



Office Locations:
 Columbus, Elkhart, Evansville,
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 New Albany, Portage

INDIANA BUSINESS MODERNIZATION AND TECHNOLOGY CORPORATION (BMT) Serving firms throughout Indiana through eight regional offices. Contact: David Maxwell, 10 West Market Street, Suite 450, Indianapolis, IN 46204, (317) 635-3058, Fax: (317) 231-7095, Email: dmaxwell@bmtadvantage.org, Website: <http://www.bmtadvantage.org/>

**THE
 MANUFACTURING
 EXTENSION
 PARTNERSHIP
 IN INDIANA**

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 Indiana Business Modernization and Technology Corporation (BMT), is a partnership, typically involving federal, state, and local governments; industry; educational institutions; and other sources of expertise, information and funding support.

COMPANY CLIPS

Truck Engineering Reorganizes Time to Respond to Demand

Truck Engineering Ltd., LLC produces truck and bus bodies. Established in Fort Wayne, Indiana in 1924, the company has since achieved annual sales of \$2.5 million and has grown from 12 to 24 employees. Truck Engineering was purchased in 2000 and is now under new ownership. The new owner wanted an independent opinion on the state of company operations and suggestions that would point out opportunities for improvement. The company, while profitable, had not invested any cash back into the business and had been cited by the Indiana Occupational Safety and Health Administration for health and safety violations, receiving a \$10,000 fine. Truck Engineering contacted the Indiana Business Modernization and Technology Corporation (BMT) and asked for an assessment.

BMT began its analysis by performing a High-Impact Assessment® (HIA) and corresponding Benchmark Information and Financial Analysis Report® (BI-FAR) for Truck Engineering. Based on the data obtained, BMT started targeting certain areas of the business for in-depth analysis as part of a company-wide business analysis. Once the analysis was completed, BMT compiled the data and delivered a detailed report to the company. Using the information in the report, Truck Engineering worked with BMT to develop a plan of action. BMT reviewed inventory levels and took steps to reduce materials on hand, reducing inventory costs from \$238,095 to \$184,768.

Since the initial assessment, Truck Engineering has added a second shift to meet demand. The owner has completely reengineered the supply chain and is now purchasing most materials from local suppliers, which has decreased purchasing costs by \$150,000 because lead times on purchased items have been significantly reduced. As a result, inventory costs dropped with no disruption to production flow. The company has developed a two-year training plan and is applying for a state training grant to underwrite the cost. Truck Engineering also made capital investments and renegotiated the terms of its financing

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STATE STATS

DATA* COVERS JANUARY TO DECEMBER 2001

- Number of projects completed
125
- Number of firms served
66
- Number of firms served for the first time
114
- Federal cost share for current operating year
\$2,445,000
- State/other cost share for current operating year
\$2,445,000

**Data as reported from center*

DATA** COVERS JANUARY TO DECEMBER 2001

- Increased sales & retained sales
\$19,500,000
- Client capital investment
\$1,165,000
- Total cost savings
\$1,632,500
- Jobs (created & retained)
120

***Data provided by center*

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



package as part of an effort to expand its market. As a result of these improvements, the company has increased sales by 115 percent and reached its four-year projected sales goal within 10 months.

Supersafe Tanks Receives Financial Assistance to Pursue New Market

SuperSafe Tanks, Inc. is an Indianapolis, Indiana corporation formed in 1996 to design and manufacture environmentally safe, proprietary, aboveground liquid storage tanks and dispensing systems. The tanks, which typically cost over \$70,000 each, are used for aviation fuels and specialty chemicals. The company employs six people. As a small company SuperSafe Tanks didn't know how to construct the kind of comprehensive business and financial plans required to convince outside investors (or banks) of the company's real potential. A combination of environmental regulations and word-of-mouth advertising presented an opportunity to grow, but SuperSafe lacked the business experience and money to take advantage of the opportunity. The company turned to the Indiana Business Modernization and Technology Corporation (BMT) for assistance.

BMT's Financial Services division felt that SuperSafe, with its patented technology (the Cylindrical Dike®), manufacturing focus, and growing customer list, would be a good candidate for BMT's loan programs and business assistance. BMT's Financial Services and selected partners worked with SuperSafe to develop a comprehensive business and financial plan. These experts then provided crucial feedback to SuperSafe in a face-to-face meeting. BMT's Financial Services made a commitment to loan SuperSafe \$500,000 so SuperSafe could pursue a new market—a storage system for Cyclopentane, a specialty chemical replacing other chemical blowing agents being discontinued due to new environmental regulations. Later in the year, BMT made an additional investment of \$150,000 (for a total of \$650,000).

With a solid business plan in place and BMT's loan secured, SuperSafe Tanks opened the new market and increased its sales by more than 50 percent over two years. The company additionally invested some of its funds into developing two new products, resulting in higher margin sales and increased unit volume. With its success, SuperSafe was able to repay its loan to BMT and, with the help of three additional employees, is now providing much-needed solutions to environmental problems caused by belowground storage tanks.