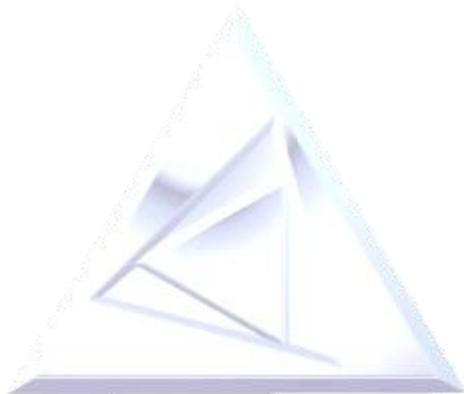


Facility Design and Layout for Lean Manufacturing

*A Step by Step Approach to Developing a
World Class Layout*



Presented by Kim Dixon

Welcome



Kim Dixon

- **30 Years' Experience**
- **Expertise**
 - Kaizen Events
 - Manufacturing Strategic Planning
 - Facilities Planning
 - Manufacturing Engineering
 - Six Sigma
 - Project management
 - 5S Housekeeping
- **Experience**
 - Project Coordinator
 - Manager – Manufacturing Engineering
 - Supervisor – Process Engineer
 - Production Manager
 - Sr. Manufacturing Engineer
- **Member**
 - SME, AME



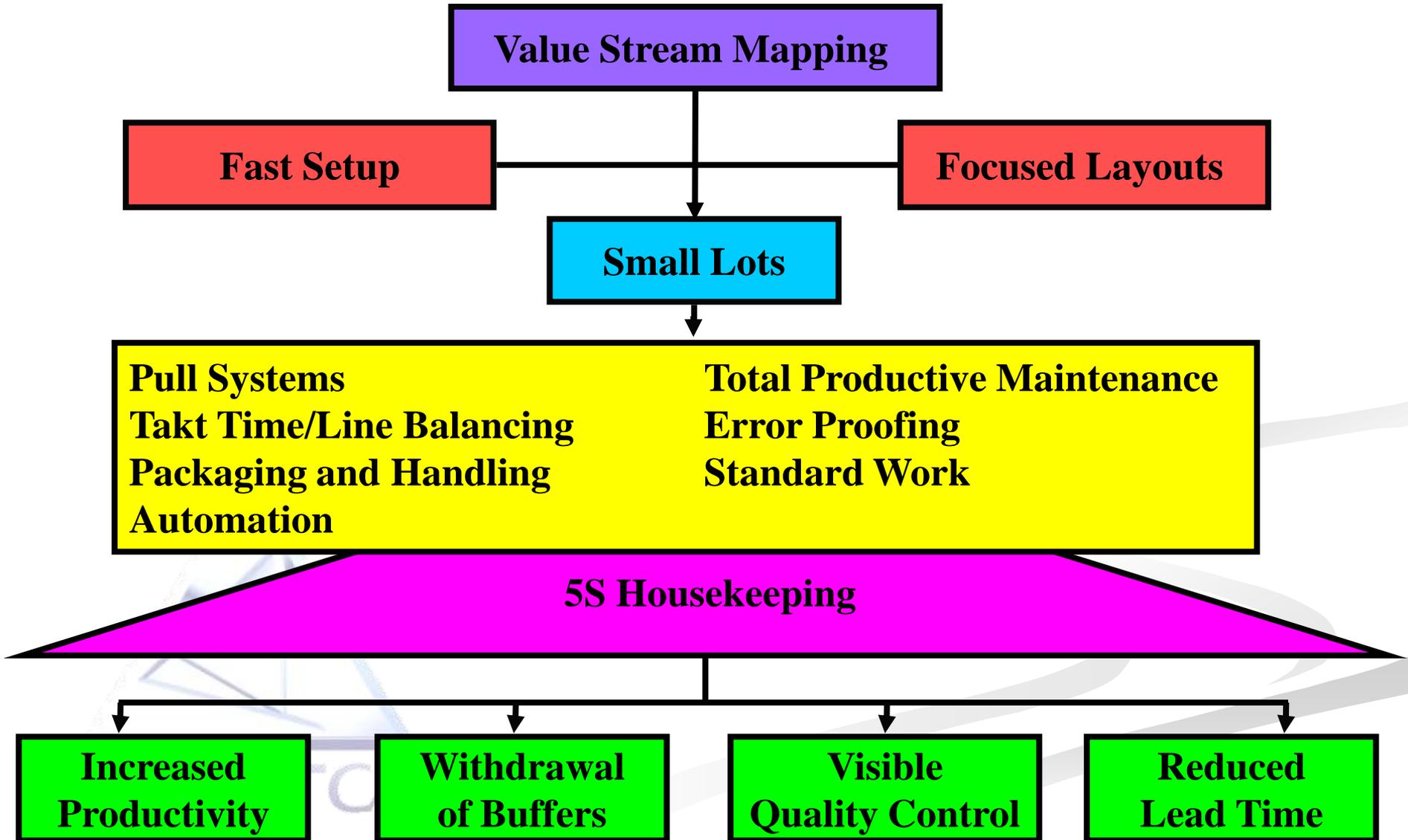
Seminar Objectives

- Review the Lean Business Practices
 - Discuss Why Getting the Layout Right is So Important
- Introduce the 30 steps to greatness
 - Discuss the importance of employee involvement
 - Discuss the importance of creating a flexible layout
 - Discuss how monuments and constraints can be incorporated into your flexible layout strategy
 - Discuss how this process will keep you out of the perpetual iteration trap
- Note: We will not spend time in discussing detailed layout or material handling plans in this seminar) (Steps 27 – 30)

No two facility designs are the same. Strategic objectives, customer requirements, products produced, volumes, machines, the facility that will be used and many other factors all play a roll in the development of the layout

Lean Overview

The Lean Business Practices

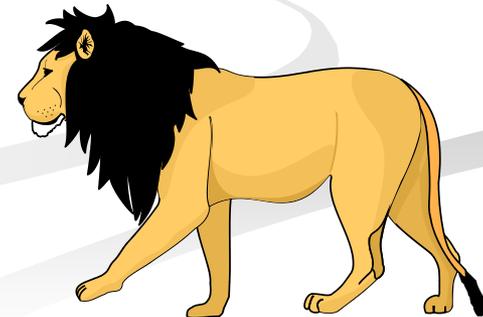


WCE Is Market Driven



Every morning in Africa, a Gazelle wakes up. It knows it must run faster than the fastest lion or it will be killed. Every morning a lion wakes up. It knows it must outrun the slowest gazelle or it will starve to death.

It doesn't matter whether you are a lion or a gazelle - when the sun comes up, you had better be running.





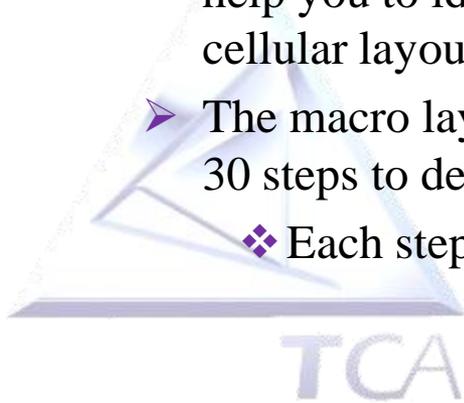
***Your Layout Can
Become The
Competitive Weapon***



Overall Strategy

- Although every facility design is different, specific patterns flow through every layout.
 - Cells and even the product mix may change over time but World class layouts stand the test of time in regards to overall material flow.

- Your layout must be designed with a LEAN focus.
 - If your layout is predominantly Process Functional then this process will help you to identify the product mix to move you to a more flexible cellular layout.
 - The macro layout process requires no less than 26 steps to complete and 30 steps to detailed layout
 - ❖ Each step may have numerous subtasks to complete them.



Overall Strategy (cont)

- On average for a 50K to 100K sq ft plant with multiple product lines and multiple pieces of equipment it will take between 30 to 40 man days to develop a World Class Layout
- Getting consensus as you move through the process in imperative
- Material handling plays a major roll in the layout process.
 - A strategy for moving materials will be designed early in the macro level project
 - As part of the material handling process the demand pull system is also a major factor.

Overall Strategy (cont)

- In Summary our strategy is to produce a product through the layout process that will meet or exceed expectations and create an audit trail to ensure that anyone who needs to can track the work completed and satisfy themselves that the work is thorough and meets the objectives

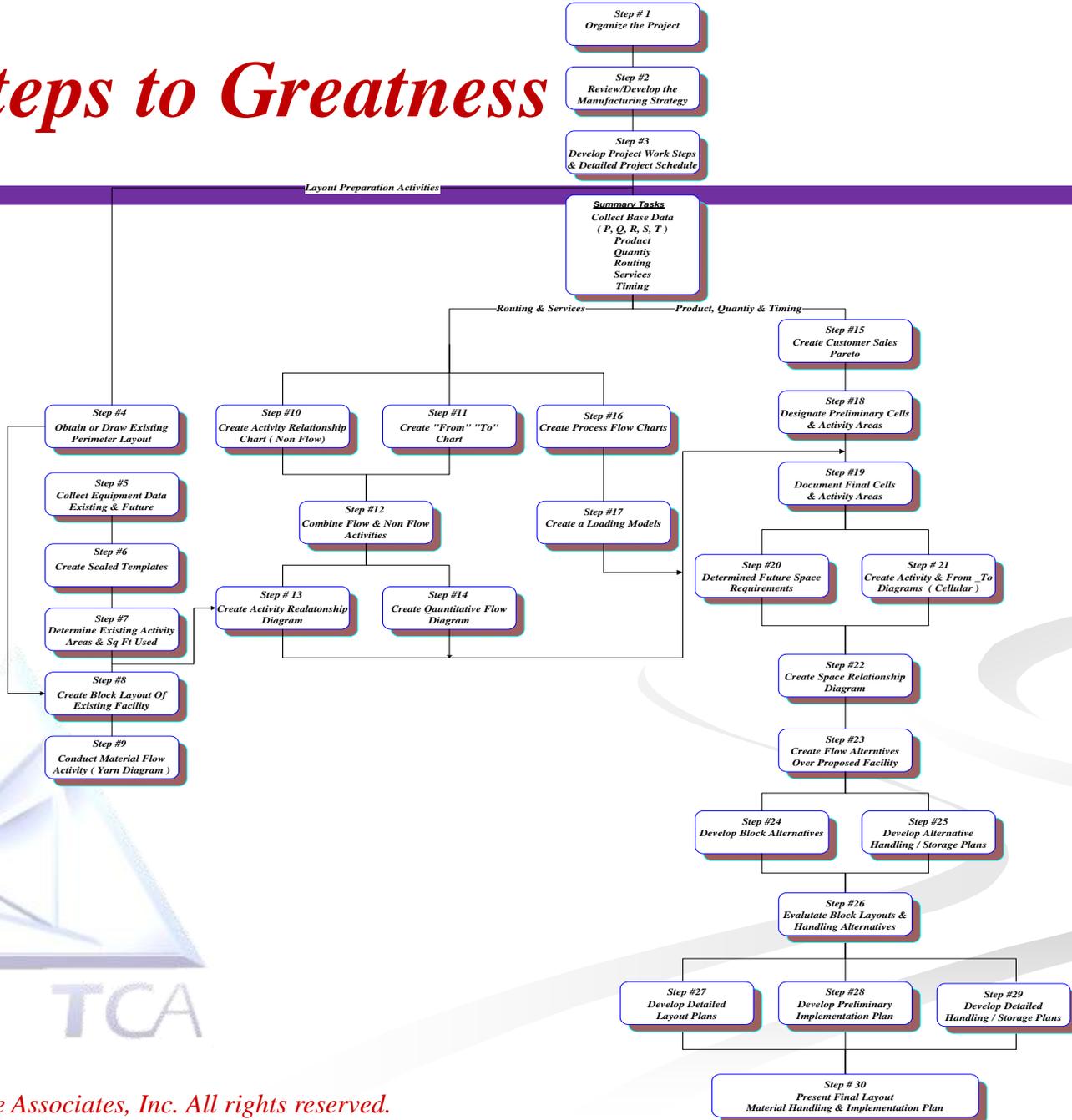


Origins

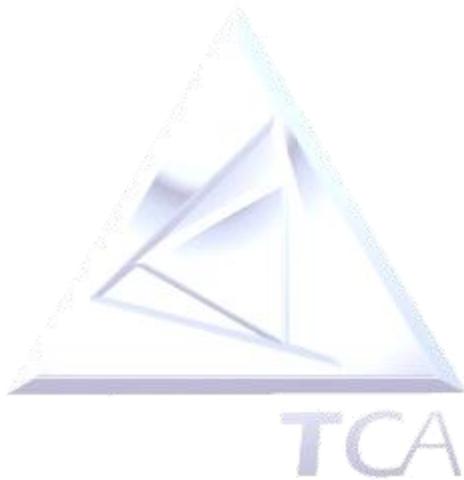
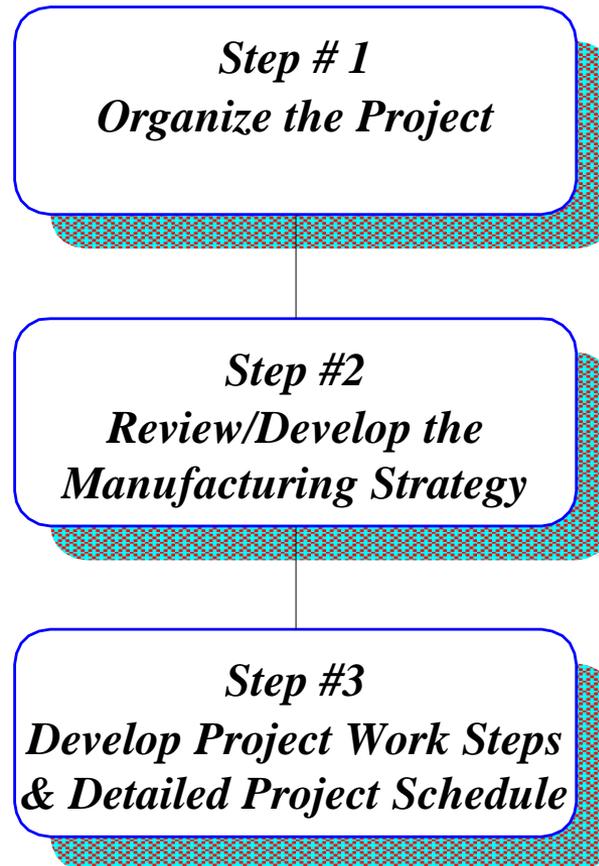
- The origins of the layout planning methodology was developed by Richard Muther and Associates in the 1950' s.
- The methodology uses very sound industrial engineering principals to guide the facilities design team through a project.
 - The Muther process by itself will not create a cellular designed layout.



30 Steps to Greatness

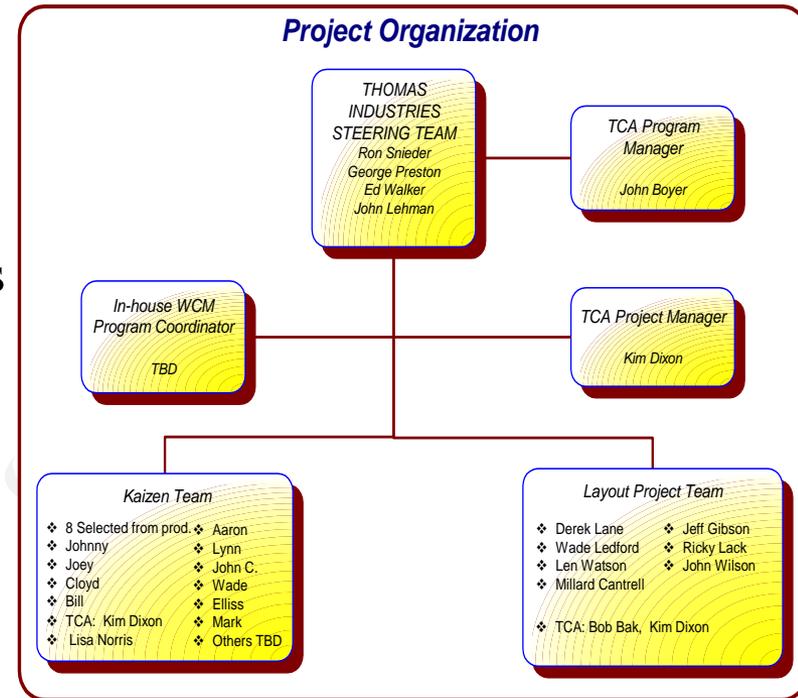


Organization and Scheduling (Step 1 through 3)



Step 1: Organize the Project

- Organizing the project thoroughly on the front end is one of the major keys to having a successful project
 - Establish the scope and objectives of the project. Although the patterns are always there, each project is different
 - Determine who the players will be and what function/roll they will play in the project
 - Document the organization graphically
 - You may also need to document it in the strategic plan



Step 2: Review/Develop the Strategy

- The Manufacturing Strategy will become the baseline for all of the work that the team will do on the project.
- It is a key document and because it outlines what the world is like now and what it will look like in the future
- The strategic plan can come in the form of a completed Road Map Statement or should be developed by the project team in either case it is imperative that everyone in the organization agrees with the strategic direction.

