

## Featured Company: Paramount Printing

Independent Management Report, a national online newsletter for the owners and top executives of [PSDA](#) member companies.

### **A Lean Manufacturing Machine**

There's a label on Jon Cummins' desk that reads "calculator." The CEO and president of Paramount Printing states, "Anytime I reach for my calculator, it's right where I need it. If it's out of place, that stupid note reminds me, and I put it back where it belongs." He doesn't spend valuable minutes during his busy day searching for his calculator.

Labeling places for office products may seem a bit odd to some people. But it's just one small way that Paramount Printing, a manufacturer in Jacksonville, Fla., has implemented lean principles in the past several years. Committing to lean manufacturing has allowed the company to eliminate waste, drive down costs and increase profits. So perhaps marking spots on a desk isn't so silly.

In 2005, Paramount Printing joined the Jacksonville Lean Consortium, a group of manufacturers, government entities, hospitals, and non-profits dedicated to promoting economic growth through the implementation of Lean Thinking, Methods and Tools. The Consortium includes 48 companies involved in Lean Training, workshops, and networking. Member companies participate in the Consortium to help it become a world-class company. "We're in a very competitive industry, and you need any kind of tie-breaker you can get," says Cummins. "Lean offers the least cost way to bring value to our customers."

So how does Paramount Printing maximize the effectiveness of its operations? The company's web site says, "The focus is not on a department or a process, but on optimization of the entire value stream - the series of processes between receipt of the customer's order and delivery of the finished product." The first step taken by the manufacturer was to "value stream map" its operations, says Cummins. "We identified everything in our value stream that the customer wouldn't pay for and labeled that as waste."

Beginning at the back-end, Paramount Printing restructured its work areas. It started in the shipping and receiving department. "We completely gutted the area and put everything into four piles, says Cummins. "Stuff we need every day, stuff we need semi-frequently, personal stuff that doesn't belong in the workplace and stuff that we have no idea where it came from, but anyone could take if they want it!" Then department employees redesigned the workspace, organizing it in the most efficient way to do their jobs. "We took an area previously big enough for two workers and turned it into a space for three," says Cummins.

The manufacturer made physical changes in all its departments. It even shut the pressroom for two days to clean and reorganize it. Departments became more visual: For example, materials are color-coded and shadow boxes on the walls hold tools. "If something is out of place, it announces itself," says Cummins. "We don't hide problems." Tasks, such as stacking skids, are standardized. "From one department to another, jobs are done the same," he says. The company set up a priority system for workflows, developed a preventative maintenance checklist for the pressroom and color-coded its scheduling system.

Last year, Cummins decided to take the Lean concept a step further. "We started with quick fixes because we wanted to see results," he says. "Then we moved to the trickier part-shifting the culture."

Cummins conducted one-hour interviews with all of the company's 45 employees. He asked how they felt about the company and their jobs and what things Paramount Printing could do better. Then he explained his vision of a lean manufacturing firm and asked if the employees were on board. Cummins compiled the results and presented them to his management team, including vice presidents of manufacturing, finance, operations and sales.

"I got 100 percent buy-in from the employees, but people will say anything," admits Cummins. "As soon as we started turning up the heat, we drove away people that didn't want to be part of [a lean organization]." Four employees left the company.

Those who remained participated in an "Introduction to Continuous Improvement" course offered by the Jacksonville Lean Consortium. "The class teaches the basics of Lean," says Cummins. "It presents Lean tools and terms and why standardization is key." All new hires take the course, too, within their first two weeks of employment.

Paramount Printing also receives assistance from other members of the Consortium, which is divided into groups of 18-20 companies that meet monthly. The members tour one another's operations, offer advice on improvements and help with any specific problems the owners might have.

Focusing on Lean manufacturing has led to tangible results for Paramount Printing, including the following:

The invoicing process, which previously took up to 17 days, now is consistently completed in four days.

The time between when an order is received until it enters the production cycle decreased from up to two days to less than four hours. A new job planning system eliminated errors on material ordering, so all materials arrive on time for orders in production.

To recognize its efforts, Paramount Printing earned the "Most Improved Award" from the Jacksonville Lean Consortium in 2005. A year later, it was named "Most Inspirational Company." But for Cummins, running a Lean facility isn't about the awards-or even the theories. "We don't care if it's Lean or Six Sigma or Deming," he says. "If you're in a fight, you pick up a stick and win the fight. Lean gave us a proven set of tools to rally around."