

# CENTERLINES

Winter 2007

## ***Navigating the Ladder of Growth***

*by Steven Tamasi*

Some companies grow year after year, with never more than a minor correction now and again. Others however, grow to a point and then stagnate, unable to grow beyond an imaginary ceiling. What causes such a disparity in results? If a company chooses to continue to grow, at certain intervals, more radical and major change must take place. Incremental human and capital resource investment will no longer take you to the next rung on the ladder of growth. At such junctures, it becomes absolutely necessary for the organization to fundamentally shift the way it takes, processes and ships orders. With growth comes complexity, and in order for an

organization to handle this complexity both effectively and efficiently, it must make changes with respect to leadership, systems and infrastructure. There becomes a greater need for executives to grow as leaders in their abilities to delegate and predict the needs of the organization. In addition, more suitable systems and infrastructures are necessary to accommodate the shear increase in volume and requirements.

At Boston Centerless / AccuRounds, (BCAR), with revenue growth topping 130% and employee count growing by 60% since 2001, we have begun to bump up against another proverbial ceiling. It is imperative that we change our systems

and infrastructure now to prepare ourselves for the next five years of growth. In recognition of this phenomenon, we are in the midst of establishing a new paradigm for how we will operate in the years ahead. With much discussion, research, brainstorming and value stream mapping exercises, we determined that we must 1) upgrade our ERP software at Boston Centerless, 2) create a structure that propagates decision-making to further reaches within the organization, and 3) develop leadership to effectively operate in the new structure.

We determined that to facilitate nos. 2 and 3 above, we must first complete  
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## ***Boston Centerless / AccuRounds Win Northeast Shingo Prize***

*by Michael Tamasi and Patrick O'Connell*

Boston Centerless / AccuRounds (BCAR) was recently awarded the 2006 Northeast Shingo Prize Silver Medal for Excellence in Manufacturing. The Shingo Prize has been referred to in Business Week as "the Nobel prize of manufacturing." It is the only award program in the world dedicated to lean manufacturing and the elimination of waste. BCAR is the first contract metalworking company in North America to win this prestigious award. The Shingo Prize evaluation criteria are based on a lean business systems



A group of Boston Centerless and AccuRounds employees accept the Shingo Medals at the Northeast Shingo Awards dinner at UMass Boston College of Management.

model that utilizes world-class manufacturing strategies and practices to achieve world-class results. The Shingo criteria focuses on four main business components: Customer Satisfaction and

Profitability; Quality, Cost and Delivery; Core Operations; and Leadership and Empowerment Enablers. A team of examiners evaluates the achievement report and performs an extensive on-site, two-day audit.

The lean journey at BCAR began in the summer of 1995, when company leadership recognized that the business climate was shifting. Pricing pressure in the manufacturing industry along with contract commitments for much smaller  
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***"Leaders don't create followers, they create more leaders."***

*- Tom Peters*

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lots was becoming the norm. We had to drastically alter the structure of the company to adapt to these demands and ensure future viability and success. It was obvious to us at the time that we must:

1. Improve Teamwork / Employee Involvement
2. Increase Throughput / Improve Lead-times
3. Improve Customer Service / Customer Response Time

To kick off this journey towards becoming a world-class organization, consultants were brought in to educate everyone in the organization on world-



class manufacturing and lean principles. Along with training on LEAN principles, a consistent focus on the implementation of LEAN tools on the shop floor has been very important. A great tool we use is "Quick Kaizen". Quick Kaizen allows the operator to make small, lean improvements right at his/her work area. Through the operators' understanding of the 7 deadly wastes, they can identify waste in the process they are working on and make a quick improvement to eliminate non-value added actions. We then post the improvement solution with the employee's photo to ensure they get the recognition for their idea (see photo above). Over time, these small improvements add up, and the employees become more comfortable with LEAN thinking. "The Quest", our world-class improvement program, was established in 1995, and still exists today. The roadmap for this program acts as our guiding principle for effectively instituting lean. The Toyota Production System is the basis for lean and the Shingo Prize rating system.

Our current world-class manufactur-

ing operation utilizes many lean tools and aspects – Cellular Manufacturing, JIT, Kanban, Set-up Reduction, Standardized Work, 5S, Quick Kaizen, TPM and Value Stream Mapping. The adoption of lean principles has been a steady, on-going process. From simple kaizen implementations to major throughput improvements, change has been a constant for more than ten years. Working smarter has permeated throughout all departments and spurred the desire to improve.

