

# PARTNERING FOR PRODUCTIVITY

## PHILLIPS HELPS WAYNE AUTOMATION REVAMP PARTS PRODUCTION AND GROW THE BUSINESS

WAYNE AUTOMATION KNEW SOMETHING HAD TO CHANGE. FOR ALMOST A DECADE, THE PACKAGING EQUIPMENT MAKER HAD BEEN OUTSOURCING 80 PERCENT OF ITS MACHINE SHOP WORK. BUT AS THE COMPANY GREW, THE STRATEGY NO LONGER FIT.

Outsourcing was starting to slow production, stifle innovation, and drive up costs, according to Jay Bachman, III, vice president and general manager of Wayne Automation.

“Our suppliers couldn’t keep up with our growth and our designers were innovating faster than vendors could respond,” he said.

Just-in-time manufacturing was virtually impossible — mired in supplier delays (“We had armies of assemblers constrained by a lack of parts,” he said.) Mid-stream design improvements were equally difficult. Cost and quality were also being affected.

To regain control, Bachman made the bold decision to bring parts production back in-house for the first time in a decade. He kicked off the transition by purchasing a new Haas CNC, only to watch the machine operate at a tenth of its capacity.

“We thought it was magically going to improve efficiency. It was not doing anything for us other than looking pretty,” he said.

The machine was state-of-the-art, but the production process and skills needed to support it were outdated. It had been 10 years since Wayne Automation had run its own parts shop.

“We were going to need more than a hot machine,” Bachman said.

Wayne Automation already had cutting-edge product designs, assembly, and customer service — processes that had made them industry leaders. “We just needed to revitalize the machine shop — bring it up to the level of excellence we’d achieved in the rest of our operations,” Bachman explained.

## PARTNERING WITH PHILLIPS LEADS TO RESULTS

To create a state-of-the-art shop as quickly as possible, Bachman turned to OPTO for Haas for help. OPTO for Haas is an innovative Phillips program that provides companies with manufacturing and education expertise. Going beyond just training, OPTO troubleshoots the entire production process looking at how to improve everything from productivity to costs.

**“WORKING WITH PHILLIPS WAS ONE OF THE EASIEST, HIGHEST PAYBACK INVESTMENTS WE’VE EVER MADE.”**

*Jay Bachman, III*  
*vice president of Wayne Automation*

“It was one of the easiest, highest payback investments we’ve ever made,” Bachman said.

Over several months, Phillips partnered with Wayne Automation to:

- Revamp its machine shop — from CNCs and tools to production processes.
- Introduce best practices for everything from set up to quality control.
- Provide hands-on training — not just in CNC operations but in tooling, offline programming (including CAM software), and quality control.

It didn’t take long for Wayne to see results. Production levels are at their highest in 40 years with CNC machines operating 10 times more efficiently (No more staring at beautiful, but underutilized, technology). The company’s parts shop is state-of-the art — a model for other local manufacturers. “Companies are coming to see us now,” Bachman said.

Most importantly, Wayne Automation’s job book is overflowing. “We are doing so well, we are looking to expand even further,” Bachman said.

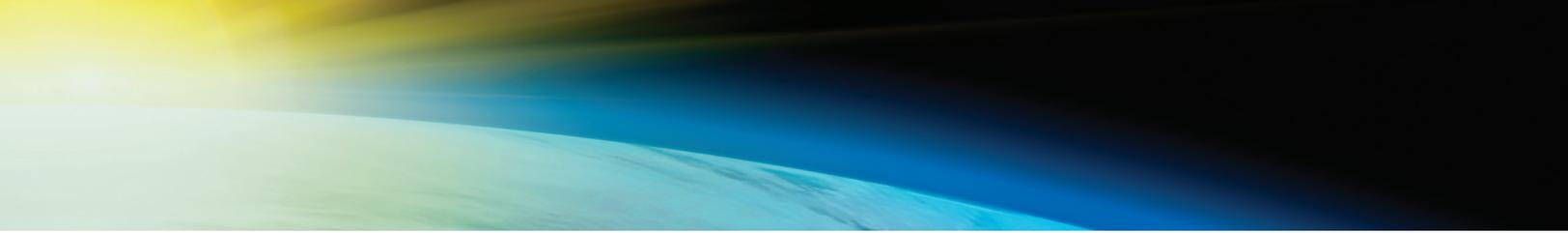
And what about Bachman’s bold strategy to move parts production in-house? It succeeded. Wayne Automation is now producing 95% of its parts in house.

