers.

THE CHALLENGE. DAKA Corporation had a product mix that was comprised of about 33% structural steel manufacturing, 33% aluminum marine production and 33% wood heating furnaces manufacturing. Historically it was a good mix for the company that allowed them to stay busy and profitable throughout the year. However, DAKA was faced with a significant change to their market when new efficiency rules for their wood heating furnace line came into effect, which effectively took this product line out of their mix. As President Kevin Anderson was looking at how to adapt his business in response to changing market conditions, new opportunities came along to produce heavy duty trailers for another local manufacturer and expand the marine side of the business. They quickly realized, however, that they had inefficiencies in their flow and ran into challenges when they tried to bring in new equipment and automation and fit it into their existing footprint.

MEP CENTER'S ROLE. DAKA Corp. initially engaged Enterprise Minnesota, part of the MEP National Network™, to perform a facility layout that would allow them to incorporate a new piece of equipment and take on a new line of business. As Enterprise Minnesota consultants learned more about DAKA and the company's goals it became clear that, before completing a facility layout, a value stream map (VSM) with all stakeholders would be most beneficial to ensure all parties were on board and that maximum efficiency for their footprint could be achieved.

The value stream map exercise helped everyone understand all the production processes that were occurring and gave employees a chance to provide valuable input to challenges and opportunities on the floor. From the information collected during the VSM, the facility layout portion of the project was conducted and implemented. Since successfully completing the facility layout project, DAKA has invested in additional automation equipment and tools that have helped them continue to grow and become more profitable.

"Enterprise Minnesota's experts really helped us coordinate our value stream mapping process, which was a team effort across the company. Everyone was involved in it, and it gave everyone a chance to provide input. After the value stream map, my employees seem to be more engaged and happier. It has opened their eyes to move past, 'this is how we've always done it,' and that change can be a positive thing. When we implemented our plant layout, we were able to handle the increased volume without any expansion and it really increased our efficiencies."

-Kevin Anderson, Owner & President

RESULTS



4 created or retained jobs



\$1,300,000 in new or retained sales



\$500,000 in new investment



\$100,000 in cost savings

CONTACT US



2100 Summer Street
Suite 150
Minneapolis, MN 55413



(612)373-2900



www.enterpriseminnesota.org

