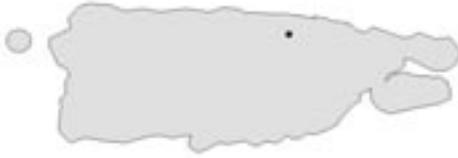


Office Location: Hato Rey



PUERTO RICO MANUFACTURING EXTENSION INC (PRiMEX) Serving firms throughout Puerto Rico. Affiliated with Puerto Rico Industrial Development (PRIDCO) Administration. Contact: Migdalia Rosado, 2 Ponce de Leon Ave., Mercantil Plaza Building, Suite 819, Hato Rey, PR 00918, (787) 756-0505, Fax: (787) 754-7345, Email: mrosadogarcia@primexpr.org, Website: <http://www.primexpr.org>

**THE
MANUFACTURING
EXTENSION
PARTNERSHIP
IN PUERTO RICO**

Manufacturing Extension Partnership (MEP) is a nationwide system of services and support for smaller and medium manufacturers to become more globally competitive. At the heart of the system is a network of affiliated, locally-based manufacturing extension centers. Each center, like PRiMEX, is a partnership, typically involving federal, state, and local governments; industry; educational institutions; and other sources of expertise, information and funding support.

COMPANY CLIPS

Kaizen Blitz Improves Productivity on ElectrobiologY's Assembly Line

Electrobiology, Inc. (EBI) is a pharmaceutical company located in Guaynabo, Puerto Rico owned by Biomet, a U.S.-based corporation that manufactures medical devices primarily for orthopedic medical specialists. EBI has been in operation for approximately 20 years and currently employs 160 people. EBI has recently experienced unnecessary wastes such as excess inventory and overproduction in the pads assembly lines. Since the company planned to relocate these assembly lines, it needed to improve productivity in a timely manner so as to implement change at the new location. The company contacted Puerto Rico Manufacturing Extension, Inc. (PRiMEX) to help it develop improvements to the lines.

PRiMEX assembled a group of EBI line employees, supervisors, and engineers for a four-day kaizen blitz. PRiMEX provided training in lean manufacturing techniques, and then led the group through a detailed evaluation of the production lines to identify non-value-added activities. They also targeted opportunities for changes in layouts and process flow. The team engaged in a 5S exercise to pinpoint and eliminate excess inventory. During the December 2001 holiday closing, the company relocated the assembly lines and implemented changes developed through the projects. As a result, EBI has reduced excess scrap by 7 percent, decreased required assembly space by 15 percent, reduced work-in-process by 90 percent, and reduced the cost of labor by 17 percent.

Postres D'Aquí Puts a Lid on New Markets

Postres D'Aquí manufactures custard desserts in Cataño, Puerto Rico. The four-person company's products are distributed across the island. Postres D'Aquí's custards were originally packaged and shipped in containers with a typical high-impact polystyrene lid cover cap. Unfortunately, this lid did not provide a leak-proof seal, and the molten sugar syrup in the custard leaked if any mishandling of the package occurred. The company packed the

Continued

STATE STATS

DATA* COVERS JANUARY TO DECEMBER 2001

- Number of projects completed with firms
227
- Number of firms served
309
- Number of firms served for the first time
92
- Federal cost share for current operating year
\$510,300
- State/other cost share for current operating year
\$1,020,600

**Data as reported from center*

DATA** COVERS JANUARY TO DECEMBER 2001

- Increased sales & retained sales
\$890,000
- Client capital investment
\$1,207,000
- Total cost savings
\$684,500
- Jobs (created & retained)
24

***Source: Independent client impact survey*

**For additional information,
contact Dede McMahon 301-975-5020**



product in a carton accommodating six units per package, sealed in a heat shrink polyethylene film for shipping. The product still leaked. Costly packaging alternatives did not result in a 100 percent leak-proof seal. The company needed to have its packaging redesigned, so it contacted Puerto Rico Manufacturing Extension, Inc. (PRiMEX), which has a proven track record in package design and improvement.

PRiMEX and Postres D'Aquí analyzed the product and determined that they could best improve its packaging by changing the product lid and investing in new equipment and mold inserts. PRiMEX developed lid designs according to engineering and design standards. Postres D'Aquí approved the lids, and built prototypes, tested them, and purchased the final product. The company then conducted a study to determine the cost and efficiency of new packaging machinery. The company decided to invest \$10,500 in the equipment that provided the best process benefits, and expects a 100 percent return on investment in less than three months.

Finally, PRiMEX and Postres D'Aquí configured the new manufacturing process, incorporating the new lid and equipment. The new machine employed in the sealing process has had a significant impact on Postres D'Aquí's production capacity, increasing it by 20 percent. Prior to its acquisition, the company produced 3,000 units per day (in a 7.5 hour shift). Now capacity has increased by the equivalent of more than two hours per shift. By increasing capacity and developing a reliable, high-quality seal for the product, Postres D'Aquí secured its ability to enter new overseas markets.