Step 2: Review/Develop the Strategy (cont)

FACILITY LAYOUT DESIGN PROJECT PLANNING

■ Scope

- All manufacturing operations, including

Layouts are usually planned for five years but they may be less or more

■ Assumptions

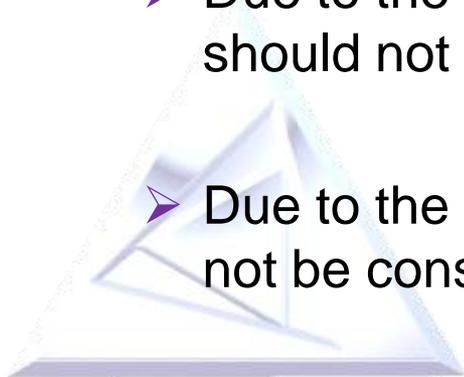
- Normal growth assumptions are estimated at 5% per year
- The layout will be modeled at a higher than normal growth rate for the year 2000 – 2001
- Layout planning will include growth for the five years through 2005
- A new 600 ton press shall be considered in the layout
- All materials staging/storage will be designed for “Point of Use” (POU)

Step 2: Review/Develop the Strategy (cont)

■ Constraints

- Press #202 will not move.
- Paint operations will not move but the paint load and load and unload area may be considered for a change
- Due to the cost of moving presses 204,203,180 and 244 should not move without some cost savings justification.
- Due to the costs involved, brick and mortar changes should not be considered without some cost savings justification.
- New 600 ton press will be placed in the high bay area unless justified otherwise

Watch
For
Monuments



Step 2: Review/Develop the Strategy (cont)

Market-Driven Imperatives

- Services
- "Commodity Market"
 - Walmart 35%
 - Strip 13%
 - Wrap 10%
 - Industrial 7%
 - Surface Mount 2%
- Exit Signs 3%
 - Potential for a 6 to 10 percent growth
 - Proprietary Products
 - Vapor Lume
- Hospital Light
- Vapor Seals
- Spray Booth Light
- Aztec
 - All of the above 27%

Market-Driven Imperatives

- Miscellaneous Reflectors
 - Under the Cabinets
 - Wall Brackets
 - New Products
 - Vapor Let
 - All of the above 3%

Understand
The Products
and Markets

Step 2: Review/Develop the Strategy (cont)

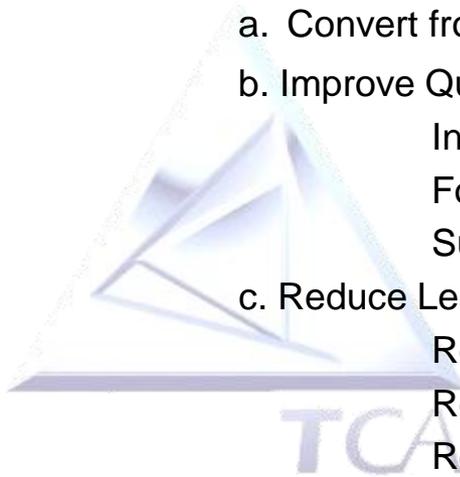
Manufacturing Mission/Vision

1. In general, create a manufacturing resource that distances Thomas Industries from competitors through extraordinary delivery, quality and cost performance while supporting a very effective **New Customer Capability**.

2. Elements of the Thomas Industries (Tupelo) manufacturing mission, in priority order, are:
 - a. Convert from Monthly Batching to Weekly Customer Usage
 - b. Improve Quality
 - Integrate TQM into cell operations
 - Foster personal accountability
 - Support continuous improvement
 - c. Reduce Lead Time
 - Reduce order entry lead time
 - Reduce job prep lead time
 - Reduce manufacturing lead time



**If You Don't Have
A Mission/Vision
Use This As
A Template**



Step 2: Review/Develop the Strategy (cont)

d Reduce Cost

Improve productivity

Reduce paperwork

Maximize benefits of new layout

Identify opportunities for process technology improvements

Identify make vs. buy opportunities

Institutionalize fast setup

Implement tooling management

e. Improve Overall Training Level of Workforce

Implement in-house college

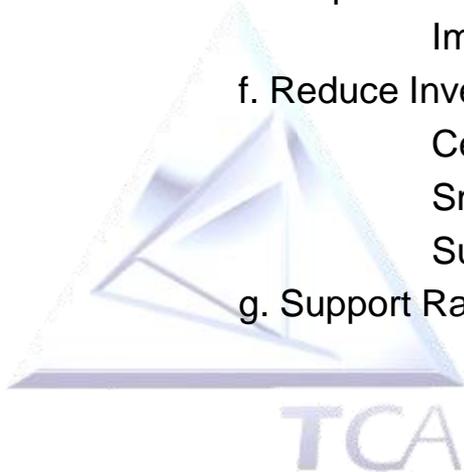
f. Reduce Inventory

Cellular manufacturing/pull systems

Smaller lot sizes

Supplier alliances

g. Support Rapid New Customer Development



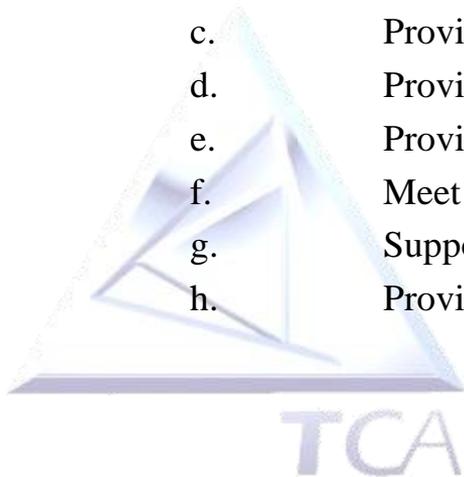
Step 2: Review/Develop the Strategy (cont)

Manufacturing Strategy

1. Process Technology
 - a. Cellular/Focused Factory Structures
 - b. New and Upgraded Process Technologies

2. Facilities
 - a. Support Capacity Needs with Adequate Space
 - b. Minimize Material Handling Labor and Distance
 - c. Provide for Cellular Operations and Focused Factories
 - d. Provide Kanban Locations for Pull Production Control
 - e. Provide Point-of-Use Stocking Locations
 - f. Meet Environmental and Safety Requirements
 - g. Support a Superior Quality of Work Life
 - h. Provide Adequate Space for Service and Support Areas

The Strategy
Emphasizes The
Lean Focus



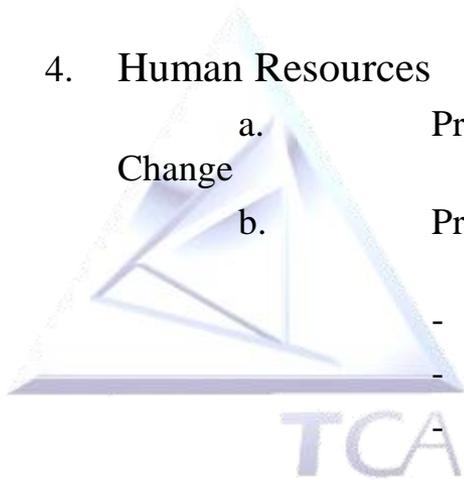
Step 2: Review/Develop the Strategy (cont)

3. Systems

- a. Convert from Monthly to Weekly Batches
- b. Develop First-Rate Sales, Production and Inventory Planning
- c. Develop Long Term and Day-to-Day Capacity Planning Tools that Provide Perfect Visibility of Labor and Equipment Loading
- d. Adapt DCD to Lean Environment
- e. Develop Paperless Job Documents and Data Collection
- f. Design and Implement Pull Production Control System
- g. Institute Closed Loop Quality-at-the-Source Controls (Buddy Checks)

4. Human Resources

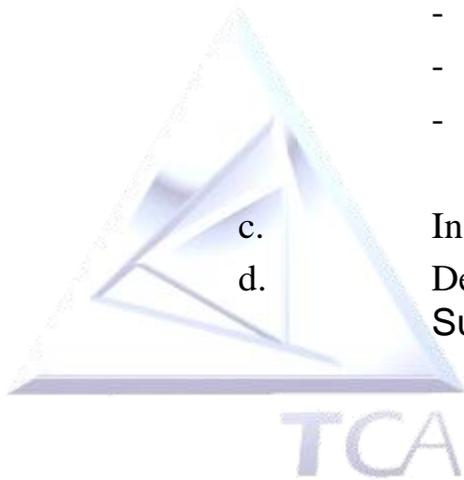
- a. Provide for Management Development in Support of the Company's Growth and Change
- b. Provide Education and Training of the Hourly Workforce with the Objective of Developing Employees Who:
 - Accept only zero defects
 - Are not passive witnesses
 - Keep the flow
 - Continually suggest improvement
 - Are interested in production



Step 2: Review/Develop the Strategy (cont)

- Know how to do their jobs
- Know how to do other's jobs
- Can stop the process
- Assist their compatriots
- Predict and avoid problems
- Measure their own output
- Measure their own quality
- Understand the product
- Understand the process
- Call in resources as needed
- Communicate-Cooperate-Collaborate
- Are team players and team leaders

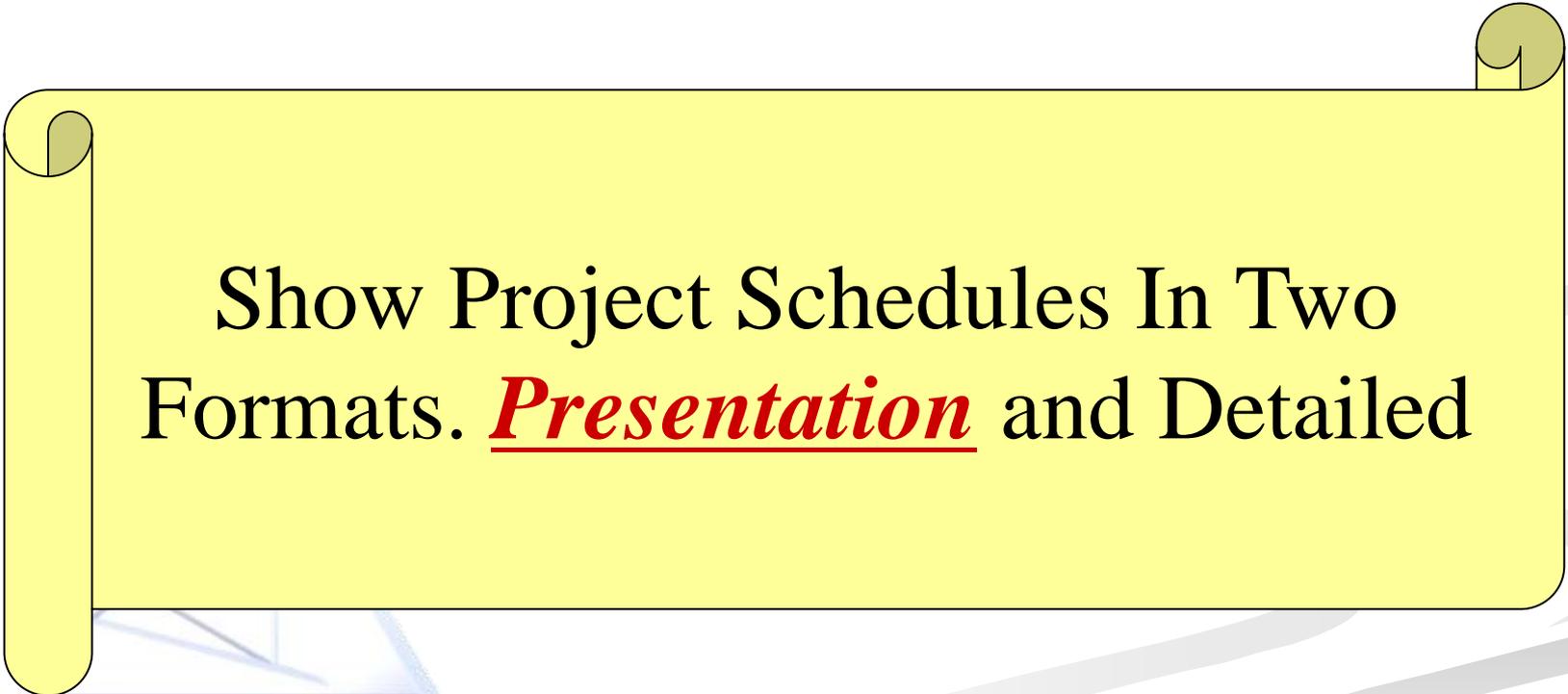
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c.
d.

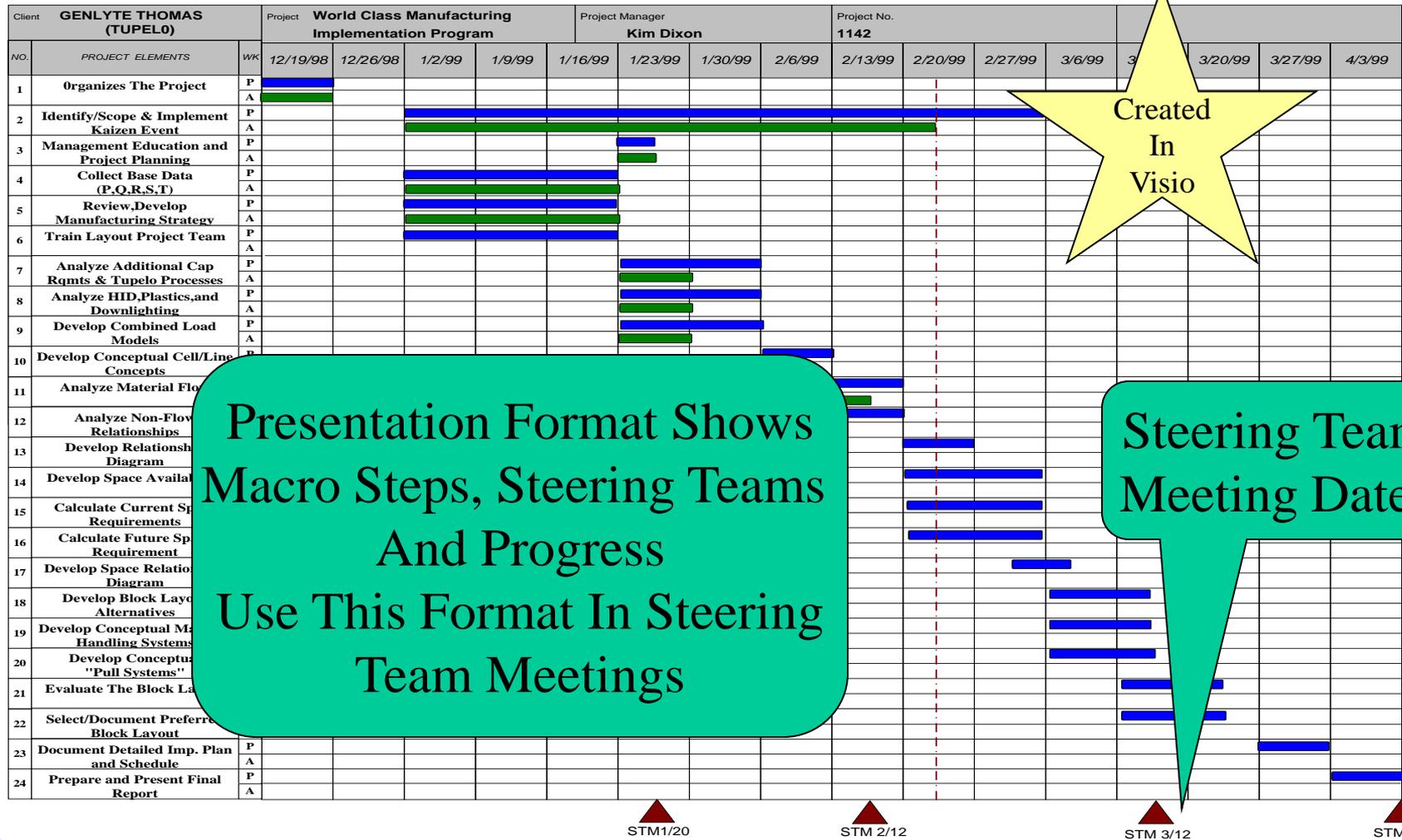
Institute Innovative Compensation Systems that Reward Desire Behaviors
 Develop Expectations and Measure of Performance Integrate Appropriate
 Support Personnel into Process Teams

