

## From the GBMP Lean Case Study Library (CS No. 45b)

## 110 Years Young: How Admiral Packaging Continues to Adopt New Ways of Thinking and Working to Stay Competitive

With 110 years of history and four generations of family members manning the helm, Admiral Packaging is a privately held, Providence-based company that demonstrates that transformation can truly help an old dog learn new tricks.

Begun as the Union Paper Company in 1898 by Moses Frank, the company has steadily grown from simple paper products to conversion of plastics into packaging by the mid-1950s. Now, a wide variety of offerings emanate from the 220,000-square-foot, seven-building company in Rhode Island.

"When I joined Admiral in 1985, the market was not nearly as sophisticated as today, but the packaging industry was going through a tremendous change at that time--from cut and paste art to all digital. It was a rapid transformation and we have continued to see change. As an organization we have to respond accordingly in order to remain competitive," said current Admiral President, Harley Frank.

In order to stay ahead of the competition and eliminate non-value-added activities, Harley has recently implemented lean manufacturing techniques at the 75-employee plant. Admiral received a Comprehensive Worker Training Grant from Rhode Island's Workforce Board and partnered with Bruce McGill, a Continuous Improvement Manager from the Greater Boston Manufacturing Partnership, for lean training and hands-on support during their lean implementation.

One result of the lean transformation so far has been the dramatic reduction in job set up times in this machine-intensive organization; the company has reduced set up times by 42 percent! Reducing time spent on set up allows Admiral to be more flexible, turn orders around quicker, and frees up valuable machine time.

The company has also invested in some new technology, recently purchasing a \$10 million Miraflex flexographic press that will help them turn around jobs even more quickly. "Our customers don't want to hold a lot of inventory these days because that costs money so that requires us to turn jobs around that much faster, and that's why there's a need for new equipment, "said CFO John Wilbur. Advances in equipment technology have significantly improved output capability at Admiral. For example, lamination machines went from being able to produce 300 feet a minute to more than 1,600 feet per minute. "What used to take us four hours to print now just takes us about an hour and ten minutes using our new equipment," Harley added. When asked to explain the secret to the company's longevity, Harley said it was based solely on the company's focus on customer care and paying more attention to its associates.

"Customer service is second to none here and we will get back to you with quotes in less than 24 hours where in some companies it could take weeks," said Harley. "And lean manufacturing has been priority number one in eliminating anything the customer is not willing to pay for, or, in other words, the things that are wasteful in our business. Everything we do, we want it done right the first time." This kind of thinking not only helps customers but also serves to reduce costs and allows Admiral to do more with the same or less resources.

Employees at Admiral are all treated like family members, and an unheard of 10 percent of the hours they work is devoted to training and implementing improvements. This is how Admiral Packaging makes associates more valuable and the company more efficient; a win-win for all involved. "The leadership team at Admiral really 'gets it' when it comes to understanding that people need to be given time to learn and practice lean, "according to GBMP Continuous Improvement Manager Bruce McGill. "The time they set aside for employee lean training and practice demonstrates how important associates are to long term success and represents Admiral's investment in lean as a competitive business strategy."

"It is truly the people we have here that have taken us a long way toward serving the customer better," said Harley.

"Many of our competitors have been swallowed up by bigger companies, said Admiral Packaging's current Chairman, Bud Frank. "Admiral Packaging is the largest of the independently owned companies and I think why we are still here is due to our flexibility and the great products and service our associates deliver to our customers."

For more information on Admiral Packaging please visit theirwebsite www.admiralpkg.com For more information on GBMP please visit www.gbmp.org