Years of hard work along with the knowledge gained through the down cycle in manufacturing from 2001 thru 2003 have helped transform our company into a thriving, vibrant corporation. By

adopting world-class manufacturing practices, and specifically focusing on lean principles, we have remained a global leader in the metal working industry.

Without a doubt, this success is squarely due to the outstanding personnel that work in our Woburn and Avon facilities. The drive to meet our vision and mission, while abiding by our company values, has propelled our performance to another level. A culture has been created that understands the need for world-class performance. The Shingo Prize highlights the commitment and passion of our employees to continually better our organization and serve our customers. The journey to world-class excellence in manufacturing is never ending. The team of Shingo examiners provided detailed reports based on their audit that identify opportunities to improve. It was quite nice to be recognized for our accomplishments to this point, but we won't rest on our laurels. We'll continue to look forward and carry on "The Quest" for improvement.

(Navigating, continued from page 1)

no. 1. And, as some of you (employees and/or customers) may have already experienced, this process has begun and is ongoing. Boston Centerless used the big bang approach and completely dropped its legacy system and converted to a new ERP system on November 1<sup>st</sup>. As anyone who has gone through a complete systems upgrade can attest, this does not come without pain. To those who have been inconvenienced in any way during this changeover, please accept our apologies. We are committed to maintaining our customary, high level of service. I can assure you too, that while we are experiencing some bumps in the road today, this travail will be worthwhile, giving us greater capabilities to manage our business and ultimately serve our customers more effectively.

Once the implementation is far enough along so that all becomes "business as usual", we will commence the facilities and organizational restructuring. The complementary leadership education and training will then ensue.

Obviously, in order for the growth to continue, other marketing and sales strategies must be implemented and additional modifications must take place. Be assured that we are working on these aspects of growth as well. And while these changes are commonplace within growing companies, we realize that without far-reaching and fundamental shifts in the way we approach our daily decision-making and business functions, we will not successfully continue on our quest to grow year after year, with never more than a minor correction.

## Shows on the Road

Boston Centerless will be exhibiting at these upcoming trade shows:



**MD&M West  
Anaheim, CA  
Feb. 13 - 15  
Booth 2874**

**Precision Machining & Technology Show  
Columbus, OH  
April 24 - 26  
Booth 828**

For a free admission pass to either show, email request to:  
info@bostoncenterless.com.

## Profile of Rich Morneweck



Rich Morneweck is approaching his 4 year anniversary at Boston Centerless. He started as a sales representative and was promoted to Inside Sales Manager last year. He has worked in the material processing industry for his entire career. Prior to joining Boston Centerless, Rich worked at EMJ for 15 years where he held various sales positions.

Rich was instrumental in implementing the new software system at Boston Centerless. Much of his focus in the coming months will be on training the sales force and implementing new procedures to streamline the efforts of the sales department in conjunction with the new system.

A lot of his spare time is spent with his two children, Kaitlyn (age 14) and Christien (age 10), both active in sports. In fact, Rich coached his son's Pop Warner football team to be the Middlesex D1 league champs this year! He also enjoys golfing. Rich and his wife, Renie, live in Burlington.

### Golden Bar Award

This award is passed on by employees who nominate others that exemplify outstanding efforts. Congratulations to the following recipients!

#### Boston Centerless      AccuRounds

Kevin Williams	Ed Kundrot
Phuoc Dinh	Phuoc Nguyen
Jason Cialone	Steve Smith
Trong Tran	Mike McCormick
Dan McPhee	Pat Mann
Steven Tamasi	Tony Luong
	Jim Rice
	Bay Truong
	Bob Martell

Way to go!

## Case Study: Making Cents of AccuRod Bar Stock



A large medical implant company contacted Boston Centerless to precision grind material from 10.00mm diameter to 9.50mm. The company had been converting the material in-house with mixed results. This firm's objective was to manufacture a part with better overall quality while reducing scrap and improving productivity. Boston Centerless delivered a product with far superior roundness, straightness and bar end to bar end size tolerance, as well as a more consistent surface finish.

