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Farmington Manufacturer's Growth Doubles With NM MEP's Help — and 'Poka-Yoke'

By Damon Scott for Finance New Mexico

It was a strategy Farmington business owner Tom Gibbons didn't see coming. Let alone one that would help position him to achieve big results for San Juan Closet Works, his custom closet manufacturing company that specializes in storage and organization solutions for residential and business clients.

The New Mexico Manufacturing Extension Partnership (NM MEP) used a little Japanese-inspired ingenuity, "pokayoke," to help Gibbons not only grow



Tom Gibbons in his shop

business, but focus on his next goal. "I have a plan to retire in two years," Gibbons said. "I've reached the ceiling for how much work I can do with two people."

Before his relationship with NM MEP came together, Gibbons was both sole owner and sole employee of San Juan Closet Works, which he started in 2011. While he was able to keep his head above water, it was NM MEP and the Small Business Development Center at San Juan College's Enterprise Center that positioned him to hire a new employee about three years ago and implement some poka-yoke practices, too.

Simply put, poka-yoke is a Japanese term that means "mistake-proofing" or "inadvertent error prevention." Shigeo Shingo, who was considered a leading expert on manufacturing practices at Toyota Corp., coined the term. More specifically, it means "any mechanism in a lean manufacturing process that helps an equipment operator avoid mistakes."

The nature of Gibbons' business fit right in with the concept. Gibbons works one-on-one with customers to develop creative customized solutions for organizational needs — think not only closets, but home offices, pantries, garages, laundry rooms, Murphy Wall-Beds and more. With the help of NM MEP's innovation director Denise Williams, implementing poka-yoke increased the amount of time Gibbons had available for that critical one-on-one process.

"Poka-yoke has helped me an awful lot in terms of organizing the business and pushing me to focus on the administrative element," said Gibbons.

NM MEP helped Gibbons develop a system of forms for every aspect of the operation.

"They have a library of services that I've taken advantage of to take the business to the efficiency I wanted and to streamline production in the shop," he said.

Pursuing efficiency through avoiding mistakes (poka-yoke) has also positioned him to move toward his ultimate goal of selling the business.

"I started San Juan Closet Works later in life," said Gibbons, a former geologist who turns 64 in September. "I now have someone interested in eventually taking over the business."

He said it was an NM MEP roadmap that led to more sales and equipment, streamlining operations and the exit strategy.

Other benefits of his partnership with NM MEP include expansion to a larger shop, development of systems and detailed job checklists, leveraging of QuickBooks capabilities, shop floor organization, and an inventory tracking system.

The series of improvements have helped the manufacturer double growth in four years.

Building on that growth, the company recently acquired a trailer to facilitate an easier and more efficient build and install process, and it increased its visibility with a new logo and website. Gibbons calls the entire process a success.

NM MEP is a nonprofit organization that helps businesses throughout the state increase profitability and competitiveness. To reach an NM MEP consultant, visit <u>newmexicomep.org</u>. Visit San Juan Closet Works at <u>http://www.sanjuanclosetworks.com/</u>.

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