G E O R G I A

Office Locations:
Albany, Atlanta, Athens, Augusta, Carrollton, Cartersville, Columbus, Dalton, Douglas, Dublin, Gainesville, Griffin, Macon, Newnan, Rome, Savannah, Warner-Robins

GEORGIA MANUFACTURING EXTENSION PARTNERSHIP (GaMEP) Headquartered in Atlanta, with 19 regional offices serving firms throughout Georgia. Led by Georgia Tech's Economic Development Institute, and affiliated with the University of Georgia Small Business Development Centers, the Georgia Environmental Partnership, and Georgia Power Co. Contact: Larry Alford, 142 O'Keefe Building, Georgia Institute of Technology, Atlanta, GA 30332, (404) 894-4138, Fax: (404) 894-1192, Email: larry.alford@edi.gatech.edu, Website: http://www.industry.gatech.edu/

COMPANY CLIPS

Soybeans Go From Field to Floor at Universal Textile Technologies

Universal Textile Technologies (UTT), located in Dalton, Georgia, is the largest carpet coater in the industry and is a division of a large, privately held corporation that tufts and dyes carpets. UTT needed help exploring environmental innovation.

The Georgia Manufacturing Extension Partnership (Georgia MEP) heard about a new product now branded as SoyOyl™ through another NIST MEP network affiliate, the Illinois Manufacturing Extension Partnership, and brought it to the attention of UTT. SoyOyl is a unique polyurethane ingredient made from soybean oil and now manufactured by Urethane Soy Systems Company, Inc. For over two years, the research team worked to develop a soy-based substitute for use in polyurethane carpet backing. This collaboration produced a SoyOyl-based polyol—BioBalance™. UTT uses BioBalance to coat the backs of pre-tufted and -dyed carpets. SoyOyl substitutes for a petroleum-based polyol in the polyurethane backing, making the product friendlier to the environment. The Dow Chemical Corporation, UTT's raw chemical supplier, helped with efforts to bring the product to market. The company has a patent pending with the U.S. Patent and Trademark Office.

Simplex Nails Hammers Out a Lean Strategy for Success

Simplex Nails, located in Americus, Georgia, is a manufacturer of cap nails and fasteners. Facing seemingly unbeatable industry competition from manufacturers of imported nails and struggling for profitability, Simplex Nails resorted to buying some imported nails for resale and limiting its own production, sadly surrendering its slogan, "Made in America."

Continued

THE MANUFACTURING EXTENSION PARTNERSHIP IN GEORGIA

Manufacturing Extension Partnership (MEP) is a nationwide system of services and support for smaller 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 GaMEP, is a partnership, typically involving federal, state, and local governments; industry; educational institutions; and other sources of expertise, information and funding support.

STATE STATS

DATA* COVERS JANUARY TO DECEMBER 2001

Number of projects completed with firms
662

Number of firms served
1077

Number of firms served for the first time
206

Federal cost share for current operating year
$2,781,800

State/other cost share for current operating year
$5,563,600

**Data as reported from center*

DATA** COVERS JANUARY TO DECEMBER 2001

Increased sales & retained sales
$61,400,635

Client capital investment
$33,278,400

Total cost savings
$13,362,131

Jobs (created & retained)
1347

***Source: Independent client impact survey*

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

Unfortunately, faulty forecasting methods left Simplex with inventory that it couldn't sell, and reduced demand for the company's product caused Simplex to founder under unrecoverable fixed overhead costs.

The Georgia Manufacturing Extension Partnership (Georgia MEP) studied financial data to determine product costs and target areas of improvement. Georgia MEP showed Simplex Nails it could not only reduce purchases of imported nails, but also begin manufacturing them again—thus helping to recover fixed overhead costs and minimizing manufacturing losses. By switching from a "forecasting" production method to a "made to customer order" method, the company could succeed and prosper. Georgia MEP also explained lean manufacturing techniques which, when applied, reduced throughput time that made Simplex's conversion to a new system possible.

Simplex Nails now fills all of its customer orders by manufacturing the items itself, no longer reselling imported finished goods. Additionally, the changes have led the company to save 52 percent in inventory costs over the past year without downsizing a single employee. About 80 percent of production is now "made to customer order" compared to the previous 100 percent forecasting method.