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Thursday, July 3, 2003

▶ [Previous Story](#) ▶ [Next Story](#)

[Home Page](#)
[Essentials](#)
[CyberSurveys](#)
[Forums](#)
[Photo Galleries](#)
[Weather](#)
[Horoscope](#)
[Lottery](#)
[Giveaways](#)
[Crossword](#)
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[Autos Insider](#)
[Drive](#)
[-- Car Reviews](#)
[-- Latest Deals](#)
[-- Model Reports](#)
[Joyrides](#)

Business

[Business](#)
[Money & Life](#)
[Careers](#)
[-- Find a Job](#)
[Real Estate](#)
[-- Find a Home](#)

Metro

[Metro/State](#)
[Wayne](#)
[Oakland](#)
[Macomb](#)
[Livingston](#)
[Commuting](#)
[Obituaries](#)
[-- Death Notices](#)
[Schools](#)
[Special Reports](#)
[Editorials](#)
[Columnists](#)
[Detroit History](#)

Nation/World

[Nation/World](#)
[Politics/Gov](#)
[Census](#)
[Health](#)
[Religion](#)
[Technology](#)

Sports

[Sports Insider](#)
[Lions/NFL](#)
[Pistons/NBA](#)
[Red Wings/NHL](#)
[Tigers/MLB](#)
[MSU](#)
[U-M](#)
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[Golf](#)
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[Outdoors](#)
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[Scoreboards](#)
[Entertainment](#)
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[Events](#)



Clarence Tabb Jr. / The Detroit News

Joe Berry, the CEO of TRC Tool Industries, Inc. in Melvindale, said his firm paid consultants \$30,000 to streamline its manufacturing systems.

Machine shops working 'lean'

Efficient processes save time and money for Metro companies

By Gary Anglebrandt / Special to The Detroit News

MELVINDALE -- Facing cost-cutting demands and foreign competition, small machine and tool shops in Metro Detroit are feeling more pressure to streamline their manufacturing process, saving time and money.

The use of these so-called lean manufacturing systems and quality control processes are now standard practice among automakers and major suppliers. The classic application of lean manufacturing is just-in-time manufacturing processes, in which parts are made as needed and not stockpiled.

For many small tooling and machine shops, going lean is well worth the expense for consulting, training and auditing services.

Last year, TRC Tool Industries Inc. in Melvindale paid Perry Johnson Inc., manufacturing consultants, almost \$30,000 to help

To get help

* The Society of Manufacturing Engineers in Dearborn offers seminars, book and videos to help small shops understand lean manufacturing. The group will focus on the topic at its Midwest Machine Tool Show Sept. 9-11 at the Novi Expo Center.

* For more information, call (313) 271-1500 or visit its Web site:

<http://www.sme.org/>

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Business

- [Business index for Thursday, July 3, 2003](#)
- [Unemployment rate soars to 6.4% - highest in 9 years](#)
- [Michigan takes over HMO for poor](#)
- [Second agency lowers DMC debt rating](#)
- [Northville land goes to Sakwa](#)
- [Airlines hope SARS-free Asia pulls business travelers back](#)
- [Bank expands Downriver](#)
- [Machine shops working 'lean'](#)
- [Factory orders brighten economy](#)
- [Japanese workers fear job bullies](#)
- [How to handle credit accounts](#)
- [Credit Acceptance leads state gainers](#)
- [Investors cash in on low prices](#)
- [Metro/State Briefs](#)
- [National Briefs](#)
- [World Brief](#)
- [People on the Move](#)

Sections for this date

Thursday, July 3, 2003

Select index

[-- Event Finder](#)
[Movies/TV/DVD](#)
[-- Movie Finder](#)
[-- TV Listings](#)
[Eats & Drinks](#)
[-- Restaurants](#)
[-- Wine Report](#)
[Books](#)
[CD Reviews](#)
[Escapes](#)
[Casino Guide](#)
[Michigan's Best](#)
Living
[Lifestyle](#)
[Homestyle](#)
[Fitness](#)
Forums
[News Talk](#)
[Autos Talk](#)
[Wings Talk](#)
[Lions Talk](#)
[Pistons Talk](#)
[Tigers Talk](#)
[Big 10 Talk](#)
[High Schools](#)
[Movie Talk](#)
[Tech Talk](#)

the company go lean. TRC, which makes cutting tools and making other machine components, now pays \$1,200 every six months for Perry Johnson to audit its new systems.

TRC has 30 employees and generates annual revenues of \$4 million to \$5 million.

Before the lean program, said Joe Berry, CEO of TRC, TRC machinists had to spend hours changing the tooling on their machines for every new type of part they created. Now, the company has a team whose job is to have the tooling ready for machinists.

"We're always waiting for the machine. The machine's not waiting for us," he said.

Cost demands and new competition from Chinese manufacturers made going lean a necessity, Barry said.

"If you're not running lean, your chances of survival are almost nil," Berry said. "Without a doubt, there are still a lot of old-school people in the industry who believe it's all smoke and mirrors or say We're just a small shop. It doesn't apply to us."

For some small shops, going lean is too expensive.

"The price of lean is too steep, especially in an industry that has been in recession for three years," said Floyd Peterson, president of Ecco Tool Co. Inc. in Novi, which makes cutting tools. His company has eight employees and had \$750,000 in sales in 2002.

"There's not enough overhead in cutting tools to warrant it," Peterson said. Peterson, who recently saw a picture of a hand squeezing blood from a stone at a meeting of Chrysler suppliers, said Ecco has already undertaken major cost reductions.

Dan Radomski, show manager at the Society of Manufacturing Engineers in Dearborn, said that small shops are usually small enough to learn and apply lean principles without hiring consultants.

"Even the smallest operations can put lean principles in place," said Radomski, who once worked at his father's small machine shop.

Gary Anglebrandt is a Metro Detroit free-lance writer.

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