



Change is Good for Broaching Machine Specialties

When EDSI initially engaged with Broaching Machine Specialties (BMS) in 2007, the company found itself in need of a transformation. Matt Egrin, President and third generation Egrin at the helm of BMS, shares, "The company was incorporated in 1946, running a good business for many years, but we were running on a very antiquated model. Our reputation in the industry was that we were a used machinery dealer; in some people's eyes we were a junk shop. I knew we needed to evolve, we needed to be a world-class machine tool manufacturer. I knew some changes needed to be made, but I had no experience outside of this place. I didn't know what to do, but I knew something needed to be done."

The connection between Chuck Mouranie, EDSI Consulting Partner and Managing Director, and BMS came when Egrin reached out to members of his entrepreneurs organization letting them know he was looking for someone to help in refining BMS's quoting process. "We were losing money on jobs and I didn't know why," admits Egrin.

Egrin continues, "Chuck came in here and went through his process; he lived here for an entire week, interviewed our people, watched what was going on, and finally sat down at my desk and said, 'you can't quote because you don't know what things cost, and you don't know what things cost because you don't have the proper processes and procedures in place. You are draining money because there is excess waste. You aren't going to get it right until you fix what's going on in the plant - you have to fix your operations first, then you will be able to get your arms around your costs, and then you will be able to quote.'"

BMS began its lean manufacturing transformation, transitioning its building from a 50/50 split of manufacturing and storage space into 100% utilization for manufacturing. "We totally transformed the way we process work through the building, the way we do business. We started attacking all of the waste."

The implementation of a properly equipped cell manufacturing system, as well as visual management systems, were critical elements to improve BMS's performance.

"In our conference room, we are set up with white boards on every wall. On one of the white boards, we have each and every job we are working on including project timelines. Chuck helped us to develop a weekly meeting pulse to review these timelines and voice any issues with each department. Everything is right in front of us, so that we can ultimately meet our delivery commitments to our customers," explains Egrin.

EDSI Consulting helped to establish an "on-time, on-budget, on-objectives" culture at BMS. "It has really pervaded the culture of our company from top to bottom. Prior to working with Chuck, we would be late on a job, not know why we were late, and not know we were going to be late until two weeks before delivery. Ten years ago, we would have been close to 30% on-time delivery. Now we are over 90% on-time delivery, and if we are going to be late, we know we have an issue 6-12 weeks preceding delivery to help plan and manage the situation with our customers," says Egrin.

Having the courage to make changes has paid off for Egrin and BMS. "We had a great year last year, one of our most profitable years on record, and this year we are expecting our revenues to be up an additional 50%," shares Egrin.

Matt Egrin: "Had I not incorporated the EDSI process, I'm confident we would not be in business today. We would not have survived the downturn in the economy over the past 2-3 years."



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