

Success Story

Lean Training, 5S Training (Root Cause Analysis)

Burr Oak Tool Inc.

Burr Oak Bests Lean with Michigan Manufacturing Technology Center-West

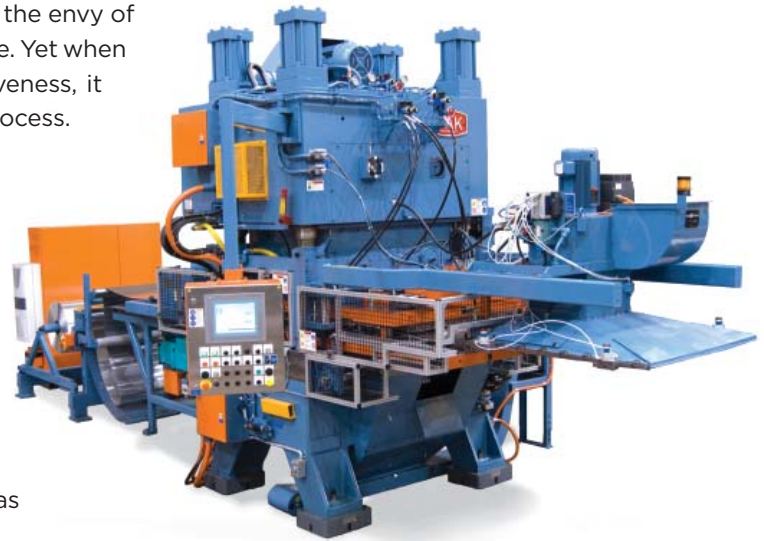
Sturgis-based Burr Oak Tool, Inc. has one thing that is the envy of many companies: a long-standing, dedicated workforce. Yet when the company began efforts to improve its competitiveness, it found that same in-house expertise hampering the process.

Designing, manufacturing and servicing fin dies, fin lines and tube processing machinery for more than 65 years, Burr Oak's processes, while well established, no longer met customer requirements.

"Burr Oak had a reputation for extremely long deliveries and poor on-time performance. In fact, many customers claimed they had to add a 'Burr Oak factor' to our quoted delivery commitments," said company president Brian McConnell. "This was particularly problematic with foreign customers."

McConnell credits the good work of company employees for Burr Oak's ability to cultivate long-term relationships with its customers – success that also gave them a false sense of security.

"The employee turnover rate at Burr Oak Tool has been and continues to be very low, and it's what led us to becoming insulated – believing we were the experts – and that we didn't need advice," he said. "We needed some outside influence to push us."



"Our lean implementation has enabled us to make better decisions. Instead of making decisions based on tribal knowledge or opinion, we now use data. We have also gained a better understanding of many of our processes, and it has allowed us to more easily identify and attack the root causes of any problems."

Brian McConnell, President, Burr Oak Tool Inc.

"We worked with a lean consultant in just one specific area of our company," he continued. "This individual didn't take a holistic approach and the successes were not sustainable. We chose (MMTC-West provider Rick Fleming) because of his insistence that the management team learn and apply these principles and apply them to the entire organization."

Burr Oak management and team members worked with Fleming on implementing 5S and other process-improvement tools including root-cause analysis. As a result of that work, Burr Oak has reduced production time for a hairpin bender from 18 weeks to just 8. Another complex fin die is now produced in just 11

weeks rather than 20.

Although the lean tools used in making these and other improvements were helpful, McConnell says improving team and customer communications was also critical.

“For the most part, (these results) were accomplished through better communication, and total employee involvement,” he said, pointing to a new process for order intake that allows for greater clarity in understanding the client’s needs, reducing rework and wasted time in order fulfillment.

Moving forward, McConnell says Burr Oak will continue to apply lean techniques to other problem areas, but notes the team already has the most valuable tool for assuring continued success.



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Burr Oak Tool Inc.

405 W. South Street
Sturgis, MI 49091

Established: 1944

Employees: 400+

Revenue: \$20-30 million

Primary NAICS: 333514

Industries: design, manufacture and service of customized production machinery for the air conditioning and refrigeration industry. Products include heat transfer, coil making, and tube processing machine lines