Step 3: Develop Project Work Steps and Detailed Project Schedule

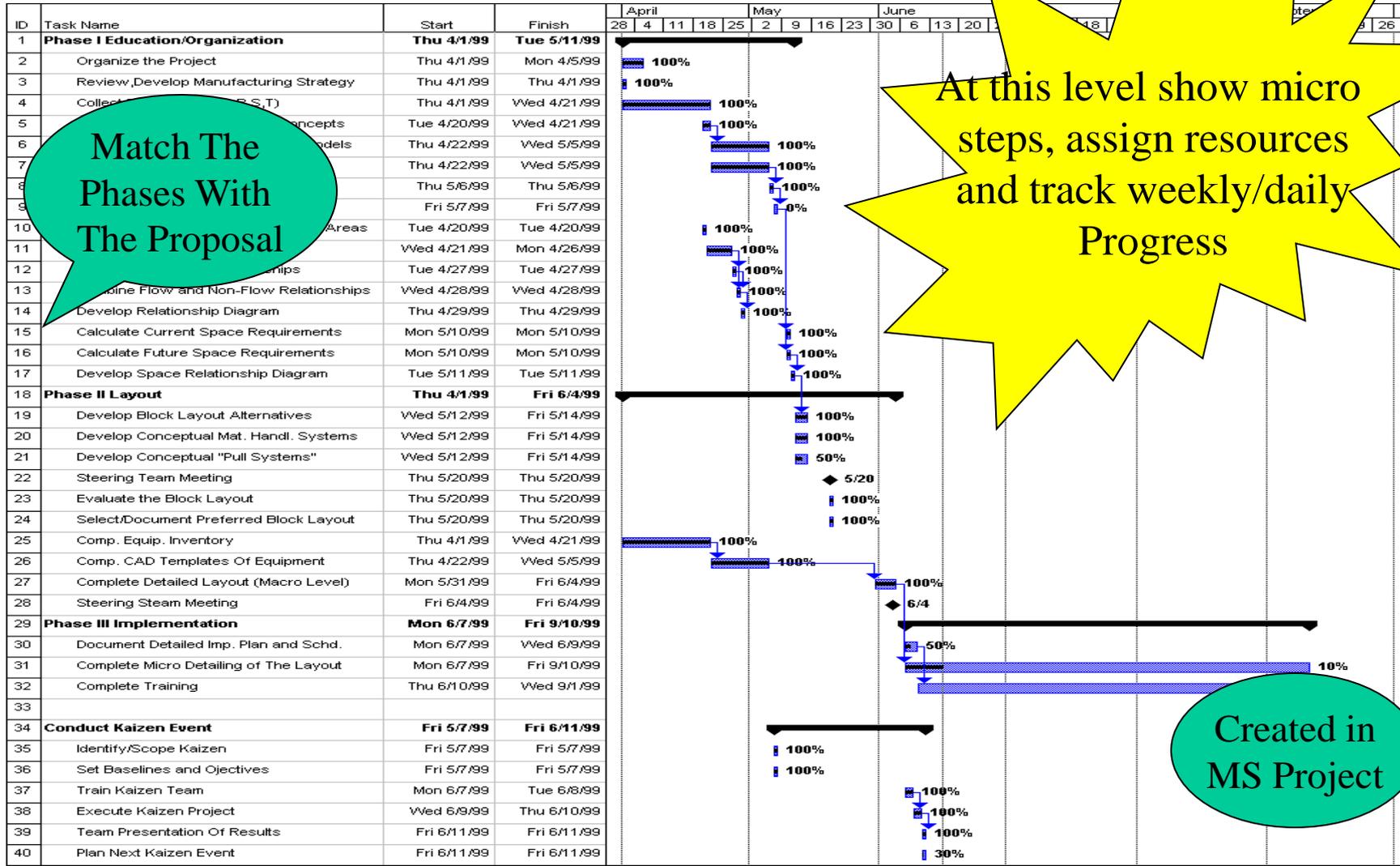


Show Project Schedules In Two
Formats. *Presentation* and Detailed

Step 3: Develop Project Work Steps and Detailed Project Schedule



Step 3: Show Project Work Steps and Detailed Project Schedule



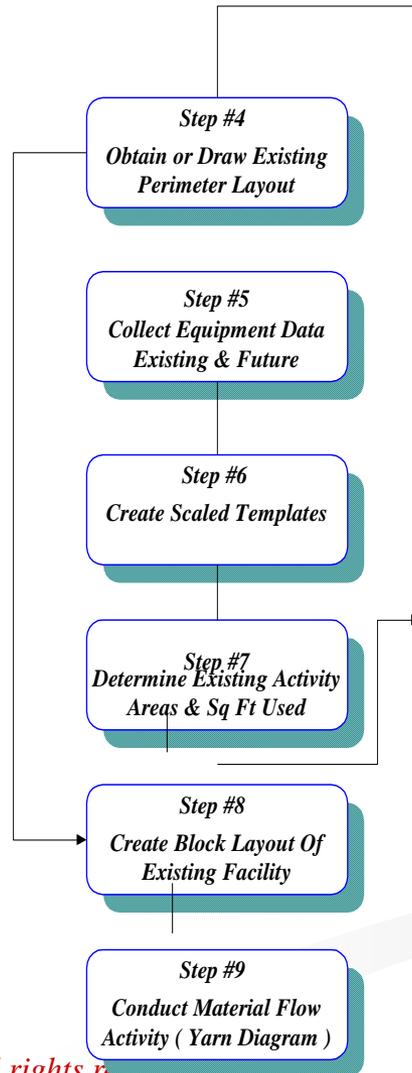
Match The Phases With The Proposal

At this level show micro steps, assign resources and track weekly/daily Progress

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Layout Preparation Activities (Steps 4 through 9)

Layout Preparation Activities



Step #5: Collect Equipment Data Existing and Future



BC/AR		EQUIPMENT LIST/CELL ASSIGNMENTS						
Avon Facility								
Machine Number	Work Ctr. I.D.	Description	Cell Assignment	Voltage	Amps Used	Circuit Size	Template Dimension/Remarks/Sketches	
013		Star JNC-25, FMB Loader	1	220	20	30		
022		Tornos R125	1	220	10	20		
035		Mill, Bridgeport (old)	1	220	10	20		
		DeBurr/Mill, Barker Mill	1	110	0	20		
100		Broach, Ty Miles	1	220	2	30		
101		Hand Screw, DSM	1	220	10	20		
107		Burr Bench Tumbler	1	110	5	20		
114		HSL Bench Lathe	1	220	3	20		
059		Methods Slant JR, Barfield	1	220	53	75		
045		Chucker, HC Manual	2	220	10	20		
058		Methods Slant 1	2	220	66	10		
072		Straighten, Bertollette	2	220		60		
092		DeBurr, General	2	110	5	20		
010		Star JNC-16	3	220	20	30		
014		Star JNC-25, FMB Loader	3	220	20	30		
039		Bridgeport	3	22	10	20		
033		Matsuura RA-1, Twin Pallet	3	220	60	75		
057		Methods TMC-15, Barfield	3	220	53	75		
065		Infeed C/G, Cinco 15	3	220	50	75		
079		Hand Straightening Press	3					
093		Barker Mill/DeBurr	3	220	10	20		
103		Hand Screw, DSM	3	220	10.8	20		
032		Cinc/Milacron 5VC	3	220	40	60		
011		Citizen L-16	4	220	17	30		
012		Star JNC-25	4	220	20	30		
017		Star SST-16	4	220	20	30		
019		Strohm M-45	4	220	4.7	20		
023		Tornos R-10	4	220	20	30		
024		Tornos R-10	4	220	20	30		
026		Tornos R-10	4	220	20	30		
036		Mill, Bridgeport (new)	4	220	10	20		
037		Bridgeport (Tool work)	4	220	10	20		
083		Drill Press & Clousing	4	220	3	20		
084		Burgmaster Turret Drill	4	220	3	20		
089		Schaublin Lathe	4	220	3	20		
201		Grinder, Tool	4	220	3	20		
206		Grinder, (on bench)	4	110	3.9	20		
207		Craftsman Tool Grinder	4					
96		Horizontal Chuck		110	10	20		
054		Lathe, Clousing 15"	10(AR5)	220	24.4	40		
055		17" Clousing Lathe	10(AR5)	220	13.6	30		
056		Methods Slant 3BSL	10(AR5)	220	92	125		
074		Straighten, Dennison Press	10(AR5)					
086		P & W Sensitive Drill Press	3(near 010)	115	5	20		
075		Straighten, Hand Press Arbors	All					
062		Thrufeed C/G, O/M (Polish)	AR Finish	220		75		
066		Thrufeed C/G, 220-8	AR Finish	220	71	125		
067		Cyl. Grinder, Kellenberger	AR Finish	220		30		
105		Re-Tap, Somma	AR Finish					
Purchase		Straightener Press	AR Finish					
77A		Belt Sander	AR Prep	220	5	20		
034		Bridgeport	AR tool room	220	10	20		
046		Lathe, HC Manual	AR Tool Room	220	14	20		
051		Lathe, HLV Tool Room	AR Tool Room	220	5	30		
053		13" Clousing Lathe	AR Tool Room	220	13.6	30		
077		Band Saw	AR Tool Room	220	5	20		
104		Lathe, 10" Southbend	AR Tool Room	220	10	20		
108		Rockwell Drill Press	AR Tool Room	110	7.5	20		
199		Buffalo Drill Press	AR Tool Room	110	7.8	20		
095		Bench Polishing Wheel	Bench	110	5	20		
098		DeBurr Lathe	Bench	220	1.9	20		
106		Mr. DeBurr Tumbler	Clean/Tumble					
110		DeBurr(Tumbler)	Clean/Tumble					
111		Magnus Degreaser	Clean/Tumble					
112		DeBurr(Tumbler)	Clean/Tumble					
002		Heat Treater, Lepel	Heat Treat					
003		Temp. Oven, Young & Bertke	Heat Treat					

Machines must be Identified by a number and description.

Eventually cell assignments will be made for all equipment. Identify equipment by activity area on initial inventory

Equipment Numbering System

- 1) Primary Machines are labeled with a number ie: #005
- 2) Support equipment for that machine is labeled with the machine # and an alpha character prefix, ie; a005, b005,c005 and so on.
- 3) Static material handling equipment, ie; racks and shelving that do not support a specific machine and labeled with a number and with an "sm" Prefix, ie; sm001, sm002, sm003 and so on.
- 4) Movable material handling equipment, ie; carts, forklifts are labeled with a number and an "m" prefix, ie: m001,m002,m003 and so on.

Most equipment templates are simple rectangular shapes but some require more complex sketches. Include notes and dimensions in this column

Voltage and amperage information is critical at later stages of the layout process. Note: Amperages should be identified by startup loads. Note: If existing circuit sizes are none then include as well

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Step #6: Create Scaled Templates

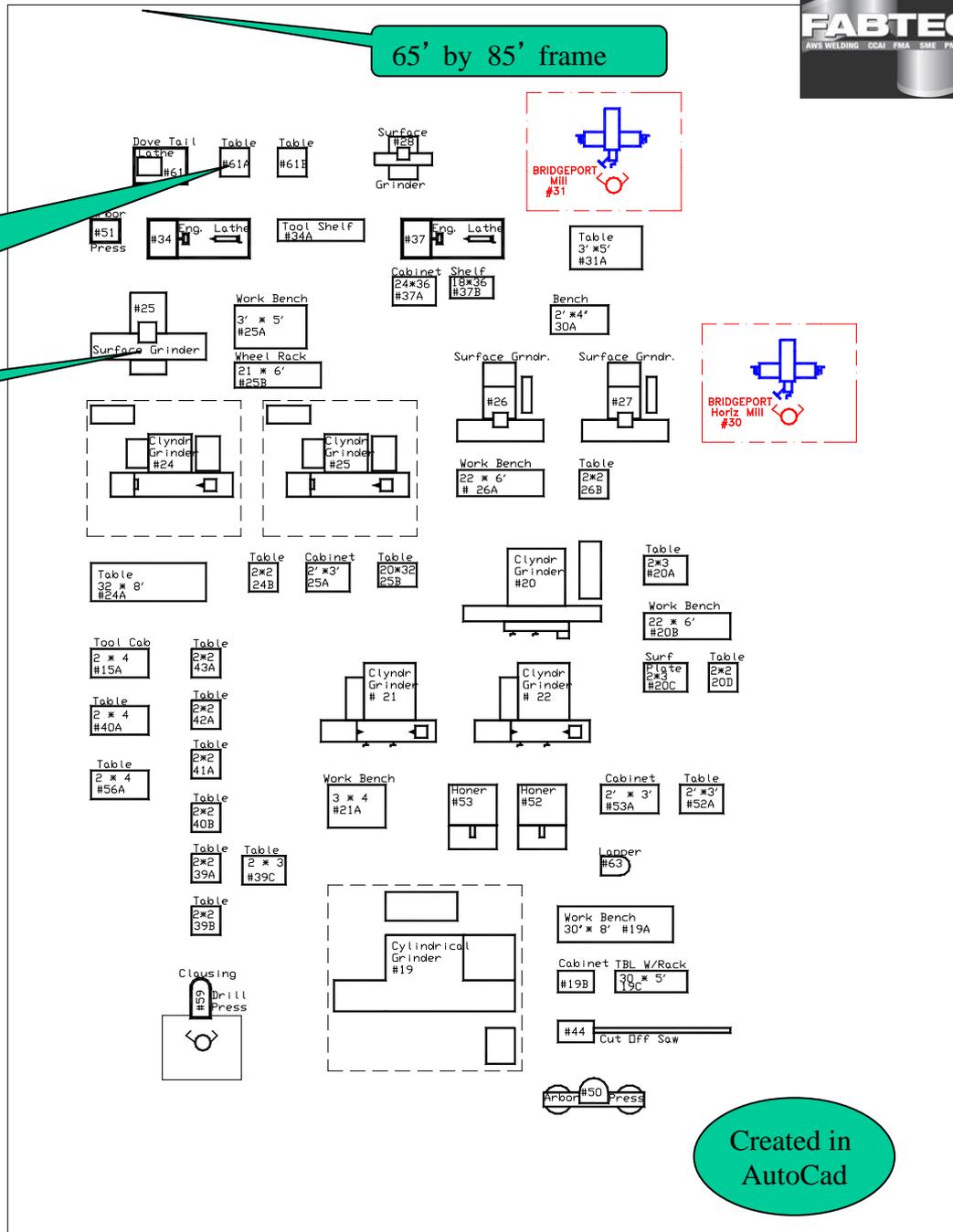


65' by 85' frame

If the template is too small, always put number inside of template and name on top. All names and numbers will match inventory list

Templates will be labeled with Machine #, Equipment/Machine name and rectangular dimensions (equipment only)

- Template Generation Specifications**
- 1) Set AutoCad Units to Architectural
 - 2) Set Polyline Feature to 1"
 - 3) Create All Templates with polyline feature
 - 4) All text will be black "MONO Type"
 - 5) Text will be set no less than 6 inches in height and no more than 12".
 - 6) Primary equipment templates will be blue
 - 7) Support equipment templates will be blue
 - 8) Static material handling equipment will be red
 - 9) Mobile material handling equipment will be green.
 - 10) Templates will be placed in a 65' by 85' frame. This converts to an 8 1/2" by 11" page size for printing
 - 11) Group templates and label by functional or cellular requirements. Note: some adjustments may be required as the project progresses



Created in AutoCad

Step #4: Obtain or Draw Existing Perimeter Layout

Use Existing Drawings If Possible
Check Carefully For Mistakes.
Look For Correct Door Placements, Beam Spacing,
Structure Dimensions, and Monument Locations

These three activities are closely related and build upon each other

Step #7: Determine Existing Activity Areas and Sq. Ft. Used

Take Care in Creating the Activity List. It Becomes The Basis For Several Other Steps in The Process

The Block Layout Is A Graphic Culmination of the Existing Perimeter Layout and the Activity List

Step #8: Create Block Layout of Existing Facility

Step #7: Determine Existing Activity Areas and Sq. Ft. Used

Thomas Existing Activity Area Work Sheet								Re
Final Cut Activity #	First Cut Activity #	Activity Name	Existing Square Ft.	Get Well Requirement	Total Sq. Ft. Required	Width	Length	
	1	Rec. Dock Steel	2430			81	30	
		Steel Storage	0	0	0	70	75	move 1880 sq.ft. to Louver Cell
		Steel Storage	0	0	0	118	10	move 4550 sq. ft. to High Volume Support Fabrication Cell
1		Receiving / Stores	2430					
	2	Alum. Storage	1880					
		Press Room Alum.	8450			130	65	
		Die Storage	6179			167	37	
2		Louver Cell	16509					Press Rm. Alum./Die Storage
	3	Fab Office	1650			33	50	
3		Fab Office	1650					
	4	Enclosure Assby Line	5445			45	121	
4		Enclosure Sub Assy. Cell	5445					Enclosure Assy. Line
	5	Stockroom	0			42	121	Moved 8933 SQ. FT. Stockroom to each
		Comp. Pur/Fab	0			226	124	of 4 areas TG Assembly Cell, Designer Cell,
		AWP Purchase Fab.	0			71	37	Paralouver Assy. Cell Semi-Auto Line
5		Stockroom Pur./Fab	0	0	0			2x2-3" Paralouver/designer Assy. Cell
	7	Plastics Dept.	360			18	20	
			4050			75	54	
			2520			30	84	
			300			15	20	
			4550			35	130	
			1620			30	54	
			1512			28	54	
	8	Plastics Office	120			10	12	
6		Plastics Dept.	15032					
	10	TG Body Storage	0			75	47	
		Storage	0			37	84	Need to swap with TG Material #5
7		TG Body Stockroom	0	0	0			Moved to TG Assy.Cell
	5	RIP/ Stock	8933					
	10	TG Body Storage	3525			75	47	
		Storage	3108			37	84	
	11	TG Assembly	12060			90	134	
	9	RestRooms	375			15	25	
8		TG Assembly Cell	28001					TG Assy/Restrooms
	5	RIP / Stock	8933					
	12	Surface Paralouver Assby.	4920			40	123	
9		2 x 2 - 3" Paralouver/ Designer Assy. Cell	13853					Surface Paralouver Assy.
	13	Louver Assembly	13776			112	123	
10		Louver Sub Assembly Cell	13776					Louver Assy.
	5	RIP / Stock	8933					
	14	Paralouver	15252			124	123	
11		Paralouver Assembly Cell Semi-Automated Line	24185					Paralouver Assy.
	15	AWP Office & Restrooms	2250			45	50	
12		AWP Office/Restroom	2250					
	16	Enclosure Storage	0			78	44	combine w/ Designer Assembly Cell
13		Enclosure Stockroom	0	0	0			
	5	RIP / Stock	8933					
	17	Designer Assembly	19712			154	128	
		Enclosure Stockroom	3432					
14		Designer Assembly Cell	32077					Designer Assy.

