



Marway Power Systems



www.marway.com

Marway Power Systems, located in Santa Ana, California, designs and manufactures power distribution products for electronic equipment in standard rack-mount form and for custom enclosures. The company specializes in creating optimized solutions for unique applications for one-time, custom multi-rack platforms as well as for high-volume OEM power boxes and are able to meet the needs of a variety of engineering and manufacturing needs.

Sales

\$1,000,000
Increased Sales
\$500,000
Retained Sales

Jobs

6
New Jobs
12
Jobs Retained

Cost Savings

\$100,000
Cost Savings

Investment

\$400,000
Plant, Equipment and
Employee Skills

Challenges While well established, Marway Power Systems was looking for opportunities for growth and began working with CMTC on approaches to implement quantifiable measures to ascertain what performance objectives needed to be met in order to resolve issues related to lead time, increased throughput/labor hours and improved workflow. The company recognized that it needed to improve its workplace “value stream” in order to keep up with customer demand.

Solution CMTC worked with Marway Power Systems on developing value stream process maps that included every step from order entry to payment. A current state map including issues and suggested improvements was created with input from a cross-functional team. Incorporating this input, a new future state map was created that provided a framework and roadmap to improve communication accuracy and improve ease of use, both internally and externally. The project led to the following results:

- A new process that allows for production planning to be based on production capacity in terms of hours instead of solely on revenue
- A pull system was implemented between production and kitting
- New run rules were put in place with a clear priority system for the release of work to the production floor
- Establishment of a daily tracking board to improve visibility to daily performance and to drive focused problem solving efforts

Impact

- Scheduled labor hour variation reduced from $\pm 68\%$ to $\pm 10\%$
- Reduced kit pull inventory from 30 days to 3.5 days, a reduction of 88%
- Reduction of kits on production floor with shortages moving from 73% to 0%
- 15% increased sales
- 8% retained sales
- 6 new jobs created
- 12 jobs retained
- \$100,000 in cost savings