

HUGE VALUE IN VALUE STREAM MAPPING

ABOUT SAGEWOOD GEAR. Sagewood Gear is a specialty outdoor adventure equipment manufacturer based in Duluth, Minnesota. Products include tactical knife sheaths, fire starters, field journals, tape and cordage, and other accessories. Sagewood Gear was founded in 2014 and employs four people from a single production facility.

THE CHALLENGE. Founder and owner Brian Gustad had been working to apply lean manufacturing principles to his two-person shop for years, but had difficulty translating techniques and best practices from manufacturing literature to his small operation. Brian knew he had reached the limit of what he could improve on his own. He needed outside expertise to take his continuous improvement journey to the next level.

MEP CENTER'S ROLE. Gustad was referred to Enterprise Minnesota, part of the MEP National Network™, through a small business development group in Duluth. When continuous improvement expert Ally Johnston began working with Sagewood Gear, she was impressed with the level of lean implementation Brian had been able to achieve on his own. Johnston worked with Gustad to map out and define his key processes and value streams so extra steps and redundancies could be eliminated. A significant takeaway that resulted was to rearrange the shop floor layout for better flow, which would allow for greater utilization of equipment, including new CNC machines. From this work, Gustad identified he could reduce a major bottleneck in his process by introducing a new product design that was easier to manufacture. He also reduced the number of options and colors to focus on the most popular and profitable products. After implementing these key adjustments, Gustad developed new tooling and production methods that have cut lead times significantly and increased his overall throughput.

"Enterprise Minnesota taught me how to think when it comes to value streams. For instance, we went through a value stream mapping exercise, and Ally showed me how to think about problem solving, without doing it for me."

-Brian Gustad, Owner

RESULTS



2 jobs retained, 2 jobs created



\$150,000 in retained sales and \$50,000 in increased sales.



\$25,000 in cost savings



\$20,000 in new investment in products, processes, and equipment

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