On the first pass walk through identify every activity area by name and assign it a number. This requires a knowledgeable client person to walk through the plant with you

Identify square footages by area. Physically measure them or use the as is drawing if available. Don't leave out the client !

Next you need to consolidate. More than 35 activity areas is impossible to evaluate later on. It is best to be less than 25. Consolidation does not mean you have cellularized the plant

Step #7: Determine Existing Activity Areas and Sq. Ft. Used

Thomas Existing Activity Area Work Sheet (Continued)							
Final Cut Activity #	First Cut Activity #	Activity Name	Existing Square Ft.	Get Well Square Ft.	Total Sq. Ft. Required	Width	Length
	18	Press #39	7018			121	58
		Die & Steel Storage	4020			68	106
15		Press 39 Body Fabrication Cell	11038				
							Press # 39/D&S Storage
		Steel Storage	4550				
		Rework Area	887			17	37
32		Brake Press	1035			23	45
		Tool Room	5712			56	102
		High Volume Support Fab. Cell	11926				
							Brake Press Room
	20	Press Room Steel	8874			87	102
17		Secondary Body Fab. Cell	8874				
							Press Room Steel
	21	Rework Area	0			17	37
18		Rework Area	0	0	0		
							Move to High Volume Cell
	22	Downlighter Fab	0			51	39
19		Downlighter Fab.	0			16	17
							Downlighter Fab. Moved to Downlighter Assy.
	23		5328			48	111
20		Special Fabrication Cell	7152			48	38
			1824				
							Special Fab.
	24	Scrap Area Steel/Alum.	720			15	48
21		Scrap Area Steel/Alum.	720				
	26	SEO, NO, TRO, Conf.	3320			83	40
22	6	Dock/Employee Entrance	1296			27	48
		Spec. Office/Entry	4616				
	27	Maint. Area	4214			98	43
		Tow Motor Shop	900			30	30
23	25	Maint. Office	250			25	10
		Maint. Dept.	5364				
	28	Tool Room	3256			88	37
			7785			173	45
			1998			74	27
24	29	Tool Crib	1924			37	52
		Tool Room Dept.	14963				
	30	E.C. Assembly	14112			147	96
25	36	Wire Warehouse	575			25	23
		E.C. Assy./Wire Dept.	14687				
26	31	Front Office/Café/Restroom	14707			191	77
		Front Office/Café/Restrooms	14707				
	33	Stock Staging/Q.C.Lab	990			33	30
27		Check point Charley	0	0	0	30	30
		AWP Drop	990				
							Break out Check point Charley now 27A
27A		Check Point Charley	900			30	30
							Insection / Q. C. Lab
	35	Press #31	460			23	20
28		Press # 31	460				

Note anything significant. Your notes are part of your audit trail.

The spread sheet calculates these numbers for you . But if you want to type them in for functional areas you know won't change you can enter a number.



Step #7: Determine Existing Activity Areas and Sq. Ft. Used

Thomas Existing Activity Area Work Sheet (Continued)									
Final Cut Activity #	First Cut Activity #	Activity Name	Existing Square Ft.	Get Well Require	Total Sq. Ft. Required	Width	Length	Remarks	
	37	Beadblast	966			42	23		
	38	Paint Line & Storage	12848			88	146		Move 22,836 sq. ft. to 29A Paint Load Area / Que.
			13629			177	77		
			1932			92	21		
			3080			107	44		
			592			154	20		
		Paint Line Office	144			8	74		
	39	Restrooms	1480			16	9		
29		Paint Dept.	16543			37	40		
29A		Paint Load Area / Que	22836			150	150		
	40	Packout	1334			29	46		
30		Packout	1334						
	42	Comp. Storage/Pre Ship	0			23	74		
31		Comp. Storage/Pre Ship	0	0	0				Moved to HID Stockroom
	44	Production Control Office	1708			61	28		
32		Production Control Office	1708						
	22	Downlighter Fab.	2261			51	39		
	46	Downlighter Assembly	6864						
	48	Downlighter Staging	4440						
	49	Downlighter Stockroom	18000						
33A		Downlighter & Stockroom	31565						
	42	Comp. Storage/Pre Ship	1702			23	74		
	45	HID BRA Sub-Assby	600			20	30		Breakout HID from Downlight
	46	HID Assembly	16280			88	263		
			2925			45	65		
	47	HID Office	1377			51	27		
	48	HID Staging	5920			280	37		
	49	HID Stockroom	30000			200	248		
	53	Supervisor Office	150			10	15		
	41	Accessory (HID)	1830			61	30		
33		HID Dept. & Stockroom	60784						
	50	Dock Rec. & Inspection	13991			200	84		RGA is part of Receiving Break Out
	51	Obsolete Storage	3780			21	180		
	52	Rec. Office	180			15	12		
		Rec. Dept.	17951						
34A		RGA	2809			53	53		
	54	Shipping Office	162,239			301	539		
		Shipping Dock							
		Warehouse							
35		Shipping & Warehouse	162,239						
		Total per Plant	569,375						
		Total per Drawing	570,405						
		Difference	1,030						

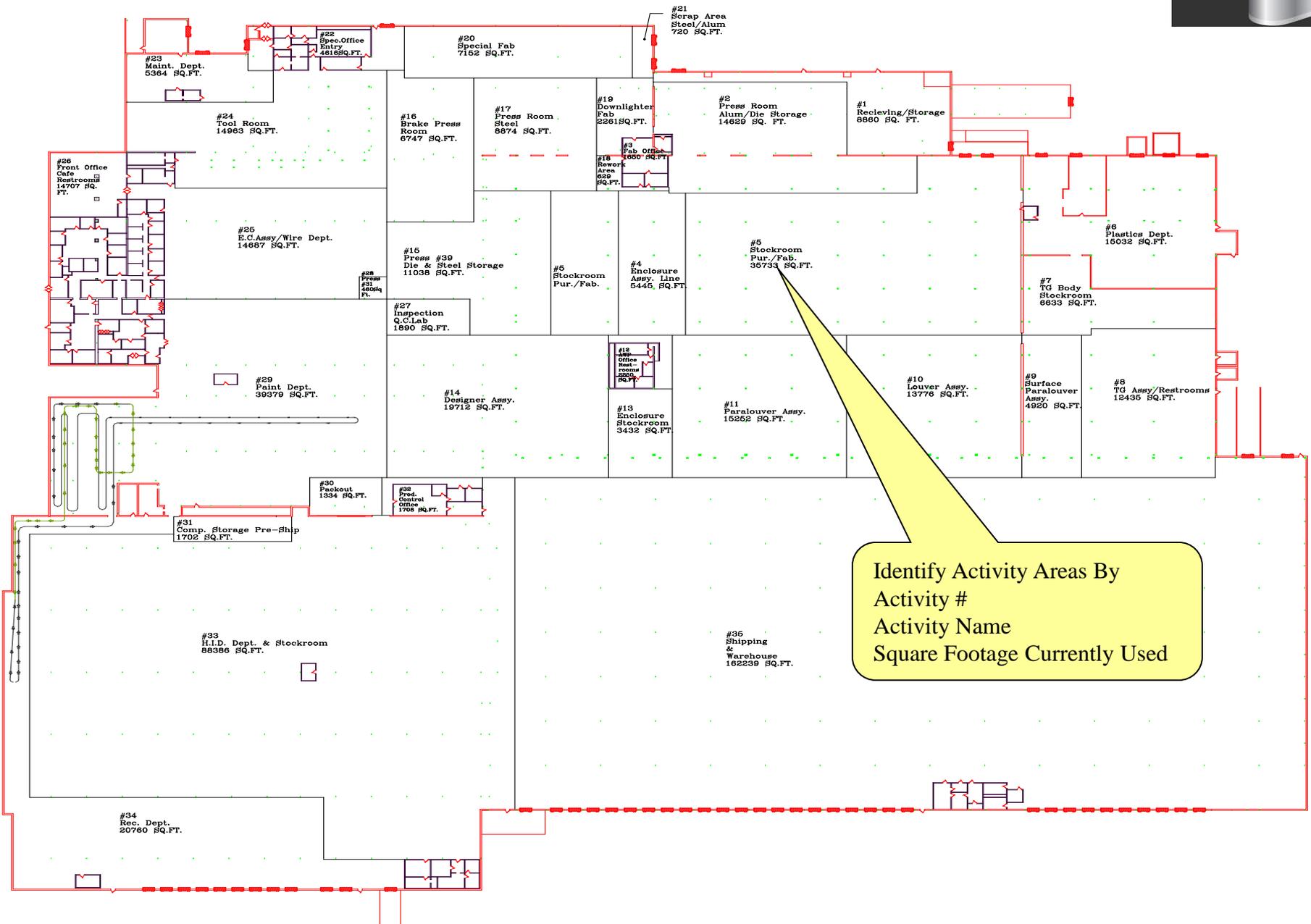
Account for every square foot of the plant. If you consolidate an activity area you must note that you did so. **SOMEONE WILL ASK !!**

Check the activity areas against the as is drawing and make sure it balances by some + or - that you and the client can agree on



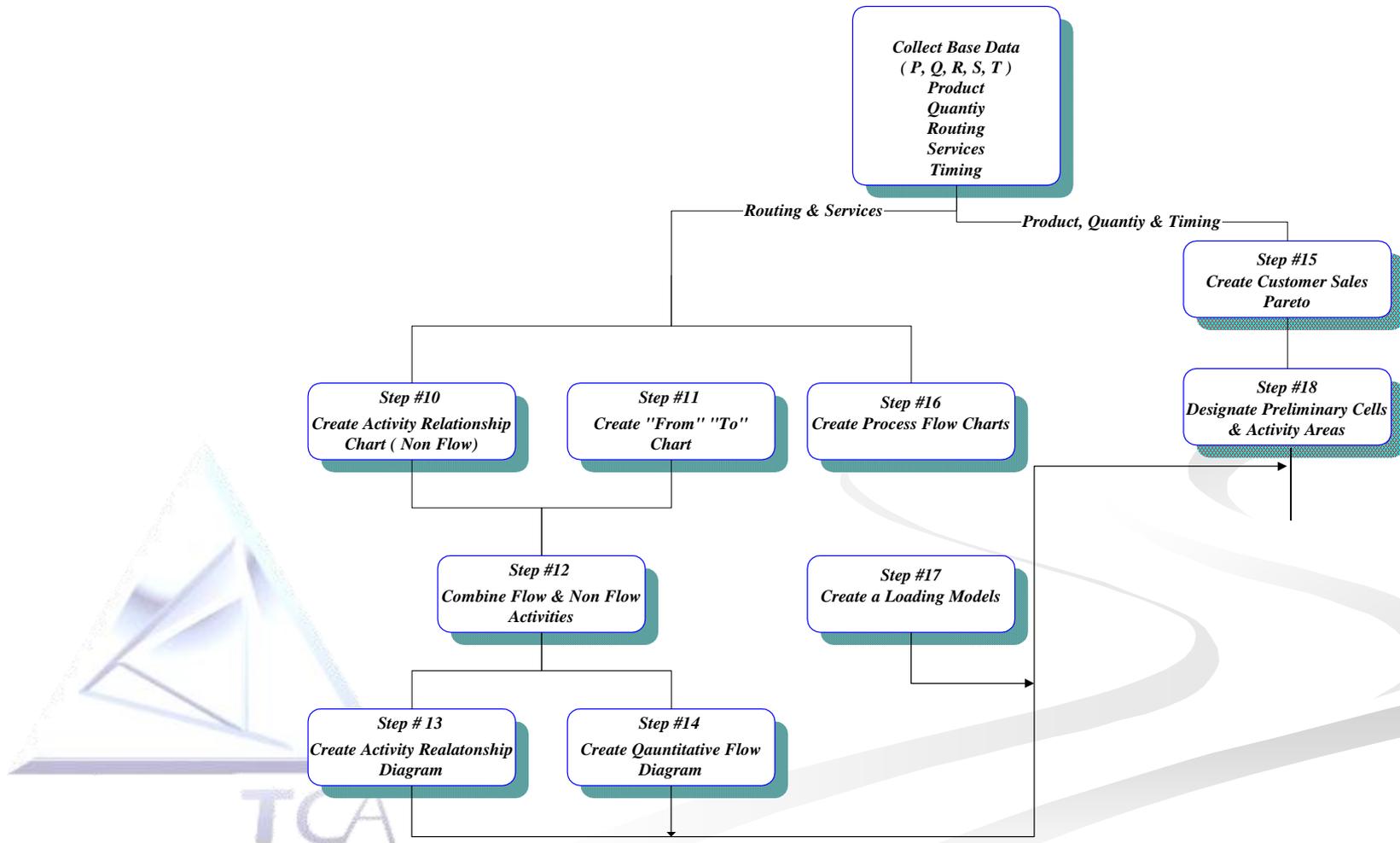
Step #8: Create Block Layout of Existing Facility





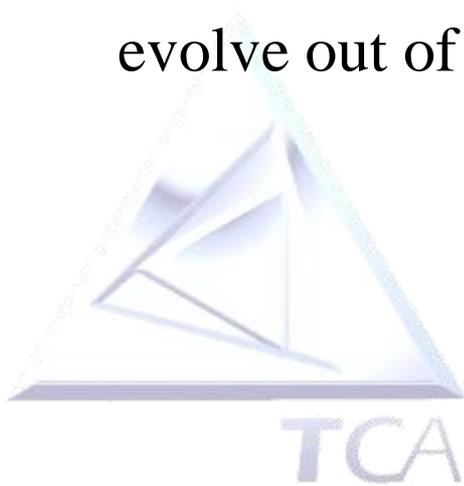
Identify Activity Areas By
 Activity #
 Activity Name
 Square Footage Currently Used

Steps #10 – 18



Critical Data – Steps #10 - #18

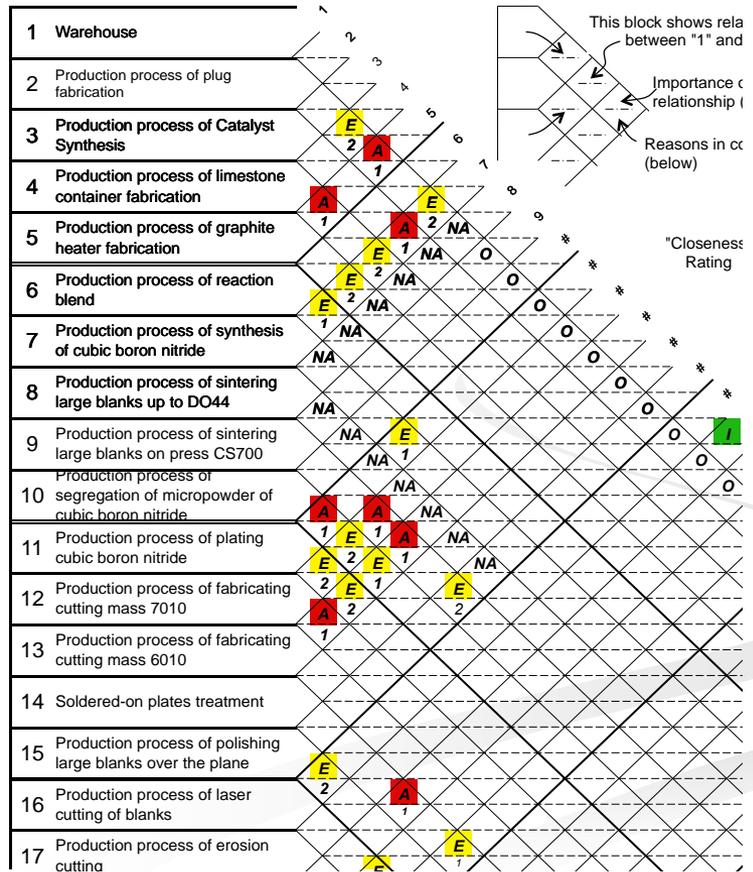
- The consolidated activity areas are critical at this point they are the base for the flow and non-flow data in steps 10 and 11
- The Routing and Services data is critical data. Review the product data and any new products or processes in detail to ensure that the focused factory/cellular concepts that evolve out of the process are accurate.