Using the Boston Centerless material successfully resulted in:

- **Improved yields** – more precise and consistent tolerances enabled the use of less material to produce the same lot size - - material cost savings
- **Increased tool life** – better roundness and straightness made for smoother cutting action requiring only 1 tool per production run vs. 12 tools previously - - tooling cost savings
- **Reduced cycle times** – No vibration from straighter bars allowed the machine to run at higher RPMs - - labor cost savings

Feedback from customers has proven time and again that our AccuRod material has many benefits to Swiss screw machining applications both in time savings and cost savings. The customer profiled above sums it up nicely by saying, "Smarter manufacturing cuts costs and keeps more manufacturing jobs in the USA."

### Employee Corner

Continuing to grow.....we are pleased to recognize the people below who have joined the BCAR team since our last newsletter.  
(BC employees in red, AR employees in black)

<b>Savin Chan</b>	Elias (Lou) Matta
<b>Bundraruth Chheang</b>	<b>David McAuliffe</b>
Matthew Chisolm	<b>Michael McCarthy</b>
Lawrence Connolly	Nida Mills
Michael Fairhurst	Marcia Murray
Diane Ferrera	<b>Thom Van Nguyen</b>
Richard Franceschi	<b>Arthur Nichols</b>
James Fruzzetti	Julio Palacios
<b>Ethan Gardner</b>	Billy Payne
<b>Mark Gauthier</b>	Joseph Pelton
Danny Goldman-Coombes	Sonia Raposo
Keith Hernandez	<b>Keaksmey Sanh</b>
Jean Jerome	<b>Thim So</b>
James Kelly	<b>Dina Sok</b>
Robert Kundrot	<b>Marono Sok</b>
<b>David Lam</b>	<b>Thuan Truong</b>
Charles Lane	<b>Jeffrey Valerio</b>
<b>Donna Law</b>	<b>Thuan Van Phan</b>
<b>Paul Lemieux</b>	Harry Van Vo
<b>Dung Ly</b>	<b>Bory Vuth</b>
<b>Dy Man</b>	Dwight Whittier
Patricia Mann	<b>Kevin Williams</b>
Edward Manning	<b>Billy Wong</b>

## Investing in the Future



The students participate in a team building exercise and tour the shop.

For the past several years, Boston Centerless has hosted a field trip for a group of fourth grade students from the Harrington Elementary School in Chelmsford. This year, we also hosted a group from the Vinson-Owen Elementary School in Winchester. Some might wonder why we would devote a whole morning to 9 and 10 year olds, beginning with an overview of the company by the CEO followed by a tour of the entire operation from the office to the plant floor. The answer is a simple one. These students are the future of our industry. Future machinists, engineers, inspectors, etc. In a day and age when the manufacturing industry does not get many positive endorsements as a viable career path, it is more important than ever to show these young students that manufacturing is a vibrant industry that can provide an exciting career opportunity.

During their tour, the students learn how certain types of equipment work and what types of products the material they see being ground is ultimately used to make, medical equipment, airplane components and musical instruments to

name a few. As part of the visit, we conduct an exercise in teamwork that utilizes Mr. Potato Heads. We set up a simulated assembly line whereby each student is assigned a certain task in putting together the Potato Head. For example, attaching the eyes or nose. The exercise is timed and the number of completed heads as well as rejects is recorded. The first time, the students are assigned a task and cannot leave their workstation or help another "co-worker". During this exercise, they are asked to make observations. As it turns out, there is always a bottleneck where one operation holds up the process. The group then talks about what they saw and how they can improve the process. They make adjustments the second time and see the positive results of working as a team.

In the classroom, the students work in groups or teams and have certain functions within their group. We show them that in the working world, they will also need to function within a team and that their contribution is important. The students are typically very excited about what they learn at Boston Centerless. If we can spark one child's interest in our industry by exposing them to our business, then it is well worth the time and effort.

## Years of Service Awards\*



### *Boston Centerless*

#### 35 Years

Tom Johnson

#### 15 Years

Kevin Strahan

Jim Taylor

#### 10 Years

Tony Colozzo

Tim Powers

#### 5 Years

Rob Berger

Phouc Dinh

Bill Keaveney

Larry Moody

Larry Phan

Kimloan Tran

Bob Young

### *AccuRounds*

#### 30 Years

Richard Carr

#### 20 Years

Ken Floyd

Michael Tamasi

#### 15 Years

Tim Anderson

Brad Chase

#### 10 Years

George Earle

Sean Gadsby

#### 5 Years

Adelino Arauji

Jason McCarthy

\* Since our last publishing

***Wishing all a prosperous  
and healthy 2007!***



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