

RESULTS

COMPANY PROFILE

TRUMPF, Inc., located in Farmington, Connecticut, is the largest OEM manufacturer of sheet metal fabricating machinery in the United States and a world market leader in lasers used for industrial production technology. The Farmington facility is the North American subsidiary of TRUMPF GmbH & Co KG of Stuttgart, Germany employing 640 people.

SITUATION

Few are immune to the effects of the current global recession – including TRUMPF. Customer order volume is down 20%, indicative of the manufacturing market downturn and as a result, the corporate office in Stuttgart asked every facility to reduce operating costs without reducing the workforce – an honorable mission that is requiring the Farmington facility to find \$16 million or more in cost reductions during fiscal year 2009.

And while so many companies are realizing the positive financial impact of implementing Lean Manufacturing, TRUMPF has been progressive in the adoption and institutionalization of Lean for many years now with SYNCHRO Improvement Services, the TRUMPF program of living Lean. In order to accomplish the aggressive cost reduction measures, TRUMPF knew it needed to augment its traditional Lean tool box and take a more critical look past the traditional Lean wastes – defects, overproduction, waiting, non-utilized people, transportation, inventory, motion and excess processing – and expand their definition of waste to include the hidden environmental wastes that include hazardous materials use, solid waste, energy use and water use to name a few.

SOLUTION

Select TRUMPF staff members attended a presentation given by Judy Wlodarczyk, CONNSTEP Director of Environment and Energy, on the hidden “green” wastes that often go unnoticed during Lean initiatives. Judy illustrated the many additional opportunities for savings in materials, energy, water and utility consumption, and pollution prevention that are often overlooked. Inspired by the methodology and cost savings potential, TRUMPF contacted Judy and inquired as to how they could complement their Lean initiatives with Clean Manufacturing processes.

CONNSTEP was contracted to conduct a project, funded by the Aerospace & Defense Initiative (ADI) Program, training a TRUMPF team of six, including a representative from TRUMPF's cleaning contractor, on how to identify hidden environmental wastes while integrating these opportunities in Lean initiatives, bridging the gap for reducing and eliminating all forms of waste and to bring a specific focus on reducing white paper usage and disposal.

The 3-day project, which focused on a specific waste stream, included a ½ day training event using interactive exercises to motivate the team to look past the regulatory compliance aspects and focus on the hidden cost savings associated with

TRUMPF

Farmington, Connecticut

640 employees

www.us.trumpf.com

Clean Manufacturing Solutions

- \$46K savings; including
 - \$6,500 savings through reduction of black plastic bin liners;
 - \$8,000/year savings in hauling charges;
 - \$4,000/year savings through recycling of job traveler plastic sleeves.



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overall reduction of paper usage, white paper recycling and trash haulage. It was quickly evident to the team that the domino effect of examining the company's use of white paper uncovered other opportunities such as: separating "dry" paper wastes from "wet" trash, changing the default setting on printers from single sided to duplex printing, and thinking twice before you print or copy would have impressive financial savings and lead to the overall facility cost reduction goal.

RESULTS

The team identified six improvement areas:

1. Pilot program to collect data on the use of recycling bins in four office areas;
2. Monitoring trash containers and the use of special collection bins for "wet" trash which includes food containers and other non-paper trash;
3. Meeting with current trash hauler to examine need and frequency of dumpster and compactor unloading;
4. Meeting with cleaning contractor to review recycling logistics;
5. Development of TRUMPF recycling process for cardboard and paper; and
6. Development of concepts for reducing paper usage, including:
 - Elimination of excessive faxes through implementation of Topcall whereby order confirmations were sent via computer fax and stored via computer.
 - Standardization of printer settings where the default is duplex printing and the print tone is set to grayscale for ink savings.
 - Printers were set to use white paper only.

These improvements netted TRUMPF approximately \$46,000 in initial projected savings with \$6,500 of annual projected savings through the reduction of trash bags/bin liners alone - TRUMPF is in the process of reducing the use of black plastic bin liners from 600 daily to 90. TRUMPF will be saving \$8,000 per year in hauling charges through the reduction of visits made to empty the compactors and dumpsters, which were often only 1/2 full.

The Waste Stream Management Team, tasked with identifying cost savings ideas, has taken their training and new perspective to other areas of the facility. The team developed a list of simple, common-sense tactics for cost savings which directly impact TRUMPF's bottom line and distributed it to all TRUMPF employees in North America. The list included suggestion to reduce energy usage by turning off lights when leaving for the day, turning off PC monitors at night or when away from workspace for more than 15 minutes, powering down all office equipment at night, printing in black and white only, using email to communicate versus long-distance telephone calls and many

more practical opportunities to save money.

The Waste Stream Management Team reports their progress to the TRUMPF staff at monthly meetings and is constantly challenged to go further. Some additional savings have come from the examination of compressors and the efficient use of compressed air. TRUMPF has instituted standard work

during the Christmas shut-down where the facilities manager inspects the compressors for air leaks - with compressors contributing up to 25% of the facility's \$3 million electric bill, this can provide substantial savings.

While the company is still challenged by the \$16 million cost savings goal, they are confident that with continuous improvement and the incorporation of Clean Manufacturing, they will make it. "This type of activity leads to additional opportunities through a shift in mindset -

enabling everyone to look at our daily processes - in the office or in the plant - in a new way and identify ways to continuously improve. CONNSTEP has given us the green tools to complement our SYNCHRO Program, reducing our impact on the environment while saving us money." Bob Castonguay, SYNCHRO Improvement Services, TRUMPF.

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SYNCHRO Improvement Services
TRUMPF