Step #10: Create Activity Relationship Chart (Non-Flow)

RELATIONSHIP CHART

Plant (Company) Microbor
 Source - Reference _____



Step #10: Create Activity Relationship Chart (Non Flow)

From to Analysis

- 1) Identify equivalent move containers/types, ie; pallets, carts
- 2) Use activity list to fill out the chart
- 3) Utilizing client historical data and knowledgeable people to determine how many moves are completed per day

Note: 1st choice, use computer transaction data. 2nd choice do physical observations and verify with client, 3rd choice meet with knowledgeable layout team members and calculate the moves.

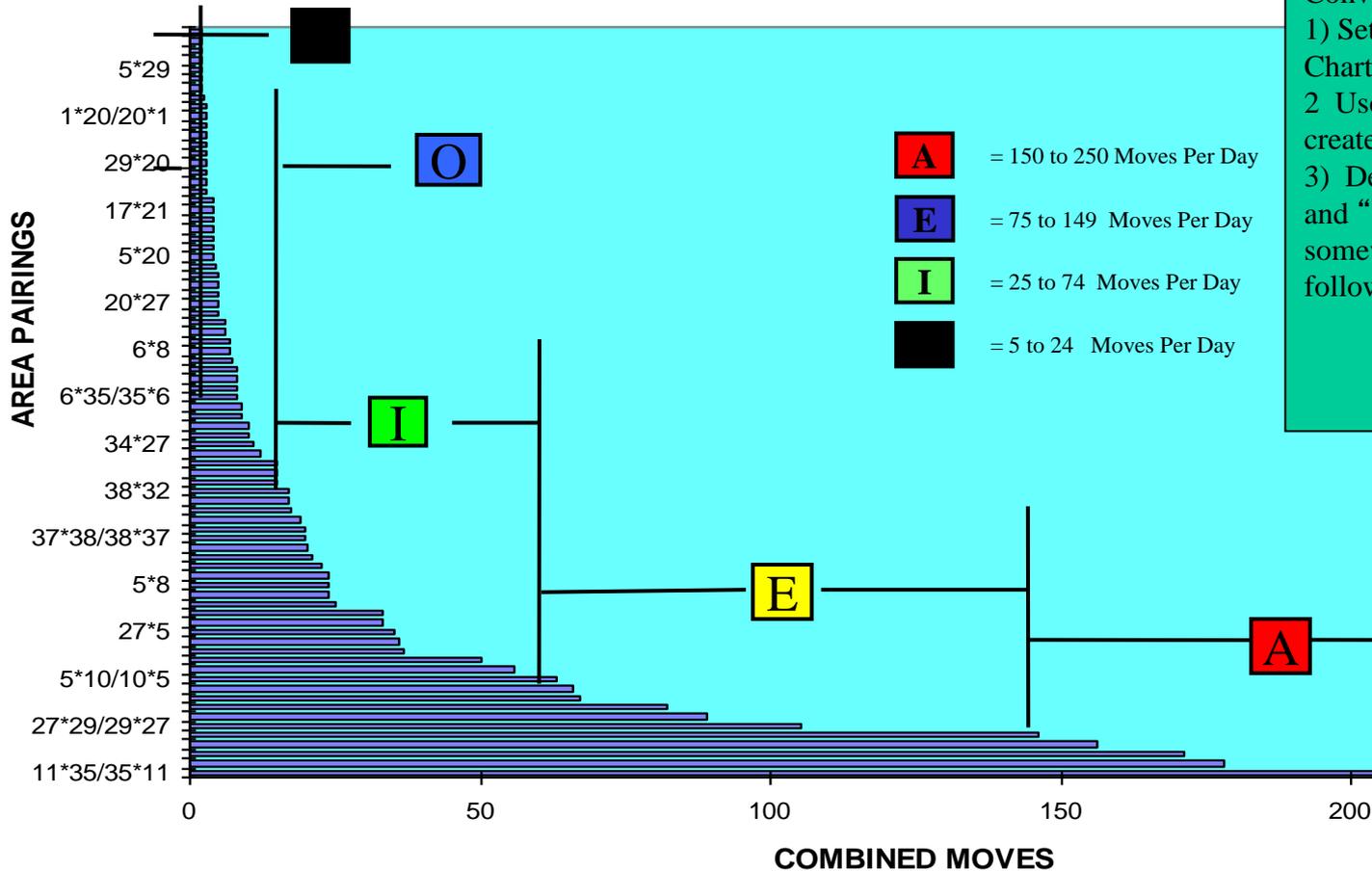
Moves will be calculated in moves per day.

Activity of Operation	Activity of Operation	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37						
FROM	TO	Rec. Stores Steel	Press Rm./Alum.	Fab. Office	Enclosure Assy.	Stkrm. Pur/Fab	Plastics Dept.	TG Body Stkrm.	TG Assy./Rstrm.	Surf. Partuvr. Ass	Louwer Assy.	Paralouwer Assy.	AWP Off./Rstrm.	Enclosure Stkrm.	Designer Assy.	Press #39 D&S	Brake Press Rm.	Press Rm. Steel	Rework Area	Downlighter Fab.	Special Fab.	Scrap Area S&A	Spec. Off./Entry	Maint. Dept.	Tool Rm. Dept.	E.C. Assy/wire Dept	Frt. Off./Café/rstrm.	AWP Drop/Q.C.	Press # 31	Paint Dept.	Packout	Comp.Str./Pre-Ship	Prod. Control Off.	HID Dept./Stkrm.	Rec. Dept.	Ship & Warehouse	Ballast Drop	HID Drop						
Rec. Stores Steel	1	25	9													8		9		2	2																							
Press Rm./Alum.	2	12																					5		2		15								15									
Fab. Office	3																																											
Enclosure Assy.	4								8	4		3		10	15								0.5									1												
Stkrm. Pur/Fab	5				17				24	20	53	75		59			3				3.5										2	6												
Plastics Dept.	6				9				7																														6					
TG Body Stkrm.	7								24																																			
TG Assy./Rstrm.	8					1		2						1.5									0.5																140					
Surf. Partuvr. Assy.	9					2.5																	0.5																	10				
Louwer Assy.	10					10			1	5		24											0.5										3											
Paralouwer Assy.	11						14								0.5								0.5																	215				
AWP Off./Rstrm.	12																																											
Enclosure Stkrm.	13														10																													
Designer Assy.	14						8																0.5																					
Press #39 D&S	15																						7			1.5																		
Brake Press Rm.	16																									1		1.5																
Press Rm. Steel	17	10															4						4																					
Rework Area	18																																											
Downlighter Fab.	19	1																																										
Special Fab.	20	1																																										
Scrap Area S&A	21																																											
Spec. Off./Entry	22																																											
Maint. Dept.	23																																											
Tool Rm. Dept.	24		2																																									
E.C. Assy/wire Dept	25					0.5																	0.5																		2	0.5		
Frt. Off./Café/rstrm.	26																																											
AWP Drop/Q.C.	27					35		33	2.5	1.5		7		20													0.5														2			
Press # 31	28																																											
Paint Dept.	29															0.5																												
Packout	30					2																																						
Comp.Str./Pre-Ship	31																																											
Prod. Control Off.	32																																											
HID Dept./Stkrm.	33																																											
Rec. Dept.	34						6	2	1			4		4													0.5		11									3				35	55	
Ship & Warehouse	35						2	16	2			20		16																														
Ballast Drop	36						37		1.5			1.5		1.5																														
HID Drop	37						1			0.5																																		
HID Assy.	38																																											
E.C. Drop	39																																											
Totals		49	11	0	26	112	8	35	86	34	53	135	0	10	128	9.5	8.5	9	0	2	16	23	0	0	5	1.5	0	1	57	15	2	17	88	7.5	686	35	181							

Created in Excel

Step #11: Create "From To" Chart

FLOW OF MATERIAL INTENSITY



Convert From-To Data to Intensity

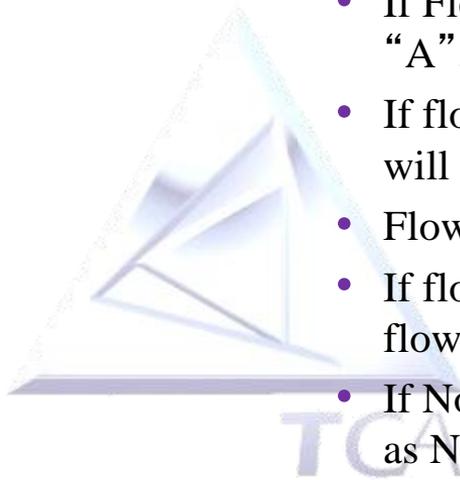
- 1) Set the data from your From-To Chart up in a pareto.
- 2) Use Excels graphing features to create an intensity diagram
- 3) Determine "A", "E", "I", "O", and "U" intensities. This is somewhat intuitive but mostly follows the pareto theorem

Created in Excel

Step #12: Combine Flow and Non-Flow Activities

1. List all of the significant routing pairs from the From-To Chart (flow) and the Relationship Chart (non-flow). You will need to refer to the Flow Intensity chart to convert from moves per day to A,E,I,O.

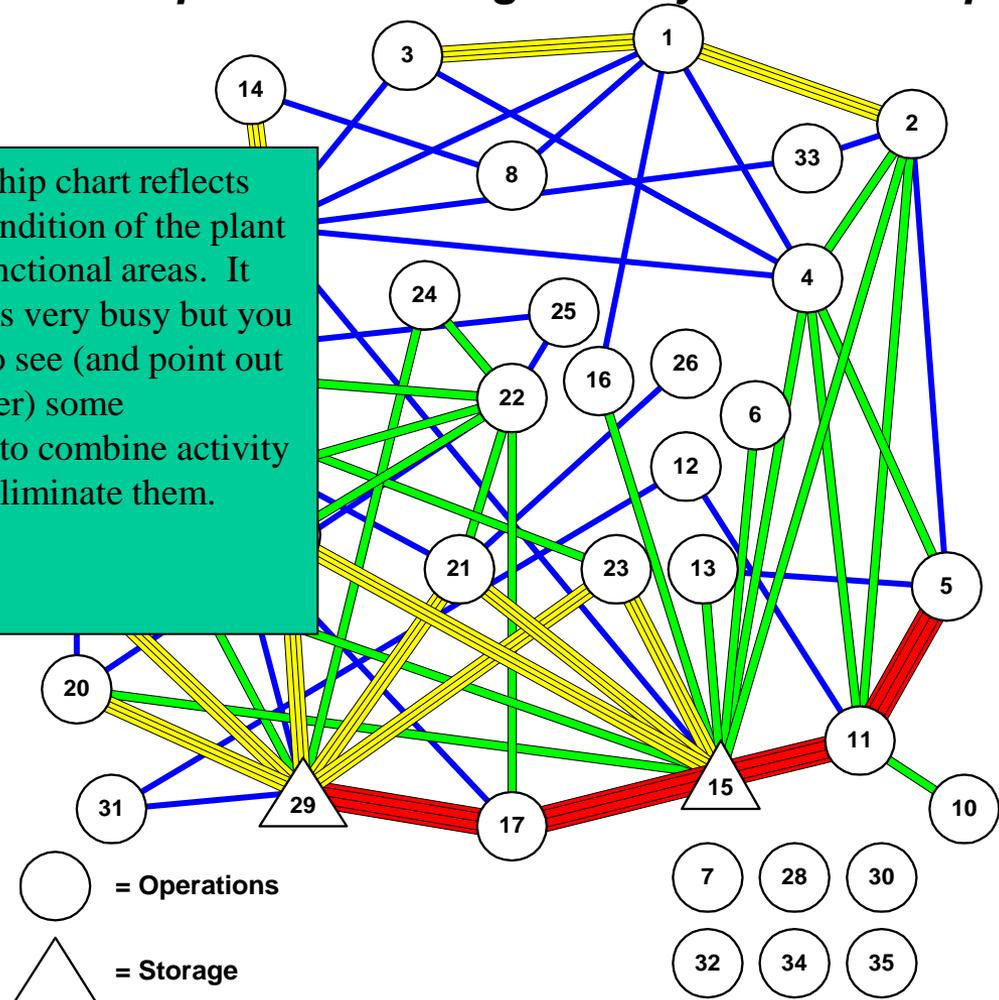
- 2) Combine the relationships by ranking them.
 - **Ranking Criteria:**
 - Flow always takes precedence.
 - If Flow is an “A” and Non-flow is an “I” Combined, it remains an “A”.
 - If flow is less than non-flow then ranking will rank up one non-flow will rank down one.
 - Flow = “I” and Non-flow = “A” then Combined = “E”
 - If flow has no corresponding non-flow then ranking stays the same as flow
 - If Non-flow has no corresponding flow then ranking remains the same as Non-flow.



Step #13: Create Activity Relationship Diagram

Sparta's Existing Activity Relationship Diagram

This relationship chart reflects the "as-is" condition of the plant with all its functional areas. It typically looks very busy but you will be able to see (and point out to the customer) some opportunities to combine activity areas and or eliminate them.



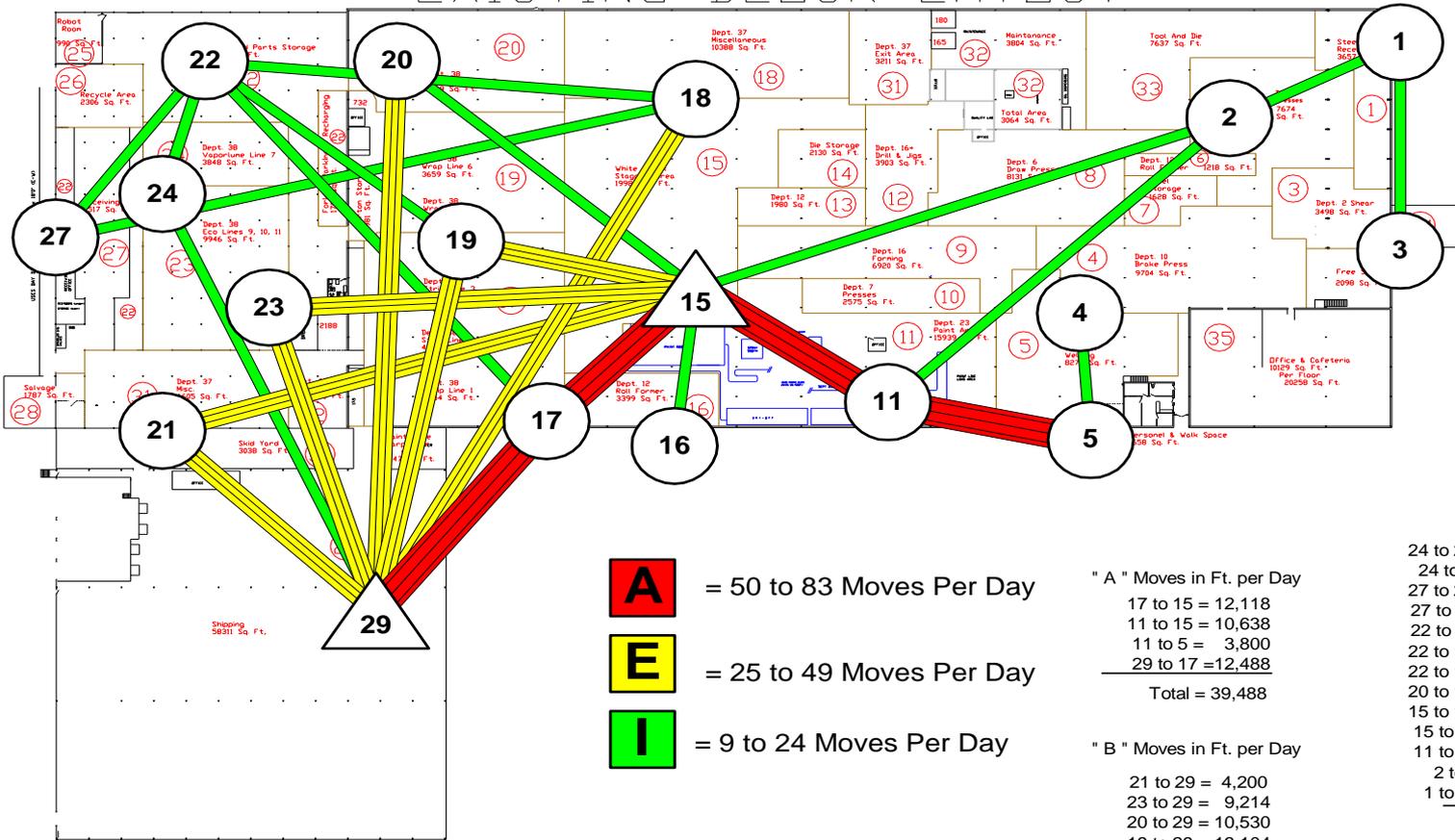
- 1) Steel Receiving
- 2) Large Presses
- 3) Shear
- 4) Brake Presses
- 5) Welding
- 6) Rollformer (Ind.)
- 7) Steel Storage
- 8) Draw Presses
- 9) Forming/ Stamping
- 10) Auto-Coil Press 202
- 11) Paint Area
- 12) Drill & Jigs
- 13) Rollformer (Wrap)
- 14) Die Storage
- 15) White Stock Area
- 16) Rollformer (Strip)
- 17) Strip Assy. Line
- 18) Misc. (Assy./ Comp.)
- 19) Wrap Assy. Line
- 20) Industrial Assy. Line
- 21) Proprietary Assy. Line
- 22) Pur. Parts Storage
- 23) Eco Assy. Line
- 24) Vaporlume Assy. Line
- 25) Robot Room
- 26) Recycle Area
- 27) Pur. Parts Receiving
- 28) Salvage / RGA
- 29) Shipping
- 30) Skid Yard / Maint Shop
- 31) Exit Assy. Cell
- 32) Maint. Area
- 33) Tool & Die Rom
- 34) Compressor Room
- 35) Office & Cafeteria