## BOTTOM-LINE RESULTS

Phillips partnership helped Wayne Automation create a state-of-the-art parts production shop and achieve measurable results:

- CNC production has increased tenfold
- 95% of parts production has been moved in-house (compared to 20% before the project)
- Production costs are down by 20%
- Lead times are 30% faster

The bottom-line? Business is growing so fast, the company is looking to expand even further.



Bachman credits Phillips with helping to jump start the company's transformation. "They opened our eyes, and showed us exactly what we needed to do to get our shop up and running," he said.

### **THE ROAD TO SUCCESS**

Bachman remembers the first day Joe Sommers — one of Phillips top manufacturing improvement experts and leader of the project at Wayne — came to plant.

"He took a slab of aluminum, modeled a part on his laptop, and ran the machine at maximum capacity," Bachman said.

After the demonstration, Wayne Automation was ready to learn more, Bachman said. Sommers started with an assessment of the overall parts production process.

"We were troubleshooting the whole production process not just looking at how to operate one specific machine," Sommers explained.

He quickly made recommendations related to tooling, set up, programming and quality control. He was especially focused on productivity and spent time observing employees in search of efficiency gains.

He noticed Wayne was using a highly skilled toolmaker to program by hand at the CNC — reducing available run time. To free up the CNC machine for machining, Sommers trained several employees in how to program offline, including using sophisticated CAM software. He also showed the team how to operate an electronic probe for ensuring correct set up — critical to efficiency and quality control.

It didn't take long for Wayne Automation to run with what they learned from Sommers.

"Our people caught on fast. Parts started coming out very quickly and to a standard we hadn't seen with our vendors," Bachman said.

Before long, Wayne Automation had five new CNC machines, all operating at full capacity. Cost savings, not to mention dramatic reductions in lead times, quickly followed. With a growing mastery of the technology, innovation flourished and Wayne's designers quickly began replacing parts with pioneering new ones.

Bachman believes the \$9,000 investment in OPTO for Haas has more than paid off.

"It was an easy spend in hindsight. We have earned multiple, multiple times back on this investment," Bachman said.

He believes that too many manufacturers think the spend begins and ends with a new machine purchase. Investing in an expert like Sommers needs to be part of the equation — given the complexity of the technology and the need to constantly upgrade manufacturing processes, according to Bachman.

**"WHEN YOU ARE RUNNING YOUR OWN PLANT, YOU ONLY SEE WHAT YOU DO. WHEN YOU WORK WITH PHILLIPS, YOU CAN ACCESS THE LATEST IN PRODUCTION TRENDS FROM ACROSS THE ENTIRE MANUFACTURING INDUSTRY. IT'S EYE-OPENING AND CAN HAVE A HUGE IMPACT ON EFFICIENCY."**

*Jay Bachman, III*  
*vice president of Wayne Automation*

“When you’re running your own plant, you see what you do. When you work with Phillips, you can access the latest in production trends from across the entire manufacturing industry,” he added.

### TEACH A MAN TO FISH

These days, Wayne Automation calls Sommers now and again to ask a question, but the company is largely self-sufficient.

When describing the skill set Phillips left behind, Bachman refers to the old proverb — “Give a man a fish and feed him for a day; Teach him to fish and feed him for a lifetime.”

“Joe taught us how to fish,” Bachman said.

### WAYNE AUTOMATION: A LEADER IN PACKAGING EQUIPMENT

Wayne Automation is a market leader in high-speed, high-reliability packaging equipment. The company is known for building customized packaging systems that not only reduce material loss, but ensure production uptimes. Its packaging equipment can be found in plants around the world — from glass container factories in Canada to premium beverage producers in Central America and the United States.

### THE PHILLIPS EDGE

Phillips expertise extends far beyond the inner workings of a CNC. Every day, our experts at **OPTO for Haas** — an innovative Phillips service — partner with factories to improve production processes in machine shops. We help companies:

**Look at the Big Picture:** Over the years, we have learned that production delays, quality issues, and rising costs are about more than the machine. They can range from set-up and tooling to software and quality control. That’s why we troubleshoot the entire production process — not just the specific machine.

**Access Best Practices:** Our experts have been in hundreds of different manufacturing environments — giving them unparalleled access to best practice. They know what works and what doesn’t, and can often show you a better way.

**Translate Strategy to Reality:** We don’t just give advice. We help you make changes. Whether you need hands-on training for a specific machine, a complete redesign of your production process, or assistance with software, our experts are ready to support you.

**FOR MORE INFORMATION ON OPTO FOR HAAS, PLEASE CALL (410) 564 2938 OR EMAIL US AT [optoforhaas@phillipscorp.com](mailto:optoforhaas@phillipscorp.com).**