

Minutes – Lean Production

Washington Hilton,
Washington, D.C.

Sunday, June 12, 2005
9:30pm – 12:30am Eastern Time

Rick Boyd, Clayton Homes, **Project Chair**

Ed Bryant, Champion Entreprises
John Carricarte, Patriot Homes
Randy Cosby, R-Anell Housing
Jordan Dentz, MHRA
Mark Ezzo, Clayton Homes
Bert Kessler, Palm Harbor Homes

Emanuel Levy, MHRA
Michael Mullens, University of
Central Florida
Alan Sheaffer, Fleetwood
Enterprises

Meeting Minutes

The purpose of this meeting was to review initial results of the lean production benchmarking survey.

I. Background

Levy reviewed the project status; reviewed the purpose of the benchmarking effort; and the participating levels achieved. He explained that this is an initial look at the data and is very preliminary. Issues for the Committee to consider include where to dig deeper in the data, how to analyze it, and how to report information back to participating plants.

Mullens gave an overview of the elements and characteristics of lean.

II. Discussion about data

Mullens reviewed the preliminary data analysis. Committee comments follow:

- There was discussion about the data presentation format. In general, the format should be improved to minimize confusion.
- Make language in the report specific to factory built homes.
- The general industry data will be interesting to industry policymakers even if it is not germane to lean.
- Much of the data presentation needs to be more specific to permit deeper investigation.
- The data presentation should not be construed as a comparison between HUD and modular home operations, however for the time being and to reduce the

number of figures, HUD and modular data will be shown side by side on the same graphs.

- Regional segmentation of data using MHI geographical breakdown is important.

III. Phase 2

The Committee discussed the plans for Phase 2 of the research, which will be a “train the trainer” approach. A number of plants will be identified to participate by sending a lean champion to a MHRA training course in lean techniques and then implementing lean processes based on research conducted by the lean champion and rapid process improvement events conducted in the plant. The most important requirement for a participating plant will be to commit the time of a mid-level manager as the plant’s lean champion.

Quick successes in participating plants will be critical to maintain support for the initiative. The project will be structured to help participating plants work on improvements that have immediate and measurable benefits. It was suggested that MHRA provide a briefing to plant general managers in advance of finalizing plant selection.

IV. Next steps

Following is a rough outline of the remainder of the project schedule. Precise dates will be determined.

- June: MHRA will post to the Committee website a cleaned-up version of the existing data slides. This will not include interpretation of the data.
- July: The Committee will provide input to MHRA on what key metrics and comparisons should be analyzed.
- August: MHRA will complete a first draft of an initial analysis of meaningful relationships derived from the data that relate to plant performance.
- September: The committee will meet (via conference call or in person at the MHI annual meeting in Orlando) to discuss this draft.
- December: Final report and plant reports completed.