○ = Operations
 △ = Storage

Created In Visio

Step #14: Create Quantitative Flow Diagram

EXISTING BLOCK LAYOUT



- A** = 50 to 83 Moves Per Day
- E** = 25 to 49 Moves Per Day
- I** = 9 to 24 Moves Per Day

"A" Moves in Ft. per Day
 17 to 15 = 12,118
 11 to 15 = 10,638
 11 to 5 = 3,800
 29 to 17 = 12,488

 Total = 39,488

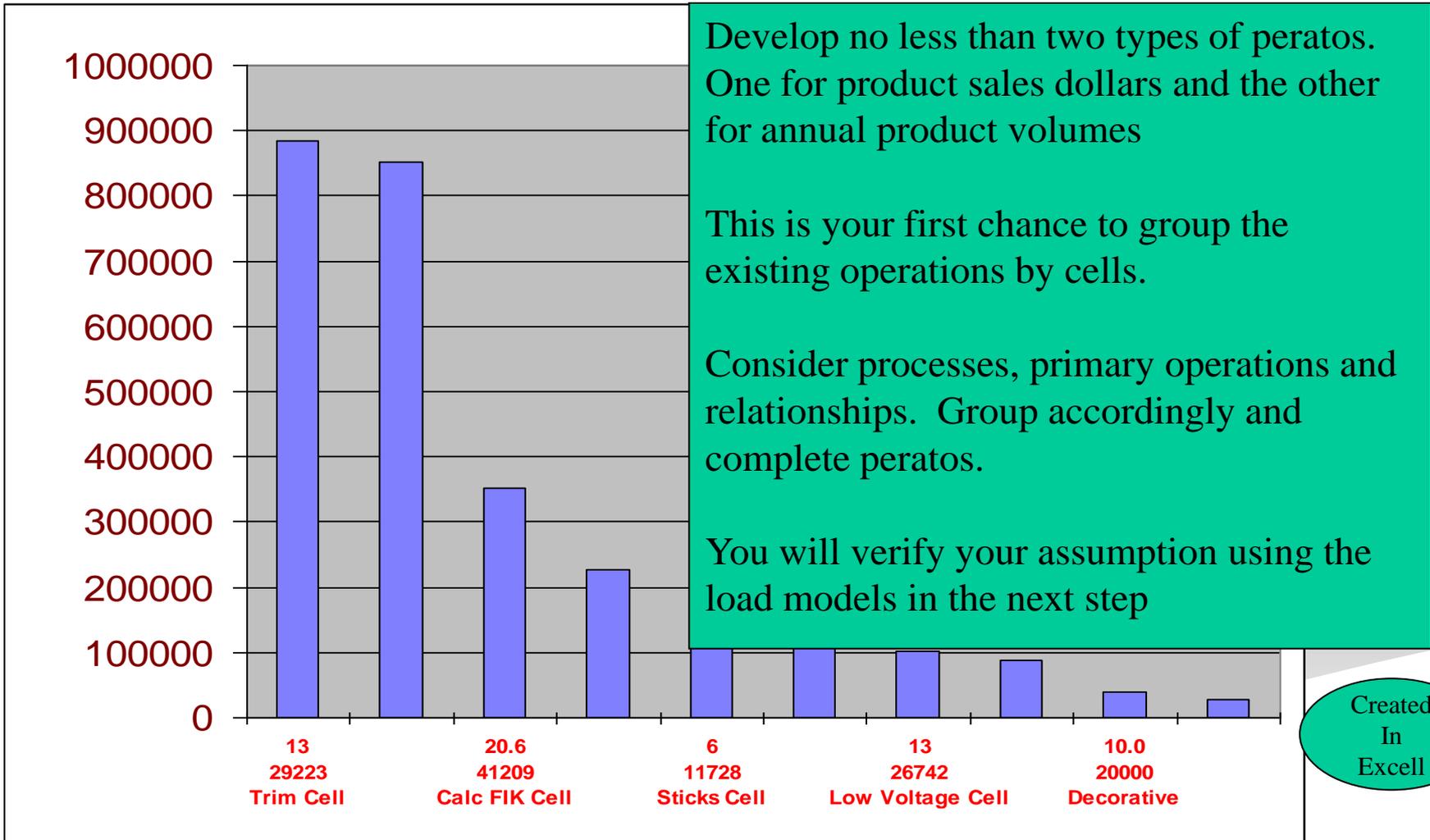
"B" Moves in Ft. per Day
 21 to 29 = 4,200
 23 to 29 = 9,214
 20 to 29 = 10,530
 19 to 29 = 13,104
 18 to 29 = 12,350
 21 to 15 = 12,597
 23 to 15 = 7,644
 19 to 15 = 5,160

 Total = 74,799

24 to 29 = 4,329
 24 to 22 = 585
 27 to 22 = 2,100
 27 to 18 = 4,887
 22 to 17 = 3,910
 22 to 19 = 2,784
 22 to 18 = 3,952
 20 to 15 = 1,752
 15 to 16 = 1,560
 15 to 2 = 5,936
 11 to 2 = 2,322
 2 to 1 = 810
 1 to 3 = 1,710

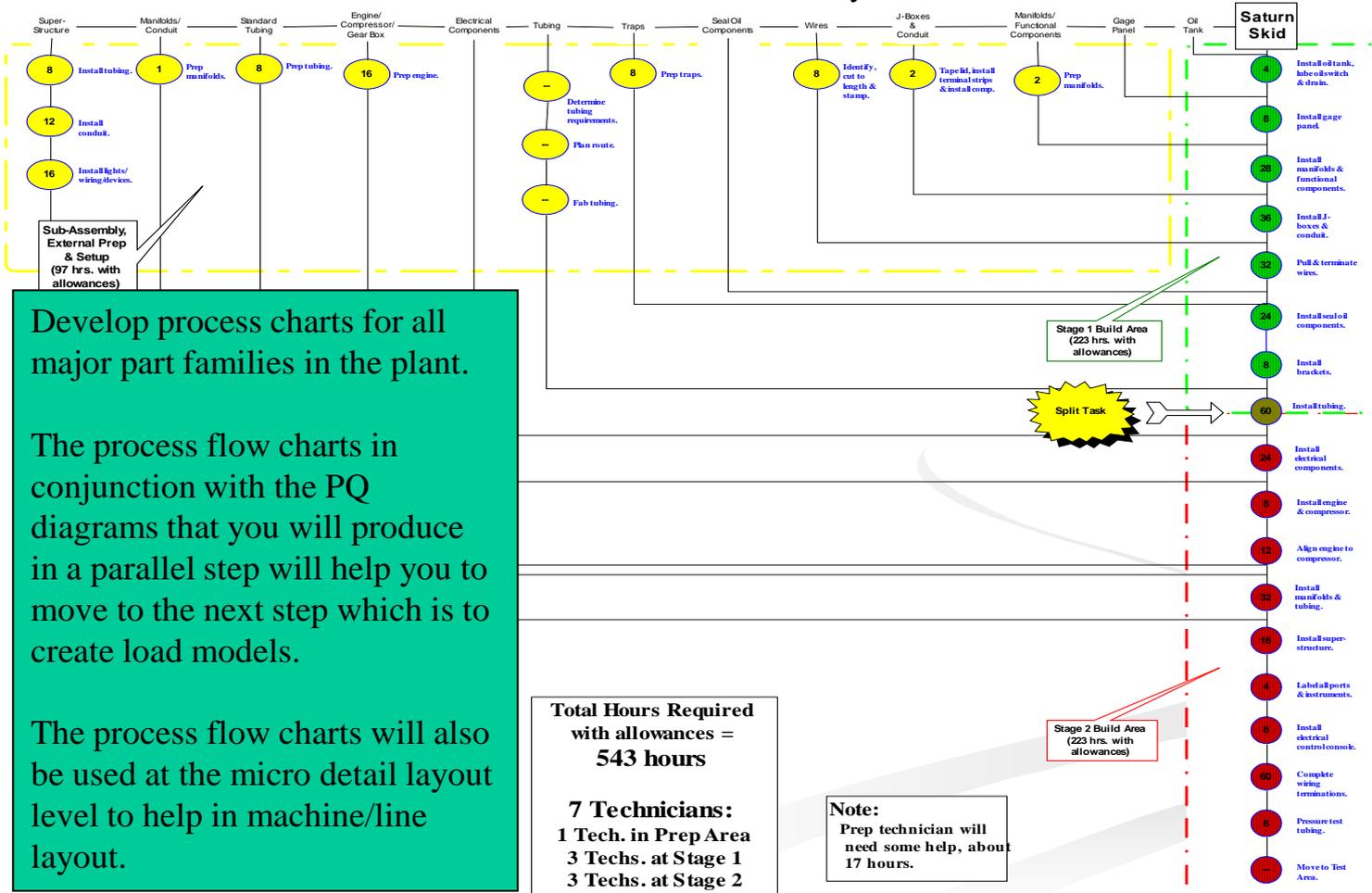
Created
 In
 Visio

Step #15: Create Customer Sales Peratos



Step #16: Create Process Flow Charts

Saturn Cell Process Flow Analysis



Develop process charts for all major part families in the plant.

The process flow charts in conjunction with the PQ diagrams that you will produce in a parallel step will help you to move to the next step which is to create load models.

The process flow charts will also be used at the micro detail layout level to help in machine/line layout.

Total Hours Required with allowances = 543 hours

7 Technicians:
1 Tech. in Prep Area
3 Techs. at Stage 1
3 Techs. at Stage 2

Note:
Prep technician will need some help, about 17 hours.

Created In Visio

Step #17: Create Load Models

The purpose of the load models are to develop machine and manpower requirements of the conceptual cells. Load models must be developed for each conceptual fabrication cells.



		Current	Plan													
Total # Of Hours Worked Per Year		1,763	1,763													
Labor Productivity		85%	100%													
Sales Growth for 1998			30%													
Part #	Part Description	Per Year	Avg # Of Lots Per Year	Lot Size	Weld Wings & Ovals			Assemble & Tack Weld			Finish Weld			Paint		
					Setup	Run	Total	Setup	Run	Total	Setup	Run	Total	Setup	Run	Total
206214 (7-)		29	12	2.42		0.324	9.4		0.470	13.6		0.655	19.0		0.119	3.5
206199 (7-)		173	50	7.46		0.285	106.3		0.425	158.5		0.492	183.5		0.106	39.5
206203 (8-)		1043	50	20.86		0.410	427.6		0.561	585.1		0.851	887.6		0.119	124.1
206207 (8-)		1623	50	52.46		0.307	805.3		0.468	1,227.6		0.498	1,306.3		0.113	296.4
206218 (10-L)	14 X 38 CR WING H 25	1805	50	36.10		0.440	794.2		0.620	1,119.1		0.706	1,490.9		0.136	245.5
206217 (10-S)	14 X 32 CR WING H 25	2254	50	45.28		0.400	905.6		0.557	1,261.0		0.706	1,428.6		0.122	276.2
206528 (12-L)	24 X 44 CR WING H 40	79							0.716	56.6			84.5		0.160	12.6
206448 (12-S)	24 X 32 CR WING H 30	23							0.647	14.9		0.647	19.9		0.137	3.2
SP 07-L	WING SPECIAL 07-L	25							0.470	11.8		0.655	16.4		0.119	3.0
SP 07-S	WING SPECIAL 07-S	139							0.425	59.1		0.492	74.4		0.106	14.7
SP 08-L	WING SPECIAL 08-L	67							0.561	37.6		0.851	46.4		0.119	8.0
SP 08-S	WING SPECIAL 08-S	106							0.468	49.6		0.498	64.4		0.113	12.0
SP 08-X	WING SPECIAL 08-X	32							0.561	18.0		0.851	22.0		0.119	3.8
SP 10-L	WING SPECIAL 10-L	258	50	5.16		0.440	113.5		0.620	160.0						
SP 10-S	WING SPECIAL 10-S	269	50	5.38		0.400	107.6		0.557	149.8						
SP 10-X	WING SPECIAL 10-X			5.75		0.440	30.4		0.620	42.8						
SP 12-L	WING SPECIAL 12-L			4.42		0.528	28.0		0.716	37.9						
SP 12-S	WING SPECIAL 12-S			5.00		0.476	28.6		0.647	38.8						
SP 12-X	WING SPECIAL 12-X			1.33		0.528	8.4		0.716	11.5						
SP 16-L	WING SPECIAL 16-L			6.00		0.720	4.3		1.009	6.1						
SP 16-S	WING SPECIAL 16-S			6.50		0.630	8.2		0.965	12.5						
SP 16-X	WING SPECIAL 16-X			1.00		0.720	0.7		1.009	1.0		1.486	1.5		0.160	0.2
SP MD 07-L	WING MINE DUTY 07-L			3.00		0.713	8.6		1.034	12.4		1.441	17.3		0.119	1.4
SP MD 07-S	WING MINE DUTY 07-S	1	1	1.00		0.627	0.6		0.935	0.9		1.082	1.1		0.106	0.1
SP MD 08-L	WING MINE DUTY 08-L	15	4	3.75		0.902	13.5		1.234	18.5		1.872	28.1		0.119	1.8
SP MD 08-S	WING MINE DUTY 08-S	26	12	2.17		0.675	17.6		1.030	26.8		1.096	28.5		0.113	2.9
SP MD 08-X	WING MINE DUTY 08-X	3	1	3.00								1.872	5.6		0.119	0.4
SP MD 10-L	WING MINE DUTY 10-L	257	50	5.14								1.817	467.0		0.136	35.0
SP MD 10-S	WING MINE DUTY 10-S	192	50	3.84								1.388	266.5		0.122	23.4
SP MD 10-X	WING MINE DUTY 10-X	19	12	1.58								1.817	34.5		0.136	2.6
SP MD 12-L	WING MINE DUTY 12-L	105	50	2.10								2.352	246.9		0.160	16.8
SP MD 12-S	WING MINE DUTY 12-S	19	12	1.58								1.905	36.2		0.137	2.6
SP MD 12-X	WING MINE DUTY 12-X	3	1									2.352	7.1		0.160	0.5
SP MD 16-L	WING MINE DUTY 16-L	7	2	3.50								3.269	22.9		0.160	1.1
SP MD 16-S	WING MINE DUTY 16-S	2	1	2.00		1.386	2.8		2.123			2.754	5.5		0.137	0.3
Current					4,189.9			5,963.8			7,401.5					
Machines Required/Day					2.4			3.4			4.2					
Manpower Required/Day (12.5 Total)					2.7			4.0			4.9					
Plan					5,446.9			7,753.0			9,622.0					
Machines Required/Day					3.1			4.4			5.5			0.9		
Manpower Required/Day (13.9 Total)					3.1			4.4			5.5			0.9		

MAKE SURE YOU REVIEW AND GET CONSENSUS !!: C

Note variable data is listed at the top of the model and used for calculating and completing what if scenarios

Quantities must reflect total annual volumes for the representative part group

Use representative part numbers for the model if there are a lot of parts running through the cell with similar routings

Set up model by process steps for particular part families including down

Machine and man power requirements will sum for each process step.

