CLIENT SUCCESS: RAM DBA AIRBORNE

University of Utah MEP Center

Ram Company has had great success with our continuous improvement events when working with MEP. We have learned many valuable Lean manufacturing and continuous improvement techniques from MEP.

> Jim Fernandez, Lean Manager

Improved Performance and a Drive to Double Growth Rates

RAM Company designs and manufactures solenoids, valves, and pressure switches for multiple military and commercial aerospace applications. They also manufacture a variety of other applications for use on land, sea, and in space. Ray holds 23 U.S. and foreign patents for solenoid design, and has received many awards and recognitions, including The Governor's Medal for Science and Technology. Ray and Melzie Ganowsky founded RAM Company in 1975. Located in St. George, UT, the company currently employs 85 people.

Situation:

RAM company has a culture of growth and technology advancement. The company doubled the size of its facility to accommodate growing demand and increase product flow. RAM had been growing at a rate of about 15% annually. As growth continued, on-time delivery rates began to fall and parts manufactured in the machine shop were not getting to assembly on time. Coupled with management's desire to double the company's growth rate, RAM turned to the Utah Manufacturing Extension Partnership (UT MEP), a NIST MEP affiliate, to help.

Solution:

The company held a Kaizen improvement event with UT MEP's assistance to accomplish several goals. The company wanted to make sure jobs in the machine shop started on time, to find ways to move jobs through the machine shop faster, improve on-time delivery of finished products to customers, and make better and more timely make-or-buy decisions. During the event, reports were developed that provided a wide array of key operational metrics for the machine shop. Capacity profiles were created for every machining cell which provided critical operational information including: work load, machine capacity, number of days for jobs to be completed, number of jobs completed, on-time delivery, cost of overtime, cost of rush shipments, and rejection percentages. Analysis of these metrics helps the company better manage workload, improve efficiency, and improve on-time delivery. RAM's software vendor was brought in to help use the existing computer planning software to plan and predict plant work load, resulting in timely make-or-buy decisions.

Results:

- 20% growth in sales
- · Improved on-time delivery and lowered shipping costs
- Reduced overtime costs

20% growth in sales