

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Litehouse Inc

Idaho TechHelp

Litehouse - A Beacon of Success

Client Profile:

Litehouse Inc. is an internationally recognized producer of quality dressings and condiments. The family-owned business has plants in Idaho and Michigan. The Sandpoint, Idaho facility employs 250 people.

Situation:

After years of growth at Litehouse's Idaho facility, the plant was beginning to get a bit tight. Litehouse management began to explore whether or not Lean could help resolve the company's growth challenges and contacted Idaho TechHelp (TechHelp), a NIST MEP network affiliate, for assistance in making the company more efficient, competitive and responsive to customer demand.

Solution:

TechHelp Food Specialist, Jeff Kronenberg, of the University of Idaho Food Science and Toxicology Department, visited Litehouse and reignited the company's interest in moving forward with a Lean transformation. The TechHelp Team, which included David Damiano of TechHelp North and the University of Idaho, worked together to implement the Lean transformation in several stages: 1) A plant assessment identified Lean opportunities; 2) Lean 101 workshops grounded Litehouse staff in Lean principles and prepared them for the upcoming Lean transformation; 3) A Value Stream Mapping (VSM) exercise created a "current state map" that identified areas of waste in the plant and a "future state map" showed where Litehouse wanted to go; 4) A series of Kaizens were run to eliminate areas of waste and move Litehouse toward the "future state" identified in the VSM. The Kaizens included: 1) 5S-Visual Workplace activities designed to make the Litehouse plant more intuitive, efficient and safe; 2) Quick Changeover and Setup Reduction activities to help decrease the amount of time needed to change and setup lines; and 3) Cellular Flow was instituted to create work cells where smaller batches of product could be produced quickly and efficiently in small work cells.

It is anticipated that the Lean activities will result in: 1) quicker response time to customer demand; 2) elimination of waste; 3) a safer, more efficient workplace; 4) increased worker involvement and improved feedback; and 5) a successful operation that values and invests in its employees.

On August 9, 2006 Litehouse Foods was presented with Idaho's first Spirit of Continuous Innovation (SOCI) award based on the company's successful Lean Manufacturing transformation in a food processing environment. According to TechHelp Executive Director, Gary Thompson, "Litehouse's commitment to process innovation and the company's investment in plant and people demonstrate just the kind of leadership and vision that the SOCI Award was created to honor. Litehouse's Lean transformation will create positive economic benefits for the company, Litehouse employees and the state of Idaho for years to come."

Results:

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- * Saved \$400,000 in operating costs.
- * Reduced inventory by \$300,000.
- * Saved \$45,000 due to improved workforce practices.
- * Saved \$1 million by not having to expand into a larger facility.
- * Received Spirit of Continuous Innovation Award.

Testimonial:

"I am really proud of just how this organization has embraced the Lean concept provided by Idaho TechHelp and gone to the levels they have in taking the opportunity to implement the program where possible. What is truly exciting to me is that the Lean concept empowers each individual in the organization with the ability to make a difference toward the goal of process improvement. This concept fits so well with this organization in that we have set a standard that each individual can truly make a difference in how we go to market with the goods and services we provide."

Edward W. Hawkins, Jr., CEO