Created In Excell

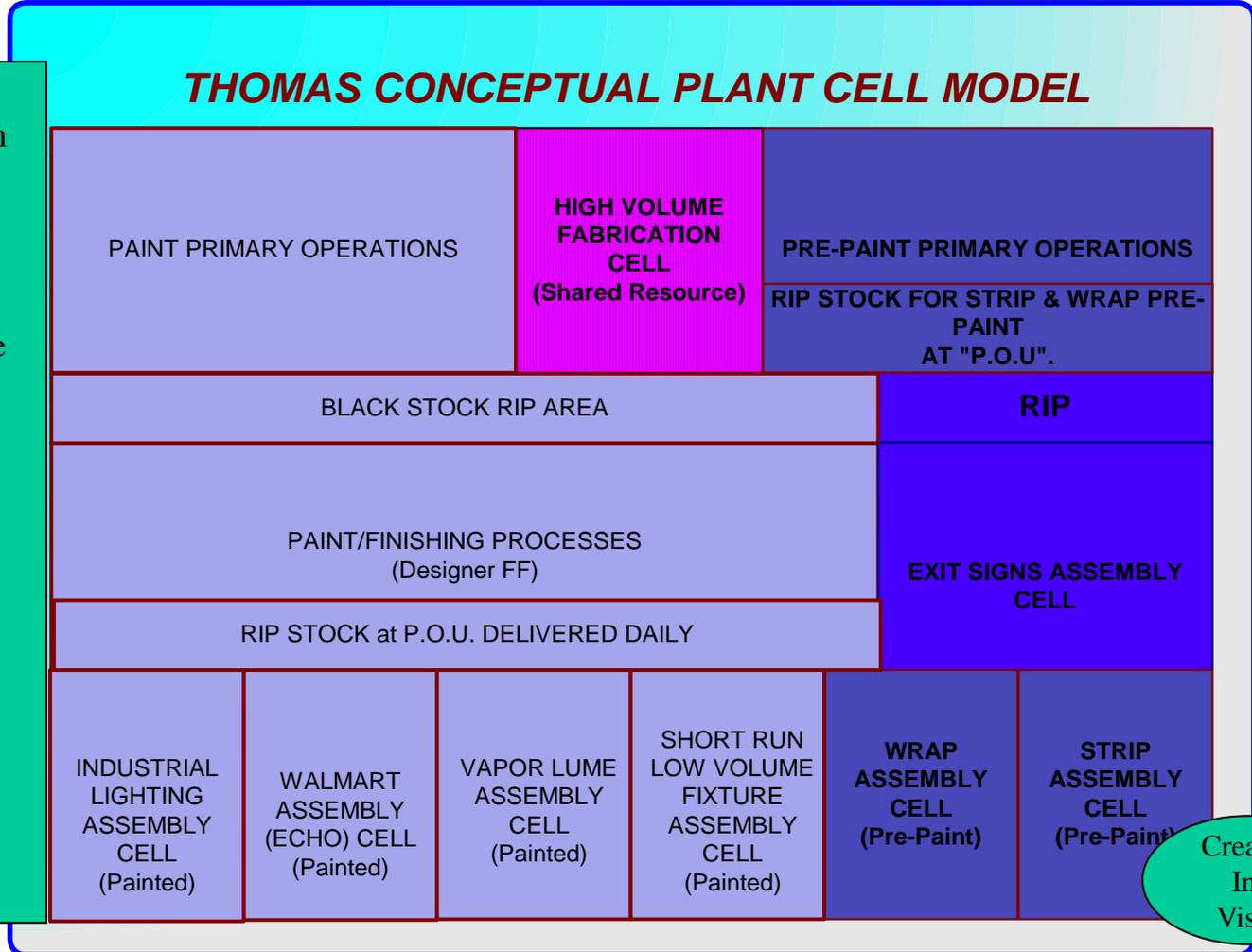
Step #18: Designate Preliminary Cells and Activity Areas

The conceptual model is the first graphical representation of the new plant when it is complete.

It is imperative that you get consensus at this time on the conceptual model/thinking.

Load models and space requirements for assembly areas and shared resources will be developed from this model and modified later if required.

You can use color to help you show focused factory/cell boundaries



P.Q.R.S.T. Data Continued

(Steps 19-21)

- At this point in the project you will have everything you need to begin sizing the plant and completing the consolidation of the activity areas.

Combined Data From
PQRST and Project
Preparation

Step #19
Document Final Cells
& Activity Areas

Step #20
Determined Future Space
Requirements

Step # 21
Create Activity Relationship
Diagrams (Cellular)



Step #19: Document Final Cells & Activity Areas

Activity #	Activity Description	Current SQ_FT	Get Well SQ_FT	Total SQ_FT	Block Size		Remarks
					Length	Width	
1	Receiving	6,000	0	6,000	116	52	
2	Raw Stock Stores	1,452	0	1,452	57	25	
3	Fab Shop/Finishing/Paint	16,542	0	16,542	193	86	
4a	WIP/RIP Stores (Fab Comp.)	5,600	-2,600	3,000	82	37	
4b	WIP/RIP Stores (Fabrication)	8,400	0	8,400	82	37	
4c	WIP/RIP Stores (Assembly)	1,044	0	1,044	48	21	
4d	WIP/RIP Stores (Storage)	720	0	720	40	18	
4e	WIP/RIP Stores (Material)	2,500	-688	2,500	75	33	
4f	WIP/RIP Stores (Scrap)	2,500	-688	2,500	75	33	
4g	WIP/RIP Stores (Other)	2,500	300	2,500	75	33	
4h	WIP/RIP Stores (Total)	2,000	-1,015	2,000	67	30	
4i	WIP/RIP Stores (Final)	2,000	450	2,000	67	30	
4j	WIP/RIP Stores (Total)	3,000	-720	3,000	82	37	
13	RGA Cell	3,698	0	3,698	91	41	
14	Finished Goods Staging	2,664	0	2,664	77	34	
15	Finished Goods			0	0		Not applicable to Layout Project
16	Shipping			0	0		Not applicable to Layout Project
17	Main Offices	7,400	0	7,400	129	57	
18	Production Offices	1,620	0	1,620	60	27	
19	Production Offices		0	1,650	61	27	
20	Production Offices		-1,741	2,000	67	30	
21	Production Offices		1,650	1,650	61	27	
22	Production Offices		0	3,000	82	37	
Total Square Feet Required		80,391	-5,051	75,340			

- Adjustments to space come from analysis of load models and TAKT sheets
- Create engineering layouts (using machine templates) of cells and functional areas based from load model requirements
- Create TAKT sheets to determine work station requirements

- Use rectangular shapes to begin. When you create the block layouts the shapes may change because of the location in the building

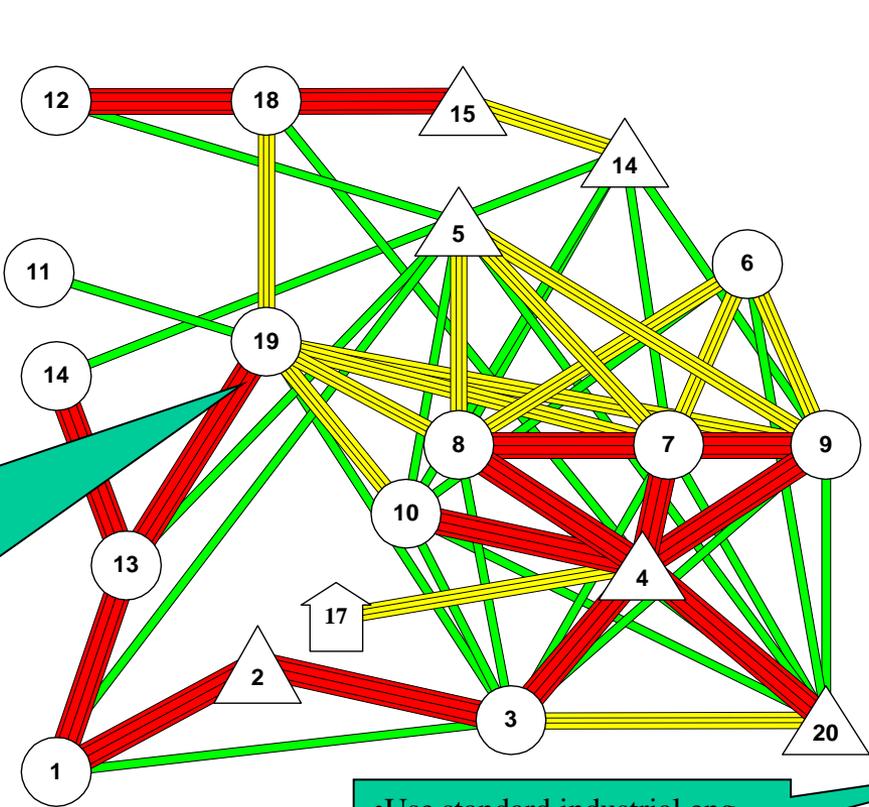
- Note that all of the activity areas are listed from the consolidated activity list

Step #21: Create Activity Relationship Diagram

- This diagram is a visual representation of your block layouts
- Look for flow between areas
- Try to set up the diagram so that you can clearly see relationships and begin to see material flow
- Make sure this diagram is available for reference when you create the block layouts

- Lines and activity area templates are in a Visio template file called "TCATemplates.VSS"
- Transfer file to the Visio Extras folder and open as a template

DFT RELATIONSHIP DIAGRAM



- 1) Receiving
- 2) Raw Stock Stores
- 3) Fab Shop, Finishing / Paint
- 4) WIP / RIP Stores
- 5) Hardware Stores
- 6) Wire Prep
- 7) Cell "A"
- 8) Cell "B"
- 9) Cell "C"
- 10) Assembly / Pack Cell
- 11) Re-Label / Re-Label Cell
- 12) Pre-Label
- 13) RGA
- 14) Finish Staging
- 15)
- 16)
- 17)
- 18)
- 19)
- 20)

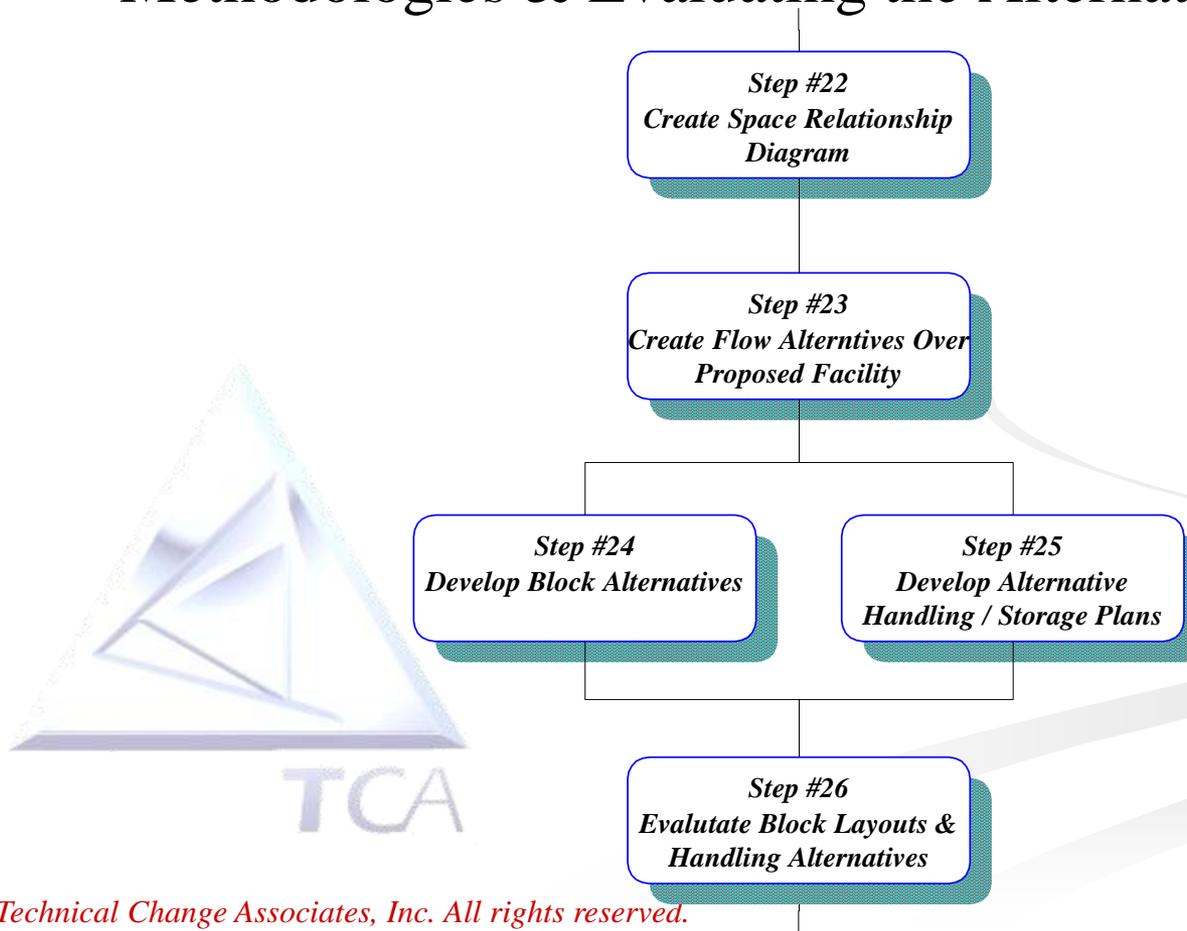
- Note the cell additions. In most cases the cell additions take the activity number of a functional area. Occasionally you will need to assign a new number

- = Operations
- = Inspections
- △ = Storage
- ◻ = Transport
- ⌂ = Support

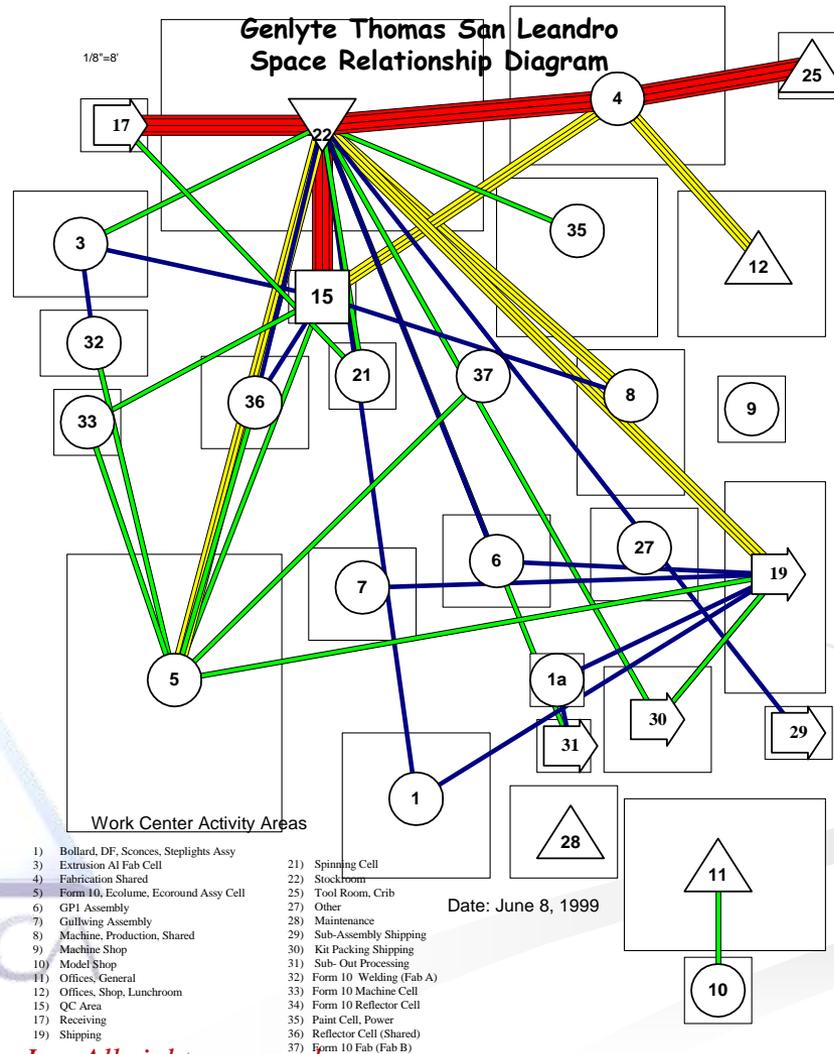
- Use standard industrial eng. Symbols for activity areas

Steps #22 - #26

- Creating Block Layout Alternatives and Material Handling Methodologies & Evaluating the Alternatives



Step 22: Create Space Relationship Diagram



Step 23: Create Flow Alternatives Over Proposed facility

Block Layout Alternative #3 Material Flow Diagram

The major material flows in any plant will dictate the position of the activity areas. The number of flow alternatives will vary due to building or sight restrictions. In most cases you will need to create no less than 3 alternatives and you may create as many as 5 or 6. You will more than likely throw out some of the alternatives out if you create more than 4 because they become redundant.

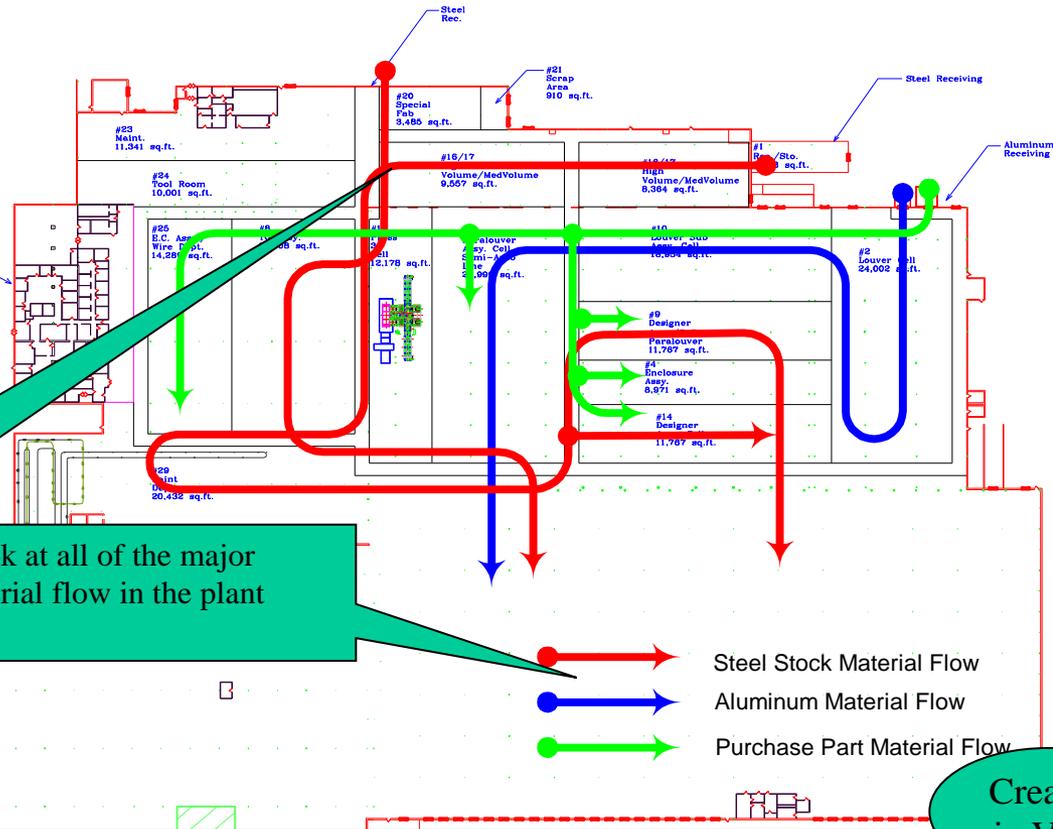
Use hand sketched drawings to create block layouts and then finalize with visio drawings

- Look at all of the major material flows in the plant
- Sometimes trash or scrap removal paths a very important
- Flow lines should be 17pt wide with 1/2 inch radius.

• Look at all of the major material flow in the plant

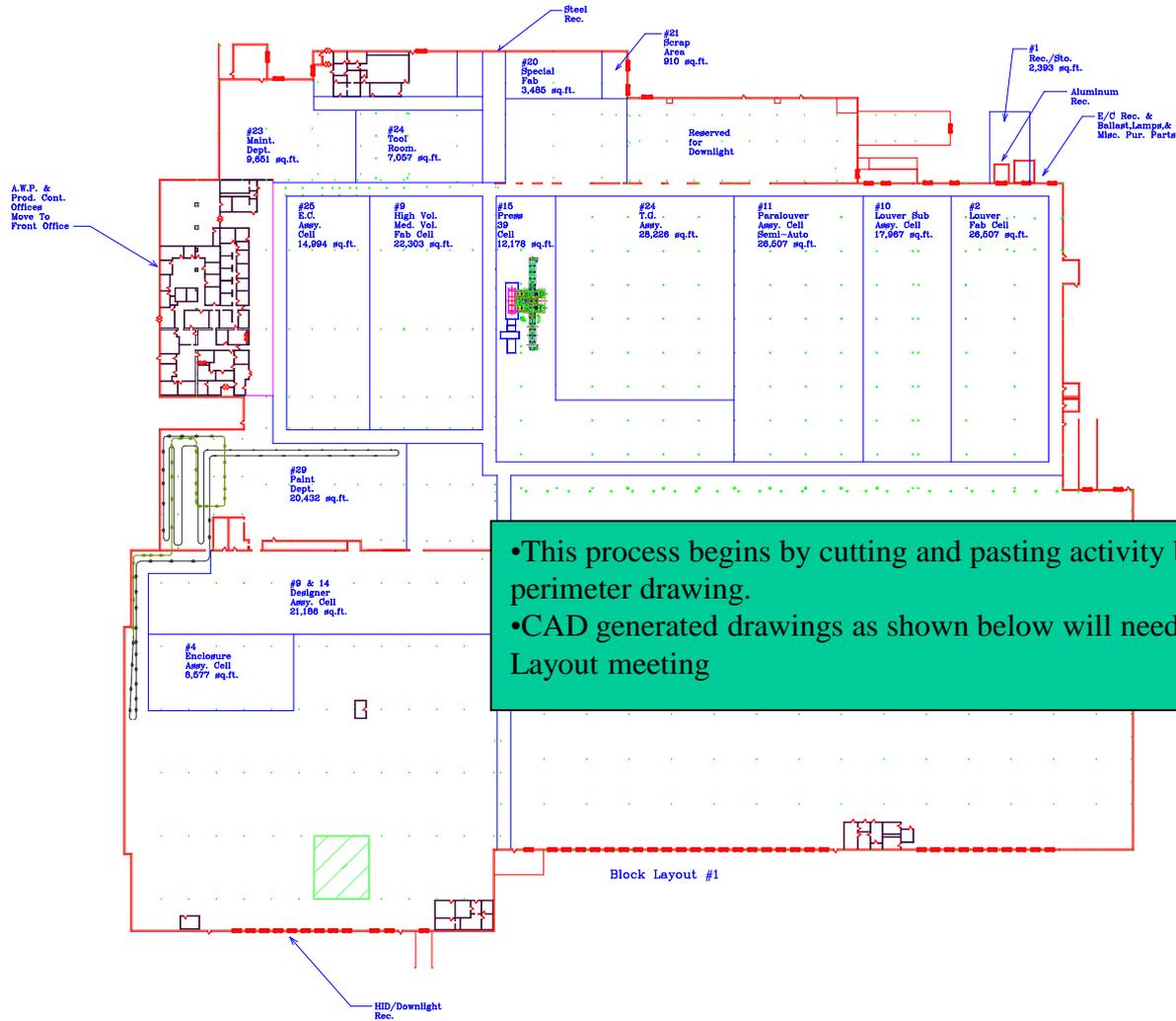
• Import each block layout that is going to be evaluated into Visio

- Remember to have the relationship diagrams, space relationship diagram, and flow diagrams available to create the block layouts.
- Make sure you include the client in this process and the block layouts to follow



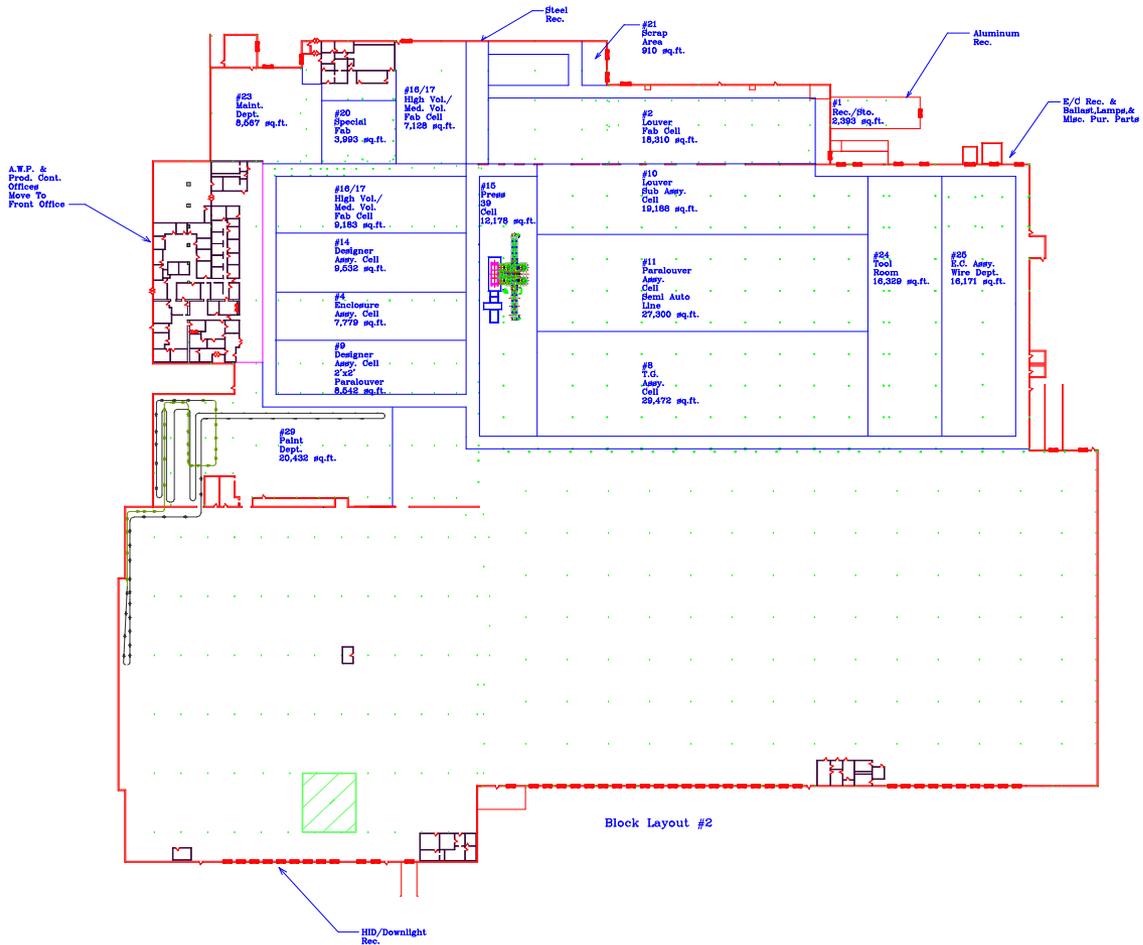
Created in Visio

Step #24: Develop Block Alternatives



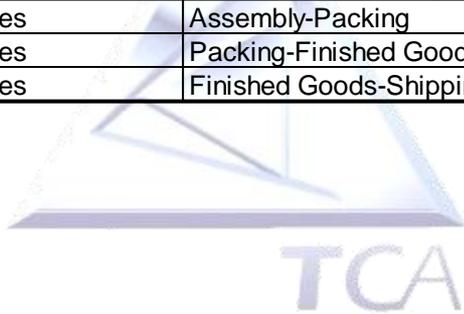
- This process begins by cutting and pasting activity block onto a building perimeter drawing.
- CAD generated drawings as shown below will need to be prepared for the Layout meeting

Step #24: Develop Block Alternatives



Step #25: Develop Alternative Handling /Storage Plans

Material Class	From-To	Unit/Container	Method	Remarks
Castings	Receiving-Repack	Pallet	Forklift	Repackaging to standard containers
Castings	Repack-Stores	Caster Basket	Tow Motor Transport	Casters on all baskets for easier handling
Castings	Stores-Fab/Mach	Caster Basket	Tow Motor Transport	Not Required To Count Out Work Order Quantity
Castings	Fab/Mach-Stores	Caster Basket	Tow Motor Transport	Put Back Caster Basket After Raw is Pulled
Castings	Fab/Mach-Paint	JIT Cart	Tow Motor Transport	
Castings	Paint-Assembly	JIT Cart	Tow Motor Transport	
Sheet/Extrusions	Receiving-Stores	Pallet	Forklift	
Sheet/Extrusions	Stores-Fab/Mach	Cart/Pallet	Tow Motor Transport	
Sheet/Extrusions	Fab/Mach-Paint	JIT Cart	Tow Motor Transport	
Sheet/Extrusions	Paint-Assembly	JIT Cart	Tow Motor Transport	
Common Purch Parts	Receiving-Stores	Pallet/Boxes	Tow Motor Transport	
Common Purch Parts	Stores-Assembly	JIT Cart	Tow Motor Transport	
Assy Specific Parts	Receiving-Repack	Pallet/Boxes	Forklift	Repackaging to standard containers
Assy Specific Parts	Repack-Assembly	Bins/Box	Manual/Forklift	Parts will be transferred and stored at point of use
Free Stock	Receiving-Bread Man	Box	Manual/Forklift	
Free Stock	Bread Man-Assembly	Carts/Bins	Tow Motor Transport	
Assemblies	Assembly-Packing	Assembly/Box	Conveyor	
Assemblies	Packing-Finished Goods	Pallet	Forklift	
Assemblies	Finished Goods-Shipping	Pallet	Forklift	



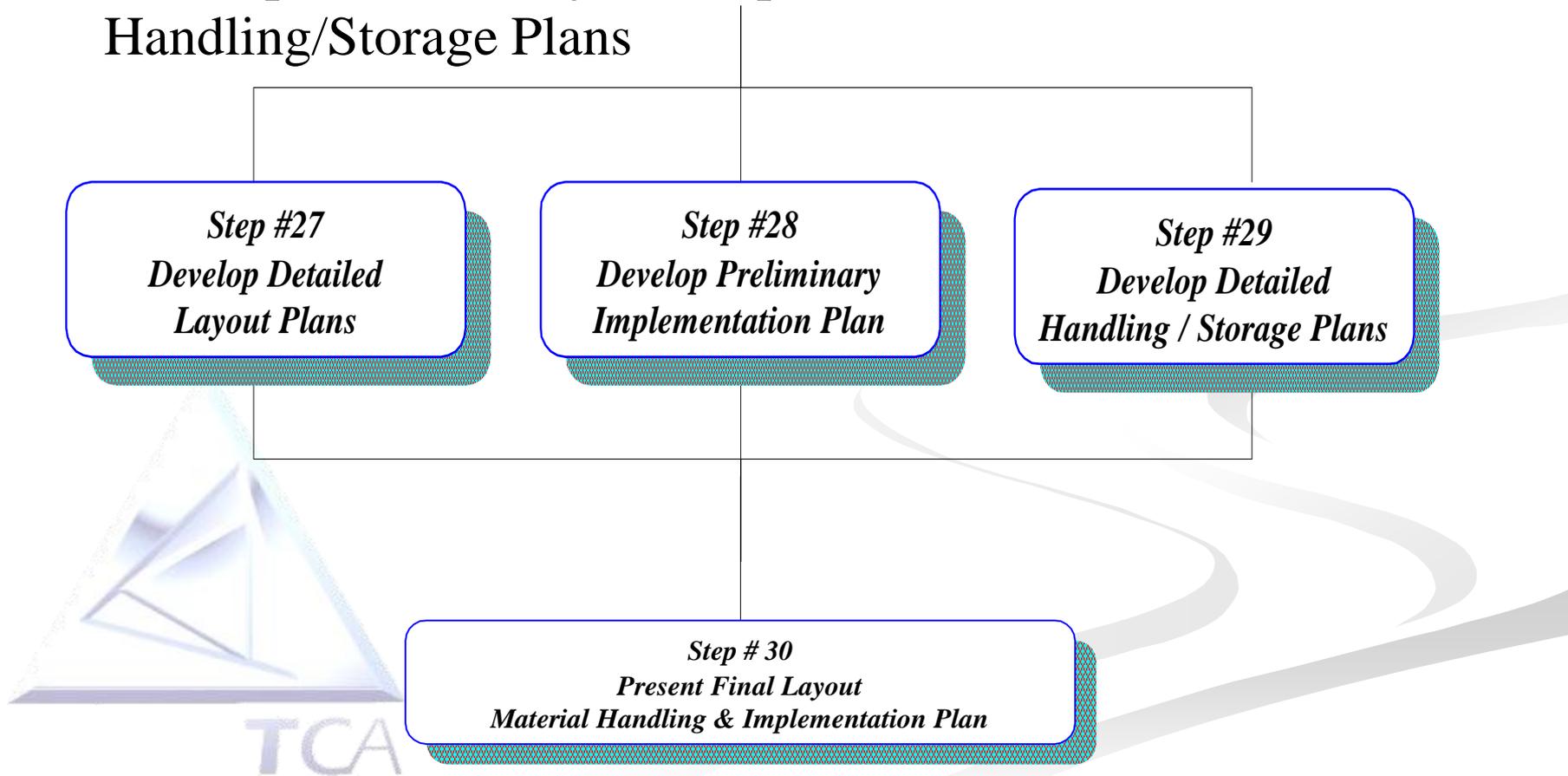
Step #26: Evaluate Block Layouts & Handling Alternatives

EVALUATING ALTERNATIVES								
Plan/Area <u>Hadco</u>		Project <u>Littlestown</u>		Date _____				
Description Of Alternatives:		#1 _____						
#2 _____		#3 _____						
#4 _____		#5 _____						
Weight Set By: _____		Ratings By: _____		Tally By: _____				
	FACTOR/CONSIDERATION	WT.	#1	#2	#3	#4	#5	COMMENTS
1	Ease Of Future Expansion	7	I 14	I 14	E 21	0	0	
2	Flexibility Of Layout	8	E 24	I 16	I 16	0	0	
3	Flow Of Materials	10	O 10	O 10	A 40	0	0	
4	Storage Effectiveness	5	U 0	I 10	I 10	0	0	
5	Space Utilization	5	O 5	E 15	I 10	0	0	
6	Ease Of Supervision & Control	6	I 12	I 12	E 18	0	0	
7	Minimum Congestion	7	O 7	O 7	I 14	0	0	
8	Safety & Housekeeping	9	O 9	O 9	I 18	0	0	
9	Environmental Control	7	U 0	E 21	E 21	0	0	
10	Appearance / Promotional Value	7	O 7	O 7	A 28	0	0	
11	Brick & Mortar Expansion	5	I 10	I 10	I 10	0	0	
12			0	0	0	0	0	
13			0	0	0	0	0	
14			0	0	0	0	0	
15			0	0	0	0	0	
			98	117	206	0	0	



Steps #27 - 30

- Develop Detailed Layout, Implementation Plan and Handling/Storage Plans





INDIFFERENCE

It Takes 43 Muscles to Frown and 17 to Smile, But it Doesn't take Any to Just Sit There with a Dumb Look on Your Face.

Questions

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